

CHAPTER 1245
STATE GOVERNMENT REORGANIZATION
S.F. 2175

AN ACT relating to the organization and structure of state government, including the areas of education, personnel, management, natural resources, agriculture, cultural affairs, public services, corrections, public defense, public safety, general services, commerce, audits and appeals, economic development, labor, and transportation; altering the duties and powers of certain executive branch agencies and positions; establishing, altering, and repealing agencies in the legislative and judicial branches; making specified coordinating amendments to the Code; subjecting certain violators to certain penalties; abolishing and creating certain state agencies and repealing and modifying provisions of law relating to such agencies; and providing transition principles, directions, and procedures related to state government organization and structure.

Be It Enacted by the General Assembly of the State of Iowa:

INTRODUCTORY PROVISIONS
CHAPTER 7E
EXECUTIVE ORGANIZATION

Section 1. **NEW SECTION. 7E.1 POLICY — PURPOSES.**

1. **DECLARATION OF POLICY: THREE BRANCHES OF GOVERNMENT.** The separation of powers within state government among the legislative, the executive, and the judicial branches of the government is a traditional American concept. The legislative branch has the broad objective of determining policies and programs and review of program performance for programs previously authorized, the executive branch carries out the programs and policies, and the judicial branch has the responsibility for adjudicating any conflicts which might arise from the interpretation or application of the laws.

2. **GOALS OF EXECUTIVE BRANCH ORGANIZATION.**

a. The governor, as the chief executive officer of the state, should be provided with the facilities and the authority to carry out the functions of the governor's office efficiently and effectively within the policy limits established by the legislature.

b. The administrative agencies which comprise the executive branch should be consolidated into a reasonable number of departments, consistent with executive capacity to administer effectively at all levels.

c. The executive branch shall be organized on a functional basis, so that programs can be coordinated.

d. Each agency in the executive branch should be assigned a name commensurate with the scope of its responsibilities, and should be integrated into one of the departments of the executive branch as closely as the goals of administrative integration and responsiveness to the legislature and citizenry permit.

3. **GOALS OF CONTINUING REORGANIZATION.** Structural reorganization should be a continuing process through careful executive and legislative appraisal of the placement of proposed new programs and the coordination of existing programs in response to changing emphasis or public needs, and should be consistent with the following goals:

a. The organization of state government should assure its responsiveness to popular control. It is the goal of reorganization to improve legislative policymaking capability and to improve the administrative capability of the executive to carry out the policies.

b. The organization of state government should facilitate communication between citizens and government. It is the goal of reorganization, through coordination of related programs in function-oriented departments, to improve public understanding of government programs and policies and to improve the relationships between citizens and administrative agencies.

c. The organization of state government should assure efficient and effective administration of the policies established by the legislature. It is the goal of reorganization to promote efficiency by improving the management and coordination of state services and by eliminating overlapping activities.

Sec. 2. NEW SECTION. 7E.2 OFFICES, DEPARTMENTS AND INDEPENDENT AGENCIES.

The constitutional and statutory offices, administrative departments, and independent agencies which comprise the executive branch of state government are structured as follows:

1. **SEPARATE CONSTITUTIONAL OFFICES.** The elective constitutional and statutory officers who do not head operating departments each head a staff to be termed the "office" of the respective elective officer, but the office of the governor shall be known as the "executive office".

2. **PRINCIPAL ADMINISTRATIVE UNITS.** The principal administrative unit of the executive branch is a "department" and there may be one or more "independent agencies".

3. **INTERNAL STRUCTURE.**

a. The director of each department, subject to applicable statute, approval by the governor, and the provisions of subsection 4 of this section, may establish the internal structure within the office of the director so as to best suit the purposes of the department.

b. For field operations, departments may establish district or area offices which may cut across divisional lines of responsibility.

c. For their internal structure, all departments shall adhere to the following standard terms unless otherwise specified by law, and independent agencies are encouraged to review their internal structure and to adhere as much as possible to the following standard terms:

(1) The principal subunit of the department is the "division". Each division shall be headed by an "administrator".

(2) The principal subunit of the division is the "bureau". Each bureau shall be headed by a "chief".

(3) If further subdivision is necessary, bureaus may be divided into subunits which shall be known as "sections" and which shall be headed by "supervisors" and sections may be divided into subunits which shall be known as "units" and which shall be headed by "unit managers".

4. **INTERNAL ORGANIZATION AND ALLOCATION OF FUNCTIONS.** Subject to applicable law, the head of each department or independent agency shall, subject to the approval of the governor, establish the internal organization of the department or independent agency and allocate and reallocate duties and functions not assigned by law to an officer or any subunit of the department or independent agency to promote economic and efficient administration and operation of the department or independent agency.

5. **ATTACHMENT FOR LIMITED PURPOSES.** Any commission, board, or other unit attached under this section to a department or independent agency, or a specified division of one, shall be a distinct unit of that department, independent agency, or specified division. Any commission, board, or other unit so attached shall exercise its powers, duties, and functions as may be prescribed by law, including rulemaking, licensing and regulation, and operational planning within the area of program responsibility of the commission, board, or other unit independently of the head of the department or independent agency, but budgeting, program coordination, and related management functions shall be performed under the direction and supervision of the head of the department or independent agency, unless otherwise provided by law.

Sec. 3. NEW SECTION. 7E.2A HEADS OF DEPARTMENTS AND INDEPENDENT AGENCIES — POWERS AND DUTIES.

Each head of a department or independent agency shall, except as otherwise provided by law:

1. **SUPERVISION.** Plan, direct, coordinate, and execute the functions vested in the department or independent agency.

2. **BUDGET.** Annually compile a comprehensive program budget which reflects all fiscal matters related to the operation of the department or independent agency and each program, subprogram, and activity in the department or agency.

3. **ADVISORY BODIES.** In addition to any councils specifically created by law, create by rule and appoint such councils or committees as the operation of the department or independent agency requires. Members of councils and committees created under this general authority shall serve without compensation, but may be reimbursed for their expenses.

4. **ANNUAL REPORT.** Unless otherwise provided by law, submit a report in November of each year to the governor and the legislature on the operation of the department or independent agency during the fiscal year concluded on the preceding June 30, and projecting the goals and objectives of the department or independent agency as developed in the program budget report for the fiscal year under way. Any department or independent agency may issue such additional reports on its findings and recommendations as its operations require.

Sec. 4. NEW SECTION. 7E.2B DEFINITIONS AND TERMINOLOGY FOR EXECUTIVE BRANCH ORGANIZATION.

In statutory references and administrative usage, the following terminology and definitions shall be used as guidelines for the terminology applicable to state governmental structure and organization to the extent practicable:

1. "Department" means a principal administrative agency within the executive branch of state government, but does not include independent agencies.

2. "Division", "bureau", "section", and "unit" mean the subunits of a department, whether specifically created by law or created by the head of the department for the more economic and efficient administration and operation of the programs assigned to the department.

3. "Independent agency" is an administrative unit which, because of its unique operations, does not fit into the general pattern of operating departments.

4. "Authority" means a body with independent power to issue and sell bonds.

5. "Head of the department" means the elective officer, director, or other official in charge of a department.

6. "Commission" means a policymaking body that has rulemaking powers.

7. a. "Board" means a policymaking body that has the power to hear contested cases.

b. A policymaking body that has powers for both rulemaking and hearing contested cases shall be termed a "board".

8. "Examining board" means a body which sets standards of professional competence and conduct for the profession or occupation under its supervision, which may prepare and grade the examinations of prospective new practitioners when authorized by law, which may issue licenses when authorized by law, which investigates complaints of alleged unprofessional conduct, and which performs other functions assigned to it by law.

9. "Council" means an advisory body appointed to function on a continuing basis for the study, and recommendation of solutions and policy alternatives, of the problems arising in a specified functional area of state government.

10. "Committee" means a part-time body appointed to study a specific problem and to recommend a solution or policy alternative with respect to that problem, and intended to terminate on the completion of its assignment.

Sec. 5. NEW SECTION. 7E.2C PRINCIPAL DEPARTMENTS AND PRIMARY RESPONSIBILITIES.

1. The principal central departments of the executive branch as established by law are listed in this section for central reference purposes as follows:

a. The department of management, created in section 8.4, which has primary responsibility for coordination of state policy planning, management of interagency programs, economic reports, and program development.

b. The department of personnel, created in section 19A.1, which has primary responsibility for personnel management.

c. The department of general services, created in section 18.2, which has primary responsibility for property and records management, risk management, purchasing, printing, and data processing.

d. The department of revenue and finance, created in section 421.2, which has primary responsibility for revenue collection and revenue law compliance, financial management and assistance, and the Iowa lottery.

e. The department of inspections and appeals, created in section 10A.102, which has primary responsibility for coordinating the conducting of various inspections, investigations, appeals, hearings, and audits.

f. The department of agriculture and land stewardship, created in section 159.2, which has primary responsibility for encouraging, promoting, and advancing the interests of agriculture and allied industries. The secretary of agriculture is the director of the department of agriculture and land stewardship.

g. The department of commerce, created in section 546.2, which has primary responsibility for business and professional regulatory, service, and licensing functions.

h. The department of economic development, created in section 15.104, which has primary responsibility for programs for carrying out the economic development policies of the state.

i. The department of employment services, created in section 84A.1, which has primary responsibility for administering the laws relating to unemployment compensation insurance, job placement and training, employment safety, labor standards, workers' compensation, and related matters.

j. The department of human services, created in section 217.1, which has primary responsibility for services to individuals to promote the well-being and the social and economic development of the people of the state.

k. The department of public health, created in section 134.102, which has primary responsibility for supervision of public health programs, promotion of public hygiene and sanitation, treatment and prevention of substance abuse, and enforcement of related laws.

l. The department of elder affairs, created in section 249D.21, which has primary responsibility for leadership and program management for programs which serve the senior citizens of the state.

m. The department of cultural affairs, created in section 303.1A, which has primary responsibility for managing the state's interests in the areas of the arts, history, libraries, and other cultural matters.

n. The department of education, created in section 256.1, which has primary responsibility for supervising public education at the elementary and secondary levels and for supervising the merged area schools.

o. The department of corrections, created in section 246.102, which has primary responsibility for corrections administration, corrections institutions, prison industries, and the development, funding, and monitoring of community-based corrections programs.

p. The department of public safety, created in section 80.1, which has primary responsibility for statewide law enforcement and public safety programs that complement and supplement local law enforcement agencies and local inspection services.

q. The department of public defense, created in section 29.1, which has primary responsibility for state military forces, disaster services, and veterans affairs.

r. The department of natural resources, created in section 455A.2, which has primary responsibility for state parks and forests, protecting the environment, and managing energy, fish, wildlife, and land and water resources.

s. The department of transportation, created in section 307.2, which has primary responsibility for development and regulation of highway, railway, and air transportation throughout the state, including public transit.

t. The department of human rights, created in section 601K.1, which has primary responsibility for services relating to Spanish-speaking people, children, youth, and families, women, persons with disabilities, community action agencies, deaf, and blind persons.

u. In the area of higher education, an agency headed by the state board of regents and including all the institutions administered by the state board of regents, which has primary responsibility for state involvement in higher education.

2. a. There is a civil rights commission, a public employment relations board, an interstate cooperation commission, campaign finance disclosure commission, and an Iowa law enforcement academy.

b. The listing of additional state agencies in this subsection is for reference purposes only and is not exhaustive.

3. The responsibilities listed for each department and agency in this section are generally descriptive of the department's or agency's duties, are not all-inclusive, and do not exclude duties and powers specifically prescribed for by statute, or delegated to, each department or agency.

OFFICE OF MANAGEMENT

Sec. 101. Section 7A.3, unnumbered paragraph 1, Code 1985, is amended to read as follows:

~~The primary responsibility of the office for planning and programming is to~~ department of economic development shall coordinate the development of state and local government programs in order to promote efficient and economic use of federal, state, local, and private resources. To carry out this responsibility, the office ~~The department shall:~~

Sec. 102. Section 7A.3, subsections 2 through 5 and 7 through 9, Code 1985, are amended by striking the subsections.

Sec. 103. Section 8.4, Code 1985, is amended to read as follows:

8.4 STATE COMPTROLLER — SALARY — BOND DEPARTMENT OF MANAGEMENT.

~~There is created an office of state comptroller~~ The department of management is created, which ~~shall be~~ is directly attached to the office of the governor and ~~be~~ under the general direction, supervision, and control of the governor. ~~Such~~ The office shall be is in immediate charge of an officer to be known as "~~state comptroller~~ the executive director", who shall be appointed by the governor, subject to confirmation by the senate, and shall hold office at the governor's pleasure and shall receive a salary as ~~fixed by the general assembly set by the governor.~~ Before entering upon the discharge of duties, the state comptroller executive director shall take the constitutional oath of office and give a surety bond in such the penalty as fixed by the governor, payable to the state, which shall not be less than twenty-five thousand dollars, conditioned upon the faithful discharge of the state comptroller's executive director's duties. The premium on the bond shall be paid out of the state treasury.

Sec. 104. Section 8.6, subsection 20, Code Supplement 1985, is amended by striking the subsection.

Sec. 105. Section 8.6, Code Supplement 1985, is amended by adding the following new subsections:

NEW SUBSECTION. 21. TARGETED SMALL BUSINESSES. To assist the director of the department of economic development as requested in the establishment and implementation of the Iowa targeted small business procurement Act and the targeted small business loan guarantee program.

NEW SUBSECTION. 22. STATE PROGRAMS FOR EQUAL OPPORTUNITY. To perform specific powers and duties as provided in chapter 19B and other provisions of law with respect to oversight and the imposition of sanctions in connection with state programs emphasizing equal opportunity through affirmative action, contract compliance policies, and procurement set-aside requirements.

Sec. 106. NEW SECTION. 8.52 PLANNING RESPONSIBILITY.

The department of management shall:

1. Provide coordination of state policy planning, and management of interagency programs of the state, and recommend policies to the governor and the general assembly.
2. Maintain and make available demographic and other information useful for state and local planning.
3. Prepare and submit economic reports appraising the economic condition, growth, and development of the state.
4. Analyze the quality and quantity of services required for the orderly growth of the state, taking into consideration the relationship of activities, capabilities, and future plans of private enterprise, the local, state, and federal governments, and regional units established under state or federal legislation, and shall make recommendations to the governor and the general assembly for the establishment and improvement of such services.
5. Inquire into methods of planning and program development, and the conduct of affairs of state government; prescribe adequate systems of records for planning and programming; establish standards for effective planning and programming; and exercise all other powers necessary in discharging the powers and duties of this chapter.

Sec. 107. Section 24.26, Code 1985, is amended to read as follows:

24.26 STATE APPEAL BOARD.

There is hereby created to administer this Act a state board to be known as the The state appeal board, which state board shall consist in the department of management consists of the following:

1. Comptroller, The executive director of the department of management.
2. Auditor The auditor of state, and.
3. Treasurer The treasurer of state, each of whom shall personally serve as a member of the state board during the person's tenure of office. At its first meeting, which shall be held within thirty days after July 4, 1987, and at each annual meeting held thereafter, the state board shall organize by the election, from their own number, its members of a chairperson and a vice chairperson; and by appointing a secretary. Two members of the state board shall constitute a quorum for the transaction of any business. The state board may, from time to time, as such services are required, appoint one or more competent and specially qualified persons as deputies, to appear and act for it at initial hearings as hereinafter provided. The annual meeting of the state board shall be held on the second Tuesday of January in each year. Each deputy appointed by the state board shall be is entitled to receive the amount of the deputy's traveling and other necessary expenses actually incurred while engaged in the performance of the deputy's official duties as hereinafter set out. Such The expenses to shall be audited and approved by the state board and proper receipts filed therefor for them. The expenses of the state board shall be paid from the funds appropriated to the department of management.

Sec. 108. Section 24.48, unnumbered paragraphs 4 and 7, Code 1985, are amended to read as follows:

The city finance committee shall have officially notified any city of its approval, modification or rejection of the city's appeal of the decision of the director of the department of management regarding a city's request for a suspension of the statutory property tax levy limitation prior to thirty-five days before March 15.

For the purpose of this section, the city finance committee shall be the state appeal board when the political subdivision is a city, the director of the department of management, and the city finance committee on appeal of the director's decision, shall be the state appeal board.

Sec. 109. Section 28C.5, Code 1985, is amended to read as follows:

28C.5 STAFF – FACILITIES.

1. The commission may accept technical and operational assistance from the staff of the ~~office department for planning and programming of management~~, other state and federal agencies, units of local governments, or any other public or private source. ~~The executive director of the office department for planning and programming shall of management may~~ assign professional, technical, legal, clerical, or other staff, as necessary and authorized for continued operation of the commission. However, the technical and operational assistance shall be provided within appropriations made to the ~~office department~~ to carry out its powers and duties under ~~chapter 7A~~ and additional staff shall not be employed to provide the technical and operational assistance.

2. The ~~executive~~ director of the ~~office department for planning and programming of management~~ may also provide available facilities and equipment as requested by the commission.

3. The members of the commission are entitled to reimbursement for travel and other necessary expenses incurred in the performance of official duties. ~~Each member may also be eligible to receive compensation as provided in 7E.3.~~ The expenses shall be paid from funds appropriated to the ~~office department for planning and programming of management~~.

Sec. 110. Section 80C.1, Code 1985, is amended to read as follows:

80C.1 CRIMINAL AND JUVENILE JUSTICE PLANNING AGENCY CREATED.

The criminal and juvenile justice planning agency is a ~~separate independent agency~~ created in the ~~office department of the governor management~~. The agency is responsible for coordinating criminal and juvenile justice activities in the state including planning, research, program implementation, and the administration of grants and other funds. The agency is under the direct supervision of the ~~governor, and shall be responsible only to the governor or the general assembly~~ executive director of the department of management. ~~The governor executive director shall appoint the executive director administrator of the agency who shall serve at the pleasure of the governor.~~ As used in this section and sections 80C.2 to 80C.4, unless the context otherwise requires, "agency" means the criminal and juvenile justice planning agency created in this section.

Sec. 111. Section 80C.2, Code Supplement 1985, is amended to read as follows:

80C.2 ADVISORY COUNCIL.

The criminal and juvenile justice advisory council is created to advise the governor and legislature and ~~directly~~ advise the agency in the performance of its duties and to perform other duties as required by law. The council consists of twelve members. The governor shall appoint seven members each for a four-year term beginning and ending as provided in section 69.19 and subject to confirmation by the senate as follows:

1. Three persons each of whom is either a county supervisor, county sheriff, a mayor, city chief of police, or a county attorney.

2. Two persons ~~who~~ shall represent the general public and shall not be employed in any law enforcement, judicial, or corrections capacity.

3. Two persons who are knowledgeable about Iowa's juvenile justice system.

The commissioner of the department of human services, the director of the Iowa department of corrections, the commissioner of public safety, the attorney general, and the chief justice of the supreme court shall each designate a person to serve on the council.

Members of the council shall receive reimbursement from the state for actual and necessary expenses incurred in the performance of their official duties. ~~Public members shall also receive forty dollars per diem.~~ Members may also be eligible to receive compensation as provided in section 7E.3. As used in this section and sections 80C.3 and 80C.4, unless the context

otherwise requires, "council" means the criminal and juvenile justice advisory council created in this section.

Sec. 112. Section 232A.1, Code 1985, is amended to read as follows:

232A.1 DEFINITIONS DEFINITION.

For purposes of this chapter, "agency" means the criminal and juvenile justice planning agency established in chapter 80C.

Sec. 113. Section 331.403, subsections 1 and 3, Code 1985, are amended to read as follows:

1. Not later than October 1 of each year, a county shall prepare an annual financial report showing for each county fund the financial condition as of June 30 and the results of operations for the year then ended. Copies of the report shall be maintained as a public record at the auditor's office and shall be furnished to the county finance committee executive director of the department of management and to the auditor of state. A summary of the report, in a form prescribed by the county finance committee executive director, shall be published by each county not later than October 1 of each year in one or more newspapers which meet the requirements of section 618.14.

3. The county finance committee executive director of the department of management may waive the application of subsection 2 to a county for a one-year period, if evidence is presented that substantial progress is being made towards removing the cause for the need of the waiver. The committee executive director shall not grant a waiver for more than three successive years to the same county.

Sec. 114. Section 331.434, subsections 1 and 3, Code 1985, are amended to read as follows:

1. The budget shall show the amount required for each class of proposed expenditures, a comparison of the amounts proposed to be expended with the amounts expended for like purposes for the two preceding years, the revenues from sources other than property taxation, and the amount to be raised by property taxation, in the detail and form prescribed by the committee executive director of the department of management.

3. The board shall set a time and place for a public hearing on the budget before the final certification date and shall publish notice of the hearing not less than ten nor more than twenty days prior to the hearing in one or more newspapers which meet the requirements of section 618.14. A summary of the proposed budget, in the form prescribed by the committee executive director of the department of management, shall be included in the notice. Proof of publication shall be filed with and preserved by the auditor. A levy is not valid unless and until the notice is published and filed.

Sec. 115. Section 331.435, unnumbered paragraph 2, Code 1985, is amended to read as follows:

The board shall prepare and adopt a budget amendment in the same manner as the original budget, as provided in section 331.434, and the amendment is subject to protest as provided in section 331.436, except that the committee executive director of the department of management may by rule provide that amendments of certain types or up to certain amounts may be made without public hearing and without being subject to protest. A county budget for the ensuing fiscal year shall be amended by May 31 to allow time for a protest hearing to be held and a decision rendered before June 30. An amendment of a budget after May 31 which is properly appealed but without adequate time for hearing and decision before June 30 is void.

Sec. 116. Section 333A.2, subsection 1, unnumbered paragraph 1, and paragraph b, Code 1985, are amended to read as follows:

There is created a county finance committee consisting of nine eight members. The members of the committee shall be:

b. ~~The state comptroller or a designee of the state comptroller.~~

Sec. 117. Section 333A.3, subsections 1 and 3, Code 1985, are amended to read as follows:

1. The committee is located for administrative purposes within the office of state comptroller department of management. The state comptroller director shall provide office space, staff assistance, and necessary supplies and equipment for the committee. The state comptroller director shall budget funds to pay the compensation and expenses of the committee.

3. The committee shall select its own officers ~~except that the state comptroller or a designee of the state comptroller shall serve as chairperson and meet at the call of the director of the department of management.~~

Sec. 118. Section 384.13, unnumbered paragraph 1, and subsections 2, 4, and 5, Code 1985, are amended to read as follows:

As used in this division, unless the context otherwise requires, "committee" means the city finance committee and "director" means the director of the department of management. A ~~ten-member~~ nine-member city finance committee is created. Members of the committee are:

2. ~~The state comptroller or the state comptroller's designee.~~

4. Five city officials who are regularly involved in budget preparation. One official must be from a city with a population of not over two thousand five hundred, one from a city with a population of over two thousand five hundred but not over fifteen thousand, one from a city with a population of over fifteen thousand but not over fifty thousand, one from a city with a population of over fifty thousand and one from any size city. The governor shall select and appoint ~~subject to confirmation by the senate,~~ the city officials.

5. One certified public accountant experienced in city accounting, to be selected and appointed by the governor, ~~subject to confirmation by the senate.~~

Sec. 119. Section 384.14, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The committee is located for administrative purposes within the office of the state comptroller management. The ~~comptroller executive director of the office of management~~ shall provide office space, and staff assistance, and shall budget funds to cover expenses of the committee.

Sec. 120. Section 384.15, subsection 2, and subsection 7, unnumbered paragraph 1, Code 1985, are amended to read as follows:

2. Select its officers, ~~except that the state comptroller or a designee of the state comptroller shall serve as chairperson and meet at the call of the director of the department of management or upon an appeal of the director's decision.~~

~~Administer~~ Adopt rules for the administration of a law enforcement officer training reimbursement program by the director of the department of management. A decision of the director may be appealed by a city or county to the committee. The program shall provide reimbursement to a city or county for necessary and actual expenses incurred in training a law enforcement officer who resigns from law enforcement service with the city or county within four years after completion of the law enforcement training. The reimbursable training expenses include mileage, food, lodging, tuition, replacement of an officer while the officer is in training if the replacement officer is a temporary employee hired for that purpose only or is on overtime status, and salary costs of the officer while in training. The law enforcement training eligible for reimbursement is the minimum law enforcement officer training required under chapter 80B and, if funding is available, approved advanced law enforcement training. The committee shall adopt rules prescribing application forms, expense documentation, and procedures necessary to administer the reimbursement program.

Sec. 121. Section 602.1301, subsection 2, paragraph b, Code Supplement 1985, is amended to read as follows:

b. Before December 1, the supreme court shall submit to the ~~state comptroller~~ director of management an estimate of the total expenditure requirements of the judicial

department. The director of management shall submit this estimate received from the supreme court to the governor for inclusion without change in the governor's proposed budget for the succeeding fiscal year. The estimate shall also be submitted to the chairpersons of the committees on appropriations.

Sec. 122. The Code editor shall transfer the following sections as indicated regardless of whether the sections are amended by this bill:

1. Sections 7A.3 and 7A.8 to chapter 28.

Sec. 123. Sections 7A.1, 7A.2, 7A.4 through 7A.6, 7A.41 through 7A.49, 18.141 through 18.143, and 333A.5, Code 1985, and section 18.136, Code Supplement 1985, are repealed.

DEPARTMENT OF PERSONNEL

Sec. 201. Section 19A.1, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

19A.1 CREATION OF DEPARTMENT OF PERSONNEL.

1. A department of personnel is created.
2. The department is the central agency responsible for state personnel management, including the following:
 - a. Policy development, planning, and research.
 - b. Employment activities and transactions, including recruitment, testing, and certification of personnel seeking employment or promotion.
 - c. Compensation and benefits, including position classification, wages and salaries, and employee benefits. Employee benefits include, but are not limited to, group medical, life, and long-term disability insurance, workers' compensation, unemployment benefits, sick leave, deferred compensation, holidays and vacations, tuition reimbursement, and educational leaves. Employee benefits include the Iowa department of public safety peace officers' retirement, accident, and disability system and the Iowa public employees' retirement system, which are maintained as distinct and independent systems within the department.
 - d. Equal employment opportunity and affirmative action programs.
 - e. Education and training.
 - f. Personnel records and administration, including the preaudit of all personnel-related documents.
 - g. Employment relations, including the negotiation and administration of collective bargaining agreements on behalf of the executive branch of the state and its departments and agencies as provided in chapter 20. However, the state board of regents, for the purposes of implementing and administering collective bargaining pursuant to chapter 20, shall act as the exclusive representative of the state with respect to its faculty, scientific, and other professional staff.
3. The following part-time boards and commissions are within the department:
 - a. The personnel commission, created by section 19A.4.
 - b. The board of trustees of the public safety peace officers' retirement, accident, and disability system, created by section 97A.5.
 - c. The investment board of the Iowa public employees' retirement system created by section 97B.8.
 - d. The affirmative action task force created pursuant to executive order, or its successor.
4. Specific powers and duties of the department, its director, and the boards and commissions within the department are set forth in this chapter, chapters 79, 97A, 97B, and other provisions of law. Section 8.23 applies to the department.
5. The personnel management powers and duties of the department do not extend to the legislative branch or the judicial branch of state government, except for functions related to administering compensation and benefit programs.

Sec. 202. NEW SECTION. 19A.1A DIRECTOR OF DEPARTMENT.

1. The chief administrative officer of the department is the director. The director shall be

appointed by the governor, subject to confirmation by the senate. The director serves at the pleasure of the governor and is subject to reconfirmation after four years in office. The person appointed shall be professionally qualified by education and experience in the field of public personnel administration, including the application of merit principles in public employment, and the appointment shall be made without regard for political affiliation. The director shall not be a member of any local, state, or national committee of a political party, an officer or member of a committee in any partisan political club or organization, or hold or be a candidate for a paid elective public office. The director is subject to the restrictions on political activity provided in section 19A.18 for employees in the classified service. The governor shall set the salary of the director within a range established by the general assembly.

2. The director shall plan, direct, coordinate, and execute the powers, duties, and functions of the department. The director's powers and duties include those specifically set forth in this chapter and other provisions of law.

3. The director may establish by rule divisions and other subunits as necessary for the organization of the department. The director may also establish regional field service offices staffed by employees of the executive departments in which they are located. The functions and staffs of the regional offices are subject to policies set by the director of the department of personnel.

Sec. 203. Section 19A.2, subsections 1, 2, 3, and 5, Code 1985, are amended to read as follows:

1. "Department" means the Iowa merit employment department of personnel.
2. "Director" means the director of the Iowa merit employment department of personnel.
3. "Commission" means the Iowa merit employment personnel commission.
5. "Appointing authority" means the chairperson or person in charge of divisions any agency of the state government including, but not limited to, boards, bureaus, commissions, and departments, and other divisions or an employee designated to employ persons by such act for an appointing authority.

Sec. 204. NEW SECTION. 19A.2A PURPOSE AND APPLICABILITY OF CHAPTER.

The general purpose of this chapter is to establish for the state of Iowa a system of personnel administration based on merit principles and scientific methods to govern the appointment, promotion, welfare, transfer, layoff, removal, and discipline of its civil employees, and other incidents of state employment. It is also the purpose of this chapter to promote the coordination of personnel rules and policies with collective bargaining agreements negotiated under chapter 20.

All appointments and promotions to positions in the state merit system shall be made solely on the basis of merit and fitness, to be ascertained by competitive examinations, except as otherwise specified in this chapter.

Provisions of this chapter pertaining to qualifications, examination, competitive appointment, probation, and just cause hearings apply only to the merit system.

Sec. 205. Section 19A.3, Code Supplement 1985, is amended by striking the section and inserting in lieu thereof the following:

19A.3 APPLICABILITY — EXCEPTIONS.

The merit system shall apply to all employees of the state and to all positions in state government now existing or hereafter established except the following:

1. The general assembly, employees of the general assembly, other officers elected by popular vote, and persons appointed to fill vacancies in elective offices.
2. All judicial officers and court employees.
3. The staff of the governor.

4. All board members and commissioners whose appointments are provided for by the Code.

5. All presidents, deans, directors, teachers, professional and scientific personnel, and student employees under the jurisdiction of the state board of regents. The state board of regents shall adopt rules not inconsistent with the objectives of this chapter for all of its employees not cited specifically in this subsection. The rules are subject to approval by the director of the department of personnel. If at any time the director determines that the board of regents merit system does not comply with the intent of this chapter, the director may direct the board to correct the rules. The rules of the board are not in compliance until the corrections are made.

6. All appointments which are by law made by the governor.

7. All personnel of the armed services under state jurisdiction.

8. Part-time persons who are paid a fee on a contract-for-services basis.

9. Seasonal employees appointed during the period of April 15 through October 15.

10. Residents, patients, or inmates employed in state institutions, or persons on parole employed in work experience programs for a period no longer than one year.

11. Professional employees under the supervision of the attorney general, the appellate defender, the auditor of state, the treasurer of state, and the public employment relations board. However, employees of the consumer advocate division of the department of justice, other than the consumer advocate, are subject to the merit system.

12. Production and engineering personnel under the jurisdiction of the Iowa public broadcasting board.

13. Members of the Iowa highway safety patrol and other peace officers employed by the department of public safety. The commissioner of public safety shall adopt rules not inconsistent with the objectives of this chapter for the persons described in this subsection.

14. Professional employees of the arts division of the department of cultural affairs.

15. The chief deputy administrative officer and each division head of each executive department not otherwise specifically provided for in this section, and physicians not otherwise specifically provided for in this section. As used in this subsection, "division head" means a principal administrative position designated by a chief administrative officer and approved by the department of personnel or as specified by law.

16. All confidential employees.

17. Other employees specifically exempted by law.

The director of the department of personnel shall negotiate agreements with the administrator of the division for the blind of the department of human rights and with the director of the department of education concerning the applicability of the merit system to the professional employees of their respective agencies.

Sec. 206. Section 19A.4, Code 1985, is amended to read as follows:

19A.4 MERIT EMPLOYMENT DEPARTMENT PERSONNEL COMMISSION CREATED.

There is hereby established a department of merit employment to be known as the "Iowa merit employment department," the executive head of which shall be the director of merit employment. In in the department there shall be a merit employment personnel commission of five members with the powers and duties hereinafter enumerated in this chapter. The provisions of section 8.23 shall apply to this department.

Sec. 207. Section 19A.6, subsections 2 and 5, Code 1985, are amended to read as follows:

2. The governor shall appoint members of the merit employment personnel commission. Members appointed to the commission are subject to confirmation by the senate. Members shall be appointed to staggered terms of six years beginning and ending as provided in section 69.19. Where a vacancy exists, the governor shall appoint for the unexpired portion of the term.

5. The commission shall elect one of its members as chairperson. It shall meet at ~~such the~~ time and place as shall be specified by call of the chairperson ~~or the director~~. ~~At least one meeting shall be held bimonthly~~. All meetings shall be open to the public. Notice of each meeting shall be given in writing to each member ~~by the director~~ at least three days in advance of the meeting. Three commissioners shall constitute a quorum for the transaction of business.

Sec. 208. Section 19A.7, subsection 4, Code 1985, is amended by striking the subsection.

Sec. 209. Section 19A.8, subsection 2, Code 1985, is amended by striking the subsection.

Sec. 210. Section 19A.8, subsections 3, 6, 7, and 8, and unnumbered paragraphs 2, and 3, Code 1985, are amended to read as follows:

3. To establish and maintain a roster of all employees in the ~~state merit system executive branch of state government, excluding employees of the state board of regents, in which there shall be set forth, as to each employee, the class title, pay or status, and other pertinent data.~~

6. To encourage and exercise leadership in the development of effective personnel administration within the several departments in the ~~state merit system of state government~~, and to make available the facilities of the department of ~~merit employment personnel~~ to this end.

7. To investigate the operation and effect of this ~~law chapter~~ and of the rules made ~~thereunder under it~~ and to report semiannually the director's findings and recommendations to the ~~commission~~ governor.

8. To make an annual report to the ~~commission~~ governor regarding the work of the department and ~~such special reports as the director may consider~~ considers desirable.

The director shall designate, ~~with the approval of the commission~~, an employee of the department to act for the director in the director's absence or inability from any cause to discharge the powers and duties of this office.

The director shall utilize appropriate persons, including officers and employees in the ~~state merit system executive branch of state government~~, to assist in the preparation and rating of tests. The director shall confer with agency personnel to assist in preparing examinations for professional and technical classes. An appointing authority may excuse any employee ~~in~~ under the appointing authority's division jurisdiction from the employee's regular duties for the time required for work as an examiner. ~~Such These~~ officers and employees ~~shall are~~ not be entitled to extra pay for their services as examiners but shall be paid their necessary traveling and other expenses.

Sec. 211. Section 19A.9, unnumbered paragraph 1 and subsections 1, 2, 13, 18, 19, and 23, Code Supplement 1985, are amended to read as follows:

The ~~merit employment personnel~~ commission shall adopt and may amend rules for the administration and implementation of this chapter in accordance with chapter 17A. The director shall prepare and submit proposed rules to the commission. Rulemaking shall be carried out with due regard to the terms of collective bargaining agreements. A rule shall not supersede a provision of a collective bargaining agreement negotiated under chapter 20. The rules shall provide:

1. For the preparation, maintenance, and revision of a position classification plan from a schedule by separate department for each position and type of employment not otherwise provided for by law in state government ~~as approved by the executive council~~ for all positions in the ~~merit system executive branch, excluding positions under the state board of regents~~, based upon duties performed and responsibilities assumed, so that the same qualifications may reasonably be required for and the same schedule of pay may be equitably applied to all positions in the same class, in the same geographical area. After ~~such the~~ classification has been approved by the commission, the director shall allocate the position of every employee in the ~~merit system executive branch, excluding employees of the state board of regents~~, to one

of the classes in the plan. Any employee or agency officials affected by the allocation of a position to a class shall, after filing with the director a written request for reconsideration thereof in such the manner and form as the director may prescribe prescribes, be given a reasonable opportunity to be heard thereon by the director. An appeal may be made to the commission or to a qualified classification committee appointed by the commission. No An allocation or reallocation of a position by the director to a different classification shall not become effective if such the allocation or reallocation may result in the expenditure of funds in excess of the total amount budgeted for the department of the appointing authority until approval has been obtained from the state comptroller.

~~Whenever~~ When the public interest may require requires a diminution or increase of employees in any position or type of employment not otherwise provided by law, or the creation or abolishment of any such position or type of employment, the governor with the approval of the executive council, acting in good faith, shall so notify the commission. Thereafter such the position or type of employment shall stand abolished or created and the number of employees therein reduced or increased. Schedules of positions and type types of employment not otherwise provided for by law shall be reviewed at least once each year by the governor and submitted to the executive council for continuing approval.

2. For a pay plan plans within the purview of an appropriation made by the general assembly and not otherwise provided by law for all employees in the merit system executive branch of state government, excluding employees of the state board of regents, after consultation with the governor and appointing authorities with due regard to the results terms of a collective bargaining agreement agreements negotiated under chapter 20 and after a public hearing held by the commission. The pay plan becomes effective only after it has been approved by the executive council after submission from the commission. Review of the pay plan for revisions shall be made in the same manner at the discretion of the director, but not less than annually. The annual review by the director shall be made available to the governor a sufficient time in advance of collective bargaining negotiations to permit its recommendations to be considered during the negotiations. Each employee in the executive branch, excluding employees of the state board of regents, shall be paid at one of the rates set forth in the pay plan for the class of position in which employed and, unless otherwise designated by the commission, shall begin employment at the first step of the established range for the employee's class. Unless otherwise established by law, the governor, with the approval of the executive council, shall establish a pay plan for all exempt positions in the executive branch of government except for employees of the governor, the board of regents, the Iowa department of public broadcasting, the commissioner of public instruction and members of the professional staff of the department of public instruction, appointed under section 257.24, who possess a current, valid teacher's certificate or who are assigned to vocational activities or programs, the commission for the blind, members of the Iowa highway safety patrol and other peace officers, as defined in section 97A.1, employed by the department of public safety, and officers and enlisted personnel of the armed services under state jurisdiction.

13. For establishing in co-operation with the appointing authorities a system of service records of all employees in the classified service executive branch of state government, excluding employees of the state board of regents, which service records shall be considered in determining salary increases provided in the pay plan; as a factor in promotion tests; as a factor in determining the order of layoffs because of lack of funds or work and in reinstatement; as a factor in demotions, discharges, or transfers; and for the regular evaluation, at least annually, of the qualifications and performance of all those employees in the classified service.

18. For attendance regulations, and special leaves of absence, with or without pay, or reduced pay, in the various classes of positions in the classified service executive branch, excluding positions under the state board of regents. Employees who are subject to contracts negotiated under chapter 20 which include leave of absence provisions shall be governed by the contract provisions. Annual sick leave and vacation time shall be granted in accordance with section 79.1.

19. For the development and operation of programs to improve the work effectiveness and morale of employees in the ~~merit system~~ executive branch, excluding employees of the state board of regents, including training, safety, health, welfare, counseling, recreation, and employee relations.

23. For the establishment of work test appointments for positions of unskilled labor, attendants, aides, janitors, food service workers, laundry workers, porters, elevator operators, or custodial or similar types of employment when the character of the work makes it impracticable to supply the needs of the service effectively by written or other type of competitive examination. If this subsection conflicts with any other provisions of this chapter, the provisions of this subsection ~~shall~~ govern the positions to which it applies. All persons appointed to the positions specified in this subsection shall serve a probationary period in accordance with this chapter, may acquire permanent status, and are subject to the same rules as other classified employees. Such persons shall be required to pass promotional examinations as prescribed by this chapter and the rules adopted by the ~~merit employment~~ personnel commission before they may be promoted to a higher classification.

Sec. 212. Section 19A.9, Code Supplement 1985, is amended by adding the following new subsection:

NEW SUBSECTION. 24. For the establishment of a career executive program whereby interested permanent merit system employees qualified by education and experience to fill upper level executive positions are designated for a career executive pool. The career executive pool may be used as a source of candidates for vacant executive level positions in the exempt service. The rules shall provide that an employee accepting an appointment to an exempt position under the career executive program may return to the employee's last merit service status within six months after the date of appointment to the exempt position.

Sec. 213. Section 19A.11, Code 1985, is amended to read as follows:

19A.11 AID BY STATE EMPLOYEES – RECORDS AND INFORMATION.

All officers and employees of the state shall comply with and aid in all proper ways in carrying out the provisions of this chapter and the rules and orders ~~thereunder~~ under it. All officers and employees shall furnish any records or information which the director ~~or the commission may require~~ requires for any purpose of this chapter. The director may institute and maintain any action or proceeding at law or in equity that the director considers necessary or appropriate to secure compliance with this chapter and the rules and orders ~~thereunder~~ under it.

The director may, ~~with the approval of the commission~~, delegate to a person ~~under the merit system~~ in any department, agency, board, commission, or installation thereof, located away from the seat of government, any of the duties ~~herein~~ imposed by this chapter upon the director.

Sec. 214. Section 19A.13, unnumbered paragraph 1, Code 1985, is amended to read as follows:

No A state disbursing or auditing officer shall not make or approve or take part in making or approving any a payment for personal service to any person ~~holding a position in the merit system~~ unless the payroll voucher or account of ~~such~~ the pay bears the certification of the director, or of the director's authorized agent, that the persons named ~~therein~~ have been appointed and employed in accordance with the ~~provisions~~ of this chapter and the rules and orders ~~thereunder~~ under it, and that funds are available for the payment of the persons.

Sec. 215. Section 19A.14, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

19A.14 MERIT APPEALS.

1. **EMPLOYEE DISCIPLINE.** A merit system employee who is discharged, suspended, demoted, or otherwise reduced in pay, except during the employee's probationary period, may appeal to the appointing authority for a review of the action. If not satisfied, the employee may, within thirty calendar days following the date of the discharge, suspension, demotion, or reduction in pay, file an appeal with the public employment relations board for hearing. The employee has the right to a hearing closed to the public, but the employee may request a public hearing. The hearing shall otherwise be conducted in accordance with the rules of the public employment relations board and the Iowa administrative procedure Act. Decisions rendered shall be based upon a standard of just cause. If the public employment relations board finds that the action taken by the appointing authority was for political, religious, racial, national origin, sex, age, or other reasons not constituting just cause, the employee may be reinstated without loss of pay or benefits for the elapsed period or the public employment relations board may fashion other appropriate remedies. Decisions by the public employment relations board constitute final agency action.

2. **EMPLOYEE GRIEVANCES.** A merit system employee who has exhausted all available steps of the uniform grievance procedure of the department of personnel may, within thirty calendar days following the date a decision was received or should have been received by the employee at the second step of the grievance procedure, file an appeal with the director. The director may grant the relief sought, and that decision constitutes final agency action. However, if the director does not grant the relief sought, the employee may, within thirty calendar days following the date of filing of the appeal, file the appeal with the public employment relations board for hearing. The hearing shall be conducted in accordance with the rules of the public employment relations board and the Iowa administrative procedure Act. Decisions rendered shall be based upon a standard of substantial compliance with this chapter and the rules of the department of personnel. Decisions by the public employment relations board constitute final agency action.

Sec. 216. Section 19A.17, Code 1985, is amended to read as follows:

19A.17 OATHS AND SUBPOENAS.

~~The commission, each member of the commission, and the director shall have power to may~~ administer oaths, subpoena witnesses, and compel the production of books and papers pertinent to any investigation or hearing authorized by this chapter. ~~Any A~~ A person who ~~shall fail~~ fails to appear in response to a subpoena or produce ~~any~~ books or papers pertinent to ~~any such~~ the investigation or hearing or who ~~shall knowingly give~~ gives false testimony therein shall be is guilty of a simple misdemeanor.

Sec. 217. Section 19A.18, unnumbered paragraph 7, Code 1985, is amended to read as follows:

The commission shall adopt any rules necessary for further restricting political activities of persons holding positions in the classified service, but only to the extent necessary to comply with federal standards ~~in order that the present Iowa merit system council shall be absorbed by the Iowa merit employment department. In any event all employees shall.~~ Employees retain the right to vote as they please and to express their opinions on all subjects.

Sec. 218. Section 19A.19, unnumbered paragraph 4, Code 1985, is amended to read as follows:

A person shall not discharge an employee from or take or fail to take action regarding an employee's appointment or proposed appointment to, promotion or proposed promotion to, or any advantage in, a position in a merit system administered by, or subject to approval of, the ~~Iowa merit employment commission~~ director as a reprisal for a disclosure of information by

that employee to a member of the general assembly, the legislative service bureau, the legislative fiscal bureau, or the respective caucus staffs of the general assembly, or a disclosure of information which the employee reasonably believes evidences a violation of law or rule, mismanagement, a gross abuse of funds, an abuse of authority, or a substantial and specific danger to public health or safety. This subsection does not apply if the disclosure of that information is prohibited by statute.

Sec. 219. NEW SECTION. 19A.30 ANNUITY CONTRACTS.

At the request of an employee of a state agency through contractual agreement, the director may arrange for the purchase of group or individual annuity contracts for any of the employees of that agency from any company the employee chooses that is authorized to do business in this state and through an Iowa-licensed insurance agent that the employee selects for retirement or other purposes, and may make payroll deductions in accordance with the arrangements for the purpose of paying the entire premium due and to become due under the contract. The deductions shall be made in the manner which will qualify the annuity premiums for the benefits afforded under section 403b of the Internal Revenue Code of 1954, as defined in section 422.3. The employee's rights under the annuity contract are non-forfeitable except for the failure to pay premiums.

Whenever an existing tax-sheltered annuity contract is to be replaced by a new contract the agent or representative of the company shall send a letter of intent by registered mail at least thirty days prior to any action to the company being replaced, to the insurance commissioner of the state of Iowa, to the agent's own company and to the director. The letter of intent shall contain the policy number and description of the contract being replaced and a description of the replacement contract.

Sec. 220. NEW SECTION. 19B.1 DEFINITION.

As used in this chapter unless the context otherwise requires:

1. "Affirmative action" means action appropriate to overcome the effects of past or present practices, policies, or other barriers to equal employment opportunity.
2. "State agency" means an office, bureau, division, department, board, or commission in the executive branch of state government.

Sec. 221. NEW SECTION. 19B.2 EQUAL OPPORTUNITY IN STATE EMPLOYMENT — AFFIRMATIVE ACTION.

It is the policy of this state to provide equal opportunity in state employment to all persons. An individual shall not be denied equal access to state employment opportunities because of race, creed, color, religion, national origin, sex, age, or physical or mental disability. It also is the policy of this state to apply affirmative action measures to correct deficiencies in the state employment system where those remedies are appropriate. This policy shall be construed broadly to effectuate its purposes.

It is the policy of this state to permit special appointments by bypassing the usual testing procedures for any applicant for whom the division of vocational rehabilitation of the department of education or the commission for the blind of the department of human rights has certified the applicant's disability and competence to perform the job. The department of personnel, in cooperation with the commission for the blind and the division of vocational rehabilitation, shall develop appropriate certification procedures. This paragraph should not be interpreted to bar promotional opportunities for blind and physically or mentally disabled persons. If this paragraph conflicts with any other provisions of this chapter, the provisions of this paragraph govern.

Sec. 222. NEW SECTION. 19B.3 ADMINISTRATIVE RESPONSIBILITIES OF DEPARTMENT OF PERSONNEL AND BOARD OF REGENTS.

1. The department of personnel is responsible for the administration and promotion of equal opportunity and affirmative action efforts in the recruitment, appointment, assignment,

and advancement of personnel by all state agencies except the state board of regents and the institutions under its jurisdiction. In carrying out this responsibility the department shall do all of the following with respect to state agencies other than the state board of regents and its institutions:

- a. Designate a position as the state affirmative action administrator.
- b. Propose affirmative action standards applicable to each state agency based on the population of the community in which the agency functions, the population served by the agency, or the persons that can be reasonably recruited.
- c. Gather data necessary to maintain an ongoing assessment of affirmative action efforts in state agencies.
- d. Monitor accomplishments with respect to affirmative action remedies identified in affirmative action plans of state agencies.
- e. Conduct studies of preemployment and postemployment processes in order to evaluate employment practices and develop improved methods of dealing with all employment issues related to equal employment opportunity and affirmative action.
- f. Establish a state recruitment coordinating committee to assist in addressing affirmative action recruitment needs, with members appointed by the director of the department of personnel.
- g. Address equal opportunity and affirmative action training needs of all state agencies by:
 - (1) Providing appropriate training for managers and supervisors.
 - (2) Insuring that all state agencies make training available for all staff members whose duties relate to personnel administration.
 - (3) Investigating means for training in the area of career development.
- h. Coordinate and develop equal employment opportunity reports, including the initiation of the processes necessary for the completion of the annual EEO-4 report required by the federal equal employment opportunity commission.
- i. Address equal opportunity and affirmative action policies with respect to employee benefits and leaves of absence.
- j. Adopt equal employment opportunity and affirmative action rules in accordance with chapter 17A.

2. The state board of regents is responsible for the administration and promotion of equal opportunity and affirmative action efforts in the recruitment, appointment, assignment, and advancement of personnel by the board and the institutions under its jurisdiction. In carrying out this responsibility the board shall do all of the following with respect to the board and its institutions:

- a. Designate a position as the regents' affirmative action coordinator.
- b. Propose affirmative action standards applicable to the board and each institution under its jurisdiction.
- c. Gather data necessary to maintain an ongoing assessment of affirmative action efforts.
- d. Monitor accomplishments with respect to affirmative action remedies identified in affirmative action plans.
- e. Conduct studies of preemployment and postemployment processes in order to evaluate employment practices and develop improved methods of dealing with all employment issues related to equal employment opportunity and affirmative action.
- f. Establish an equal employment committee to assist in addressing affirmative action needs, including recruitment.
- g. Address equal opportunity and affirmative action training needs by:
 - (1) Providing appropriate training for managers and supervisors.

(2) Insuring that the board and its institutions make training available for all staff members whose duties relate to personnel administration.

(3) Investigating means for training in the area of career development.

h. Require development of equal employment opportunity reports, including the initiation of the processes necessary for the completion of the annual EEO-6 reports required by the federal equal employment opportunity commission.

i. Address equal opportunity and affirmative action policies with respect to employee benefits and leaves of absence.

j. Adopt equal employment opportunity and affirmative action rules in accordance with chapter 17A.

Sec. 223. NEW SECTION. 19B.4 STATE AGENCY AFFIRMATIVE ACTION PLANS – PROGRAMS.

1. Each state agency, including the state board of regents and its institutions, shall annually prepare an affirmative action plan. State agencies other than the state board of regents and its institutions shall submit their plans to the department of personnel. Institutions under the jurisdiction of the state board of regents shall submit their plans to that board. The plans shall be submitted between December 15 and December 31 each year. Each plan shall contain a clear and unambiguous written program containing goals and time specifications related to personnel administration.

2. Each state agency, including the state board of regents and its institutions, shall conduct programs of job orientation and provide organizational structure and training for upward mobility of employees. Emphasis shall be placed upon fair practices in employment.

Sec. 224. NEW SECTION. 19B.5 ANNUAL REPORTS.

1. The head of each state agency other than the state board of regents and its institutions is personally responsible for submitting an annual report of the affirmative action accomplishments of that agency to the department of personnel between December 15 and December 31 each year.

2. The department of personnel shall submit a report on the condition of affirmative action programs in state agencies covered by subsection 1 by January 31 of each year to the department of management.

3. The state board of regents shall submit an annual report of the affirmative action accomplishments of the board and its institutions by January 31 of each year to the department of management.

Sec. 225. NEW SECTION. 19B.6 RESPONSIBILITIES OF DEPARTMENT OF MANAGEMENT – AFFIRMATIVE ACTION.

The department of management shall oversee the implementation of sections 19B.1 through 19B.5 and shall work with the governor to ensure compliance with those sections, including the attainment of affirmative action goals and timetables, by all state agencies, including the state board of regents and its institutions.

Sec. 226. NEW SECTION. 19B.7 STATE CONTRACTS AND SERVICES – STATE-ASSISTED PROGRAMS – RESPONSIBILITIES OF OFFICE OF MANAGEMENT – REGENTS.

1. Except as otherwise provided in subsection 2, the office of management is responsible for the administration and promotion of equal opportunity in all state contracts and services and the prohibition of discriminatory and unfair practices within any program receiving or benefiting from state financial assistance in whole or in part. In carrying out these responsibilities the office of management shall:

a. Establish for all state agencies a contract compliance policy, applicable to state contracts and services and to programs receiving or benefiting from state financial assistance, to assure:

(1) The equitable provision of services within state programs.

(2) The utilization of minority, women's, and disadvantaged business enterprises as sources of supplies, equipment, construction, and services.

(3) Nondiscrimination in employment by state contractors and subcontractors.

b. Adopt administrative rules in accordance with chapter 17A to implement the contract compliance policy.

c. Monitor the actions of state agencies to ensure compliance.

d. Report results under the contract compliance policy to the governor and the general assembly on an annual basis. The report shall detail specific efforts to promote equal opportunity through state contracts and services and efforts to promote, develop, and stimulate the utilization of minority, women's, and disadvantaged business enterprises in programs receiving or benefiting from state financial assistance.

e. Do other acts necessary to carry out the contract compliance policy described in this section.

2. The state board of regents is responsible for administering the provisions of this section for the institutions under its jurisdiction.

Sec. 227. NEW SECTION. 19B.7A SANCTIONS.

The department of management may impose appropriate sanctions on individual state agencies, including the state board of regents and its institutions, in order to ensure compliance with state programs emphasizing equal opportunity through affirmative action, contract compliance policies, and requirements for procurement set-asides for targeted small businesses.

Sec. 228. NEW SECTION. 19B.8 SCHOOL DISTRICTS, AREA EDUCATION AGENCIES, AND MERGED AREA SCHOOLS – DUTIES OF COMMISSIONER OF EDUCATION.

1. It is the policy of this state to provide equal opportunity in school district, area education agency, and merged area school employment to all persons. An individual shall not be denied equal access to school district or area education agency employment opportunities because of race, creed, color, religion, national origin, sex, age, or physical or mental disability.

2. The commissioner of education shall actively promote fair employment practices for all school district, area education agency, and merged area school employees and shall inform school districts, area education agencies, and merged area schools concerning their efforts to accomplish this goal. The commissioner shall consult with the department of personnel in the performance of duties under this section.

3. Each school district, area education agency, and merged area school in the state shall submit to the commissioner of education an annual report of the accomplishments and programs of the district, agency, or merged area school in carrying out its duties under this section. The report shall be submitted between December 15 and December 31 each year. The commissioner shall prescribe the form and content of the report.

4. The commissioner of education shall prepare a compilation of the reports required by subsection 3 and shall submit this compilation, together with a report of the commissioner's accomplishments and programs pursuant to this section, to the office of management by January 31 of each year.

Sec. 229. Section 20.1, Code 1985, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The general assembly declares that the purposes of the public employment relations board established by this chapter are to implement the provisions of this chapter and adjudicate and conciliate employment-related cases involving the state of Iowa and other public employers and employee organizations. For these purposes the powers and duties of the board include but are not limited to the following:

1. Determining appropriate bargaining units and conducting representation elections.

2. Adjudicating prohibited practice complaints and fashioning appropriate remedial relief for violations of this chapter.

3. Adjudicating and serving as arbitrators regarding state merit system grievances and grievances arising under collective bargaining agreements between public employers and certified employee organizations.

4. Providing mediators, fact finders, and arbitrators to resolve impasses in negotiations.

5. Collecting and disseminating information concerning the wages, hours, and other conditions of employment of public employees.

6. Assisting the attorney general in the preparation of legal briefs and the presentation of oral arguments in the district court and the supreme court in cases affecting the board.

Sec. 230. Section 20.4, subsection 10, Code 1985, is amended by striking the subsection.

Sec. 231. Section 79.1, unnumbered paragraph 2, Code Supplement 1985, is amended to read as follows:

All employees of the state shall earn two weeks' vacation per year during the first year of employment and through the fourth year of employment, and three weeks' vacation per year during the fifth and through the eleventh year of employment, and four weeks' vacation per year during the twelfth year through the nineteenth year of employment, and four and four-tenths weeks' vacation per year during the twentieth year through the twenty-fourth year of employment, and five weeks' vacation per year during the twenty-fifth year and all subsequent years of employment, with pay. One week of vacation shall be equal to the number of hours in the employee's normal work week. Vacation allowances shall be accrued according to the provisions of chapter 91A as provided by the rules of the Iowa merit employment department of personnel. The vacations shall be granted at the discretion and convenience of the head of the department, agency, or commission, except that an employee shall not be granted vacation in excess of the amount earned by the employee. Vacation leave earned under this paragraph shall not be cumulated to an amount in excess of twice the employee's annual rate of accrual. The head of the department, agency, or commission shall make every reasonable effort to schedule vacation leave sufficient to prevent any loss of entitlements. In the event that If the employment of an employee of the state is terminated the provisions of chapter 91A relating to the termination shall apply.

Sec. 232. Section 79.1, unnumbered paragraphs 7 and 8, Code Supplement 1985, are amended to read as follows:

State employees, excluding state board of regents' faculty members with nine-month appointments, and employees covered under a collective bargaining agreement negotiated with the public safety bargaining unit who are eligible for accrued vacation benefits and accrued sick leave benefits, who have accumulated thirty days of sick leave, and who do not use sick leave during a full month of employment may elect to accrue up to one-half day of additional vacation. The accrual of additional vacation time by an employee for not using sick leave during a month shall be is in lieu of the accrual of up to one and one-half days of sick leave for that month. The state comptroller personnel commission may promulgate adopt the necessary rules and procedures for the implementation of this program for all state employees except employees of the state board of regents. The state board of regents may promulgate adopt necessary rules for the implementation of this program for its employees.

The head of any department, agency, or commission, subject to rules of the department of personnel, may grant an educational leave to employees for whom the head of the department, agency, or commission is responsible pursuant to section 79.25 and funds appropriated by the general assembly may be used for such purposes this purpose. The head of such the department, agency, or commission shall notify the legislative council and the state comptroller director of the department of personnel of all educational leaves granted within fifteen days of the granting of the educational leave. If the head of a department, agency or commission fails to notify the legislative council and state comptroller the director of the department of personnel of an educational leave, the expenditure of funds appropriated by the general assembly for the educational leave shall not be allowed.

Sec. 233. Section 79.16, subsection 2, unnumbered paragraph 1, Code 1985, is amended to read as follows:

A state employee who is reassigned shall be reimbursed for moving expenses incurred in accordance with rules adopted by the ~~state comptroller~~ personnel commission when all of the following circumstances exist:

Sec. 234. **NEW SECTION. 79.19 DURATION OF STATE PAYROLL DEDUCTION FOR DUES OF EMPLOYEE ORGANIZATION MEMBER.**

A state employee who elects a payroll deduction for membership dues to an employee organization pursuant to the provisions of a collective bargaining agreement negotiated under the provisions of chapter 20 shall maintain the deduction for a period of one year or until the expiration of the collective bargaining agreement, whichever occurs first. A state employee who transfers employment to a position covered by a different collective bargaining agreement or who becomes a management employee is not subject to this requirement. With respect to state employees, this section supersedes the provisions of section 20.9 allowing termination of a dues checkoff at any time but does not supersede the requirement for thirty days' written notice of termination.

Sec. 235. Section 79.20, unnumbered paragraph 1, Code 1985, is amended to read as follows:

~~There is created a~~ A state employees disability insurance program is created, which shall be administered by the ~~executive council~~ director of the department of personnel and which shall provide disability benefits in an amount and for the employees as provided in this section. The monthly disability benefits shall provide twenty percent of monthly earnings if employed less than one year, forty percent of monthly earnings if employed one year or more but less than two years, and sixty percent of monthly earnings thereafter, reduced by primary and family social security determined at the time social security disability payments commence, workers' compensation if applicable, and any other state sponsored sickness or disability benefits payable. ~~No subsequent~~ Subsequent social security increases shall not be used to further reduce the insurance benefits payable. State employees shall receive credit for the time they were continuously employed prior to and on July 1, 1974. The following provisions shall apply to the employees disability insurance program:

Sec. 236. Section 79.24, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The state and any political subdivisions of the state shall grant employees leave from employment to participate in olympic competition sanctioned by the United States olympic committee. Any leave granted shall not exceed the time required for actual participation in the competition, plus a reasonable time for travel to and return from the site of the competition, and a reasonable time for precompetition training at the site. The state or political subdivision shall compensate the employee at the employee's regular rate of pay during any leave granted. Pay for each week of leave shall not exceed the amount the employee would receive for a normal work week, and the employee shall not be paid for any day spent in olympic competition for which the employee would not ordinarily receive pay as part of the employee's regular employment. The maximum leave granted per fiscal year under this section shall not exceed ninety days. Employees with approved leave shall retain all employment benefits throughout the leave of absence. The ~~director of the Iowa merit employment commission~~ personnel commission shall ~~promulgate~~ adopt rules for the implementation of this section.

Sec. 237. Section 79.25, subsection 2, unnumbered paragraph 2, Code Supplement 1985, is amended to read as follows:

The ~~state comptroller~~ director of the department of personnel shall not allow the payment of expenses for courses unless the department, agency, or commission can demonstrate a relationship between the employee's job responsibilities and the courses to be taken or that the employee is required to learn new skills for which the department, agency, or commission has a need.

Sec. 238. Section 79.25, subsection 3, paragraphs a, b, and c, Code Supplement 1985, are amended to read as follows:

a. The ~~state comptroller~~ director of the department of personnel shall periodically and at least annually review the implementation of educational leave and educational assistance programs by state agencies.

b. The head of each state agency, department, or commission shall report to the ~~state comptroller~~ director of the department of personnel and the legislative council not later than October 1 of each year the direct and indirect costs to the agency of educational leave and educational assistance granted to agency employees during the preceding fiscal year. The report shall include an estimate of costs saved by the state agency, department, or commission through the use of educational leave and educational assistance. As used in this subsection, "indirect costs" includes but is not limited to, adjustments in employee work assignments and agency operations necessitated by educational leave or assistance.

c. The report to the ~~state comptroller~~ director of the department of personnel and legislative council shall identify the relationship of each course to the employee who is granted educational leave and how the course may improve the employee's job performance or the task to be accomplished within the agency.

Sec. 239. Section 79.25, subsection 3, paragraph d, unnumbered paragraph 1, Code Supplement 1985, is amended to read as follows:

The report to the ~~state comptroller~~ director of the department of personnel and the legislative council shall also include:

Sec. 240. NEW SECTION. 79.37 COLLECTIVE BARGAINING AGREEMENTS.

Administrative rules adopted by the director of the department of personnel pursuant to this chapter shall not supersede provisions of collective bargaining agreements negotiated under chapter 20.

Sec. 241. Section 80.15, Code 1985, is amended to read as follows:

80.15 EXAMINATION — OATH — PROBATION — DISMISSAL.

~~No~~ An applicant for membership in the department of public safety, except clerical workers and special agents appointed under section 80.7, shall not be appointed as a member until the applicant has passed a satisfactory physical and mental examination. In addition, ~~such~~ the applicant must be a citizen of the United States, of good moral character, and be not less than twenty-two years of age. The mental examination shall be conducted under the direction or supervision of the commissioner of public safety and may be oral or written or both. Each applicant shall take an oath on becoming a member of the force, to uphold the laws and Constitution of the United States and of the state of Iowa. During the period of twelve months after appointment, any member of the department of public safety, except members of the present Iowa highway safety patrol who have served more than six months, ~~shall be~~ is subject to dismissal at the will of the commissioner. After the twelve months' service, ~~no~~ a member of the department, who ~~shall have been~~ was appointed after having passed the ~~before mentioned~~ examinations, ~~shall be~~ is not subject to dismissal unless charges have been filed with the ~~secretary of the executive council~~ department of audits and appeals and a hearing held ~~before by the executive council~~ employment appeal board created by section 10A.601, if requested by

said the member of the department, at which the member shall have has an opportunity to present a defense to such the charges. The decision of the executive council by majority vote shall be appeal board is final, subject to the right of judicial review in accordance with the terms of the Iowa administrative procedure Act. All rules, except employment provisions negotiated pursuant to chapter 20, regarding the enlistment, appointment, and employment affecting the personnel of the department shall be established by the commissioner in consultation with the director of the department of personnel, subject to approval of by the governor.

Sec. 242. Section 97.51, subsection 1, unnumbered paragraph 1, and paragraph c, and subsection 3, Code 1985, are amended to read as follows:

The treasurer of state is hereby made the custodian and trustee of this fund and shall administer the same fund in accordance with the directions of the Iowa department of job service personnel. It shall be is the duty of the trustee:

c. Disburse such To disburse the trust funds upon warrants drawn by the comptroller pursuant to the order of the department of job service personnel.

3. The Iowa department of job service shall be vested with authority to personnel shall administer the Iowa old-age and survivors' insurance liquidation fund and shall also administer all other provisions of this chapter.

Sec. 243. Section 97A.1, subsection 4, Code 1985, is amended to read as follows:

4. "Board of trustees" shall mean means the board provided for created in section 97A.5 to administer direct the administration of the Iowa department of public safety peace officers' retirement, accident, and disability system.

Sec. 244. Section 97A.2, Code 1985, is amended to read as follows:

97A.2 CREATION OF SYSTEM - PURPOSE - NAME.

There is hereby created and established a retirement or pension system to be known as the The Iowa department of public safety peace officers' retirement, accident, and disability system is created. It is the intent and purpose of this chapter to provide certain retirement and other benefits for the peace officers of the Iowa department of public safety herein named in this chapter, or benefits to their dependents, in amounts and under terms and conditions hereinafter set forth. Such in this chapter. The system shall be administered under the management direction of the board of trustees hereinafter described, and shall transact all of its business, invest all of its funds, and hold all of its cash and security and other property in the name of the Iowa department of public safety peace officers' retirement, accident, and disability system. The retirement system so created shall begin operation on the effective date of this chapter.

Sec. 245. Section 97A.5, subsection 1, Code 1985, is amended to read as follows:

1. BOARD OF TRUSTEES. A board of trustees of the Iowa department of public safety peace officers' retirement, accident, and disability system is created. The general administration and the responsibility for the proper operation of the system and for making effective the provisions of this chapter are hereby is vested in a the board of trustees to administer the system. Such The board of trustees shall be is constituted as follows: The commissioner of public safety, who shall be is chairperson of said the board, the state treasurer of state, and an actively engaged member of the system, to be chosen by secret ballot by the members thereof of the system for a term of two years.

Sec. 246. Section 97A.5, subsection 5, Code 1985, is amended by striking the subsection and inserting in lieu thereof the following:

5. STAFF. The department of personnel shall provide administrative services to the board of trustees. Investments shall be administered through the office of the treasurer of state.

Sec. 247. Section 97A.5, subsection 6, Code 1985, is amended to read as follows:

6. DATA — RECORDS — REPORTS. ~~The board of trustees department of personnel shall keep in convenient form such the data as shall be necessary for actuarial valuation of the various funds of the system and for checking the expense of the system. The secretary of the board director of the department of personnel shall keep a record of all the acts and proceedings taken by said of the board, which records shall be open to public inspection, and the secretary shall keep a complete record of the names of all of the members, their ages and length of service, the salary of each member, together with such and other facts as may be necessary in the administration of the provisions of this chapter, and for the purpose of obtaining such facts, the secretary director of personnel shall have access to the records of the various departments of the state. The board of trustees shall biennially make a report to the state legislature showing the fiscal transactions of the system for the preceding biennium, the amount of the accumulated cash and securities of the system, and the last balance sheet showing the financial condition of the system by means of an actuarial valuation of the assets and liabilities of the system.~~

Sec. 248. Section 97A.7, subsection 4, Code 1985, is amended to read as follows:

4. ~~No trustee and no A member of the board of trustees or an employee of the board of trustees department of personnel shall not have any a direct interest in the gains or profits of any investment made by the board of trustees. No A trustee shall not receive any pay or emolument for the trustee's services except as secretary. No A trustee or employee of the board of trustees department of personnel shall not directly or indirectly for the trustee or employee or as agent in any manner use the assets of the system except to make such current and necessary payments as are authorized by the board of trustees, nor shall any a trustee or employee of the board department of personnel become an endorser or surety or become in any manner an obligor for moneys loaned by or borrowed from the board of trustees.~~

Sec. 249. Section 97B.1, Code 1985, is amended to read as follows:

97B.1 SYSTEM CREATED — ORGANIZATIONAL DEFINITIONS.

1. ~~A public employees' retirement system is hereby created and established to become effective as of July 4, 1953, and to be known as the The "Iowa Public Employees' Retirement System" hereinafter called the "system" is created. The system is within the department of personnel.~~

2. ~~As used in this chapter unless the context requires otherwise:~~

- a. ~~"Administrator" means the chief administrative officer of the system.~~
- b. ~~"Board" means the investment board created by section 97B.8.~~
- c. ~~"Department" means the department of personnel.~~
- d. ~~"Director" means the director of the department of personnel.~~
- e. ~~"System" means the Iowa public employees' retirement system.~~

Sec. 250. Section 97B.3, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

97B.3 ADMINISTRATOR.

1. The chief administrative officer of the system is the administrator. The administrator shall be appointed by the director as provided in subsection 2.

2. The department of personnel shall provide to the investment board a list of eligible applicants for the position of administrator prepared in accordance with the rules of the department. The board shall recommend to the director candidates from this list and the director shall appoint the administrator from among the recommended candidates.

3. The administrator shall serve at the pleasure of the director.

Sec. 251. Section 97B.4, Code 1985, is amended to read as follows:

97B.4 POWERS AND DUTIES — IMMUNITY.

~~It shall be the duty of the The department to, through the administrator, shall administer this chapter; and it shall have power and authority to. The department may adopt, amend, or~~

rescind such rules, to employ such persons, make such expenditures, require such reports, make such investigations, and take such other action as it deems necessary or suitable to that end for the administration of the system. Such The rules shall be effective upon complying compliance with chapter 17A. Not later than the fifteenth day of December of each year, the department shall submit to the governor a report covering the administration and operation of this chapter during the preceding fiscal year and shall make such recommendations for amendments to this chapter as the department deems proper. Such The report shall include a balance sheet of the moneys in the Iowa public employees' retirement fund.

The department, members of the investment board, and the treasurer of state are not personally liable for actions under this chapter.

Sec. 252. Section 97B.5, Code 1985, is amended to read as follows:

97B.5 OFFICERS AND EMPLOYEES STAFF.

Subject to other provisions of this chapter, the department is authorized to appoint, fix the compensation, and prescribe the duties and powers of such officers, accountants, attorneys, experts, actuaries, and other persons as may be necessary in the performance of its duties may employ personnel as necessary for the administration of the system. The department shall classify its positions and shall establish salary schedules and minimum personnel standards for the positions so classified. All positions shall be filled by persons selected and appointed on the basis of competency and fitness for the position to be filled. The staff shall be appointed pursuant to chapter 19A. The department shall not appoint or employ any a person who is an officer or committee member of any a political party organization or who holds or is a candidate for any an elective public office. The department shall establish and enforce fair and reasonable regulations based upon ratings of efficiency and fitness and for terminations for cause. The department may employ attorneys and contract with attorneys and legal firms for the provision of legal counsel and advice in the administration of this chapter, chapter 97C, and chapter 12A. The department may delegate to any such person so appointed such power and authority as it deems reasonable and proper for the effective administration of this chapter, and may in its discretion bond any person handling moneys or signing checks hereunder under this chapter. The department is authorized to enter into arrangements with the federal bureau of employment security whereby services performed by the department and its employees both under this chapter and under the Iowa employment security chapter shall be equitably apportioned between the funds provided for the administration of said chapters. That money spent for rentals, supplies and equipment used by both agencies shall be equitably apportioned and charged against said funds.

Sec. 253. Section 97B.7, subsection 2, paragraph b, unnumbered paragraphs 1, 2, and 3, Code Supplement 1985, are amended to read as follows:

Invest, subject to chapter 12A, the portion of the retirement fund which in the judgment of the department is not needed for current payment of benefits under this chapter. The department shall determine execute the disposition and investment of moneys in the retirement fund in accordance with the investment policy and goal statement established by the investment board. In the investment of the fund, the department and investment board shall exercise the judgment and care, under the circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs as provided in section 633.123, subsection 1.

The department and investment board shall give appropriate consideration to those facts and circumstances that the department knows and investment board know or should know are relevant to the particular investment involved, including the role the investment plays in the total value of the retirement fund.

For the purposes of this paragraph, appropriate consideration includes, but is not limited to, a determination by the department and investment board that the particular investment is reasonably designed to further the purposes of the retirement system, taking into consideration the risk of loss and the opportunity for gain or other return associated with the investment and consideration of the following factors as they relate to the retirement fund:

Sec. 254. Section 97B.8, unnumbered paragraphs 1 and 2, Code Supplement 1985, are amended to read as follows:

97B.8 ADVISORY INVESTMENT BOARD.

A board is established to be known as the "Advisory Investment Board of the Iowa Public Employees' Retirement System", hereinafter called referred to in this chapter as the "board", whose duties are to advise and confer with establish policy for the department in matters relating to the investment of the trust funds of the Iowa public employees' retirement system. At least annually the board shall review the investment policies and procedures used by the department under section 97B.7, subsection 2, paragraph "b", and shall hold a public meeting on the investment policies and investment performance of the fund. Following its review and the public meeting, the board shall make recommendations to the department establish an investment policy and goal statement which shall direct the investment activities of the department. The powers of the board are advisory and the department is not bound in the making of an investment, or adoption of an investment policy or procedure, by the recommendations of the board. The development of the investment policy and goal statement and its subsequent execution shall be performed cooperatively between the board and the department. In accordance with section 97B.3, the board shall recommend to the director a set of candidates for selection as the administrator.

The board shall consist consists of seven eight members. Five of the members shall be appointed by the governor, one of whom. One member shall be an executive of a domestic life insurance company, one an executive of a state or national bank operating within the state of Iowa, one an executive of a major industrial corporation located within the state of Iowa, and two shall be active members of the system, one of whom shall be an employee of a school district, area education agency, or merged area, and one of whom shall not be an employee of a school district, area education agency, or merged area. The president majority leader of the senate shall appoint one member from the membership of the senate and the speaker of the house of representatives shall appoint one member from the membership of the house. The two members appointed by the president majority leader of the senate and the speaker of the house of representatives and the two active members of the system appointed by the governor are ex officio members of the board. The director of the department of personnel is an ex officio, nonvoting member of the board.

Sec. 255. Section 97B.25, Code 1985, is amended to read as follows:

97B.25 APPLICATIONS FOR BENEFITS.

A representative designated by the director administrator and hereinafter referred to in this chapter as a benefits deputy, shall promptly examine applications for retirement benefits and on the basis of facts found by the deputy shall either determine whether or not such the claim is valid and if valid, the month with respect to which benefits shall commence, the monthly benefit amount payable, and the maximum duration thereof. The deputy shall promptly notify the applicant and any other interested party of the decision and the reasons therefor. Unless the applicant or other interested party, within thirty calendar days after such the notification was mailed to the applicant's or party's last known address, files an appeal from such decision, to a hearing officer as provided in section 97B.26 in the department of audits and appeals, such the decision shall be is final and benefits shall be paid or denied in accord therewith with the decision.

Sec. 256. Section 97B.26, Code 1985, is amended to read as follows:

97B.26 HEARING OFFICER.

~~Unless such appeal is~~ If an appeal is filed and is not withdrawn, a hearing officer ~~to be designated by the department for this purpose in the department of audits and appeals~~, after affording the parties reasonable opportunity for fair hearing, shall affirm, ~~or modify, or reverse the findings of fact and decision of the benefits deputy.~~ The hearing shall be recorded by mechanical means and a transcript of the hearing shall be made. The said transcript shall then be made available for use by the employment appeal board and by the courts at subsequent judicial review proceedings under the Iowa administrative procedure Act, if any. The parties shall be duly notified of the hearing officer's decision, together with the hearing officer's reasons therefor, ~~which shall be deemed to be the final decision of the department.~~ The decision is final unless, within thirty days after the date of notification or mailing of such the decision, further appeal review by the employment appeal board is initiated pursuant to section 97B.27.

Sec. 257. Section 97B.27, Code 1985, is amended to read as follows:

97B.27 REVIEW OF DECISION.

Anyone aggrieved by the decision of the hearing officer may, at any time before the hearing officer's decision becomes final, petition the department of audits and appeals for review ~~before by the employment appeal board established in section 96.6 of the hearing officer's decision 10A.601.~~ The appeal board shall review the record made before the hearing officer, but no additional evidence shall be heard. On the basis of ~~such the record~~ the appeal board shall either affirm, modify, or reverse the decision of the hearing officer and shall determine the rights of the appellant ~~on the basis of such record.~~ It shall promptly notify the appellant and any other interested party by written decision.

Sec. 258. Section 97C.2, subsection 5, Code 1985, is amended to read as follows:

5. The term "state agency" means the Iowa department of job service personnel.

Sec. 259. Section 97C.19, Code 1985, is amended to read as follows:

97C.19 APPORTIONMENT OF EXPENSE.

The Iowa department of job service is authorized to enter into arrangements with the federal bureau of employment security whereby services performed by the job service department and its employees both under this chapter and under the Iowa employment security chapter shall be equitably apportioned between the funds provided for the administration of said chapters. The money spent for personnel, rentals, supplies, and equipment used by the job service department state agency in administering both chapters 97, 97B, and 97C shall be equitably apportioned and charged against said the funds provided for the administration of those chapters.

Sec. 260. Section 218.10, Code 1985, is amended to read as follows:

218.10 SUBORDINATE OFFICERS AND EMPLOYEES.

The division director in charge of a particular institution, with the consent and approval of the commissioner of the department of human services, shall determine the number and ~~compensation~~ of subordinate officers and employees for each institution. Subject to the provisions of this chapter, ~~such the officers and employees shall be appointed and discharged by the chief executive officer or business manager pursuant to chapter 19A.~~ Such The officer shall keep, in the record of each subordinate officer and employee, the date of employment, the compensation, and the date of each discharge, and the reasons therefor for discharge.

Sec. 261. Section 257.10, subsection 13, Code Supplement 1985, is amended by striking the subsection.

Sec. 262. Section 294.15, unnumbered paragraphs 2 and 3, Code Supplement 1985, are amended to read as follows:

However, a person receiving retirement allowance payments under this section may elect in

writing to the Iowa department of job service personnel to continue to receive two hundred dollars per month.

Application for ~~such~~ these retirement allowance payments shall be made to the department of job service personnel under ~~such rules as the commission may prescribe~~ prescribed by the director of that department. ~~Eligible persons shall be~~ An eligible person is entitled to receive such the retirement allowance payments effective from the date of application to the commission, provided such department, if the application is approved, and such the payments shall be continued on the first day of each month thereafter during the lifetime of any such the person.

Sec. 263. Section 601A.16, subsection 1, unnumbered paragraph 1, Code Supplement 1985, is amended to read as follows:

A person claiming to be aggrieved by an unfair or discriminatory practice must initially seek an administrative relief by filing a complaint with the commission in accordance with section 601A.15. This provision also applies to persons claiming to be aggrieved by an unfair or discriminatory practice committed by the state or an agency or political subdivision of the state, notwithstanding the terms of the Iowa administrative procedure Act. A complainant after the proper filing of a complaint with the commission, may subsequently commence an action for relief in the district court if all of the following conditions have been satisfied:

Sec. 264. Sections 18B.10, 19A.5, 218.13, and 218.16, Code 1985, are repealed.

DEPARTMENT OF GENERAL SERVICES

Sec. 301. Section 2.43, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The legislative council in co-operation with the officers of the senate and house shall have the duty and responsibility for preparing for each session of the general assembly. Pursuant to such duty and responsibility, the legislative council ~~may~~ shall assign the use of areas in the state capitol or other state buildings except for the areas used by the governor and the courts as of January 1, 1986 and, in consultation with the director of the department of general services and the capitol planning commission, ~~may~~ assign areas in other state office buildings for use of the general assembly or legislative agencies. The legislative council may authorize the renovation, remodeling and preparation of the physical facilities used or to be used by the general assembly or legislative agencies subject to the jurisdiction of the legislative council and award contracts pursuant to such authority to carry out such preparation. The legislative council may purchase supplies and equipment deemed necessary for the proper functioning of the legislative branch of government.

Sec. 302. Section 2.46, subsection 5, Code 1985, is amended to read as follows:

5. INFORMATION NEEDS DETERMINATION. Determine the information needs of the general assembly and report them to the ~~state comptroller~~ director of the department of general services who shall consider such needs in establishing the operating policies for a data base management system.

Sec. 303. Section 18.3, Code 1985, is amended by adding the following new subsection:

NEW SUBSECTION. 8. Providing architectural services, contracting for construction and construction oversight for state agencies except for the board of regents, department of transportation, national guard, and conservation commission. Capital funding appropriated to state agencies, except the board of regents, department of transportation, national guard, and conservation commission, for property management shall be transferred for administration and control to the director of the department of general services.

Sec. 304. Section 18.6, Code 1985, is amended by adding the following new subsection:

NEW SUBSECTION. 9. When the estimated total cost of construction, erection, demolition, alteration or repair of a public improvement exceeds twenty-five thousand dollars,

the department shall advertise for bids on the proposed improvement by two publications in a newspaper published in the county in which the work is to be done. The first advertisement for bids shall be not less than fifteen days prior to the date set for receiving bids. The department shall let the work to the lowest responsible bidder submitting a sealed proposal. However, if the department considers the bids received not to be acceptable, all bids may be rejected and new bids requested. A bid shall be accompanied, in a separate envelope, by a deposit of money or a certified check or credit union certified share draft in an amount to be named in the advertisement for bids as security that the bidder will enter into a contract for the doing of the work. The department shall fix the bid security in an amount equal to at least five percent, but not more than ten percent of the estimated total cost of the work. The checks, share drafts or deposits of money of the unsuccessful bidders shall be returned as soon as the successful bidder is determined, and the check, share draft or deposit of money of the successful bidder shall be returned upon execution of the contract documents. This section does not apply to the construction, erection, demolition, alteration or repair of a public improvement when the contracting procedure for the doing of the work is provided for in another provision of law.

Sec. 305. Section 18.8, unnumbered paragraph 5, Code 1985, is amended to read as follows:

The Except for buildings and grounds described in section 601B.6, subsection 9, and section 2.43, unnumbered paragraph 1, the director shall assign office space in at the capitol building, other state buildings, except the buildings and grounds referred to in section 601B.6, subsection 9, and elsewhere in the city of Des Moines, for all executive and judicial state agencies. Assignments may be changed at any time. The various officers to whom rooms have been so assigned may control the same while the assignment to them is in force. Official apartments shall be used only for the purpose of conducting the business of the state. The term "capitol" or "capitol building" as used in the Code shall be descriptive of all buildings upon the capitol grounds. The capitol building itself is reserved for the operations of the general assembly, the governor and the courts and the assignment and use of physical facilities for the general assembly shall be pursuant to section 2.43.

Sec. 306. Section 18.11, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The director shall establish, publish, and enforce rules regulating, restricting, or prohibiting the use by state officials, state employees, and the public, of motor vehicle parking facilities at the state capitol complex. The assignment of legislative parking spaces shall be under the control of the legislative council. The rules established by the director may establish fines for violations and a procedure for payment of the fines. The director may order payment of a fine and enforce the order in the district court.

Sec. 307. Section 18.12, Code 1985, is amended by adding the following new subsection:

NEW SUBSECTION. 11. Coordinate the leasing of buildings and office space by state agencies throughout the state and develop cooperative relationships with the state board of regents to promote the collocation of state agencies.

Sec. 308. Section 18.133, subsection 1, Code 1985, is amended to read as follows:

1. "State communications" means a system refers to the transmission of voice, data, video, the written word or other visual signals by electronic means to serve communications the needs of state agencies but does not include communications activities exempt under section 18.135, subsection 3 and of the state board of regents, radio and television facilities under the Iowa department division of public broadcasting, department of transportation distributed data processing and mobile radio network, or law enforcement communications systems.

Sec. 309. NEW SECTION. 18.134 LIMITATION OF COMMUNICATIONS.

The department of general services shall not provide or resell communications services to entities other than state agencies. A political subdivision receiving communications services from the state as of April 1, 1986 may continue to do so until January 1, 1988. The rates charged to the political subdivision shall be the same as the rates charged to state agencies.

Sec. 310. Section 18.135, subsections 2 and 3, Code 1985, are amended by striking the subsections.

Sec. 311. Section 23.1, subsection 2, Code Supplement 1985, is amended to read as follows:

2. "Municipality" as used in this chapter means township, school corporation, state fair board, and state board of regents, state department of human services and Iowa department of corrections.

Sec. 312. Section 47.5, subsection 3, Code 1985, is amended to read as follows:

3. The procedure for purchasing data processing services in connection with administration of elections ~~shall be~~ is the same as prescribed in subsection 2, except that the required copy of the bid specifications shall be filed with the registrar rather than the state commissioner. The specifications for data processing contracts relative to voter registration records shall be specified by the registration commission. The registrar shall, not later than the final date for submission of bids, inform the commissioner in writing whether the ~~state comptroller's department of general services~~ data processing facilities are currently capable of furnishing the services the county proposes to purchase, and if so the cost to the county of so obtaining the services as determined in accordance with the standard charges ~~therefor~~ adopted by the registration commission. The commissioner, with approval of the board of supervisors, may reject all bids and enter into an arrangement with the registrar for the services to be furnished by the state. The commissioner may recommend and the board of supervisors may approve purchasing the needed services from the lowest responsible bidder; however, if the needed services could be obtained through the registrar at a lower cost, the board shall publish notice twice in a newspaper of general circulation in the county of its intent to accept such bid and of the difference in the amount of the bid and the cost of purchasing the needed services from the ~~state comptroller's department of general services~~ data processing facilities through the registrar. Each contract for the furnishing of data processing services, necessary in connection with the administration of elections, by any person other than the registrar or an employee of the county, shall be executed with the contractor by the board of supervisors of the county purchasing the services, but only after the contract has been reviewed and approved by the registration commission. ~~Such~~ The contract shall be of not more than one year's duration. Each county exercising the option to purchase such data processing services from a provider other than the registrar shall provide the registrar, at the county's expense, original and updated voter registration lists in a form and at times prescribed by rules ~~promulgated~~ adopted by the registration commission.

Sec. 313. Section 47.7, subsections 1 and 2, Code 1985, are amended to read as follows:

1. The senior administrator of data processing services in the ~~office of the state comptroller~~ department of general services is designated the state registrar of voters, and shall regulate the preparation, preservation, and maintenance of voter registration records, the preparation of precinct election registers for all elections administered by the commissioner of any county, and the preparation of other data on voter registration and participation in elections ~~as shall be which is~~ requested and purchased at actual cost of preparation and production by a political party or any resident of this state. The registrar shall maintain a log, which ~~shall be~~ is a public record, showing all lists and reports which have been requested or generated or which are capable of being generated by existing programs of the data processing services in the ~~office of the state comptroller~~ department of general services. In the execution of the duties provided by this chapter, the state registrar of voters and the state commissioner of elections shall provide the maximum public access to the electoral process permitted by law.

2. The registrar shall offer to each county in the state the opportunity to arrange for performance of all functions referred to in subsection 1 by the data processing facilities of the ~~state comptroller's office~~ department of general services, commencing at the earliest practicable

time, at a cost to the county determined in accordance with the standard charges for those services adopted by the registration commission. A county may accept this offer without taking bids under section 47.5.

Sec. 314. Section 218.58, Code 1985, is amended to read as follows:

218.58 CONSTRUCTION, REPAIR, AND IMPROVEMENT PROJECTS – EMERGENCIES – RULES.

The department shall work with the department of general services to accomplish the following responsibilities:

1. The department shall prepare and submit to the state comptroller, as provided in section 8.23, a multiyear construction program including estimates of the expenditure requirements for the construction, repair, or improvement of buildings, grounds, or equipment at the institutions listed in section 218.1.

2. The commissioner shall have plans and specifications prepared by the department of general services for authorized construction, repair, or improvement projects costing over twenty-five thousand dollars. An appropriation for a project shall not be expended until the department of general services has adopted plans and specifications and has completed a detailed estimate of the cost of the project, prepared under the supervision of a registered architect or registered professional engineer. Plans and specifications shall not be adopted and a project shall not proceed if the project would require an expenditure of money in excess of the appropriation.

~~The commissioner may employ a registered architect or registered professional engineer, and other technical staff necessary to complete authorized projects. The commissioner may secure consultant architectural or engineering services required to complete authorized projects.~~

3. ~~The commissioner~~ department of general services shall let all contracts under chapter 23 18 for authorized construction, repair, or improvement of departmental buildings, grounds, or equipment. ~~The department may advertise in a newspaper published at the seat of government in lieu of advertising in a newspaper in the county in which a project is located.~~

4. If the commissioner determines and the director of the department of general services determine that emergency repairs or improvements estimated to cost more than twenty-five thousand dollars are necessary to assure the continued operation of a departmental institution, the requirements of subsections 2 and 3 for preparation of plans and specifications and competitive procurement procedures are waived. ~~The commissioner's~~ A determination of necessity for waiver by the commissioner and the director of the department of general services shall be in writing and shall be entered in the project record for emergency repairs or improvements. Emergency repairs or improvements shall be accomplished using plans and specifications and competitive procurement procedures to the greatest extent possible, considering the necessity for rapid completion of the project. A waiver of the requirements of subsections 2 and 3 does not authorize an expenditure in excess of an amount otherwise authorized for the repair or improvement.

5. A claim for payment relating to a project shall be itemized on a voucher form pursuant to section 8.15, certified by the claimant and the architect or engineer in charge, and audited and approved by the department of general services. Upon approval by the department of general services, the voucher shall be forwarded to the state comptroller, who shall draw a warrant to be paid by the treasurer of state from funds appropriated for the project. A partial payment made before completion of the project does not constitute final acceptance of the work or a waiver of any defect in the work.

6. Subject to the prior approval of the director in control of a departmental institution, minor projects costing five thousand dollars or less may be authorized and completed by the executive head of the institution through the use of day labor. A contract is not required if a minor project is to be completed with the use of resident labor.

7. The department shall adopt rules pursuant to chapter 17A for construction, repair, and improvement projects, relating to programming and design, the bidding and letting of contracts, procurement and construction management operations, consultant services, and emergency repairs and improvements.

Sec. 315. Section 246.108, subsection 5, Code Supplement 1985, is amended to read as follows:

5. The director may obtain assistance for the department ~~including construction, facility planning, data processing and project accomplishment, for construction, facility planning, and project accomplishment with the department of general services and by contracting under chapter 28E for data processing with the department of human services or the department of general services.~~

Sec. 316. Section 246.314, Code Supplement 1985, is amended to read as follows:

246.314 PLANS AND SPECIFICATIONS FOR IMPROVEMENTS.

The director shall cause plans and specifications to be prepared by the department of general services for all improvements authorized and costing over twenty-five thousand dollars. An appropriation for any improvement costing over twenty-five thousand dollars shall not be expended until the adoption of suitable plans and specifications, prepared by a competent architect and accompanied by a detailed statement of the amount, quality, and description of all material and labor required for the completion of the improvement.

A plan shall not be adopted, and an improvement shall not be constructed, which contemplates an expenditure of money in excess of the appropriation.

Sec. 317. Section 246.315, Code Supplement 1985, is amended to read as follows:

246.315 CONTRACTS FOR IMPROVEMENTS.

The director of the department of general services shall, in writing, let all contracts for authorized improvements costing in excess of twenty-five thousand dollars to the lowest responsible bidder, after advertisement for bids as the director deems proper in order to secure full competition under chapter 18. The director may reject all bids and readvertise. A preliminary deposit of money, bank check, or certified check, or a bid bond as provided in section 23.20, in an amount the director prescribes shall be required as an evidence of good faith, upon all proposals for the construction of improvements. The deposit, bank check, or certified check shall be held under the direction of the director. Upon prior authorization by the director, improvements costing five thousand dollars or less may be made by the superintendent of any institution.

Contracts are not required for improvements at any a state institution where the labor of inmates is to be used.

Sec. 318. Section 246.316, Code Supplement 1985, is amended to read as follows:

246.316 PAYMENT FOR IMPROVEMENTS.

The director of the department of general services shall not authorize payment for construction purposes until satisfactory proof has been furnished to the director of the department of general services by the proper officer or supervising architect, that the contract has been complied with by the parties. Payments shall be made in a manner similar to that in which the current expenses of the institutions are paid.

DEPARTMENT OF REVENUE AND FINANCE

Sec. 401. Section 98.1, subsections 10 and 23, Code 1985, are amended to read as follows:

10. "Director" shall mean means the director of revenue and finance or the director's duly authorized assistants and employees.

23. "Department" means the department of revenue and finance.

Sec. 402. Section 98.42, subsection 12, Code 1985, is amended to read as follows:

12. "Director" means the ~~state tax commission or the~~ director of the department of revenue and finance.

Sec. 403. Section 99E.2, subsection 2, Code Supplement 1985, is amended to read as follows:

2. "Director" means the director of each of the three divisions of the lottery agency ~~operating under the commissioner the~~ department of revenue and finance.

Sec. 404. Section 99E.3, subsections 1 and 3, Code Supplement 1985, are amended to read as follows:

1. A state agency lottery division is established ~~to be known as the Iowa lottery agency under the department of revenue and finance~~. Except as provided in section 99E.9, subsection 3, paragraph "b", the Iowa lottery agency division is subject to chapter 17A. It is a separate agency of state government ~~whose~~ The head of the lottery division is the commissioner.

3. The commissioner may employ, ~~with the approval of the director~~, clerks, stenographers, inspectors, agents, and other employees pursuant to chapter 19A as necessary to carry out this chapter, except as provided in section 99E.14, subsection 2.

Sec. 405. Section 99E.4, subsection 2, Code Supplement 1985, is amended to read as follows:

2. The commissioner, ~~with the approval of the director~~, shall employ personnel necessary to implement this chapter. ~~The commissioner director~~ may require lottery agency division employees to give bond in an amount the ~~commissioner director~~ determines. Each bond when fully executed and approved shall be filed in the office of the secretary of state. The cost of each bond given shall be part of the necessary expenses of the lottery. ~~The commissioner director~~ may obtain a blanket bond to cover personnel of the lottery agency division for which the ~~commissioner director~~ requires a bond.

Sec. 406. Section 99E.7, Code Supplement 1985, is amended to read as follows:

99E.7 BOARD MEETINGS.

The board shall hold at least one meeting ~~each month~~ quarterly and as often as necessary. The board shall select a chairperson from its membership at the first regular meeting of the board and shall thereafter select a chairperson at the first regular meeting of each fiscal year. Written notice of the time and place of each meeting shall be given to each member of the board. A majority of the board constitutes a quorum.

Sec. 407. Section 99E.8, Code Supplement 1985, is amended to read as follows:

99E.8 EXPENSES - SALARY.

Members of the board shall be ~~compensated at a rate of six thousand dollars per year~~. ~~Members shall also be allowed the actual and necessary expenses incurred in the performance of their duties~~. Each member of the board may also be eligible to receive compensation as provided in section 7E.3. The expenses incurred by members of the board ~~and the salaries paid to members of the board~~ are part of the necessary expenses of the lottery agency division.

Sec. 408. Section 99E.9, subsection 3, paragraphs d and g, Code Supplement 1985, are amended to read as follows:

d. The number and size of the prizes on the winning tickets or shares, including but not limited to prizes of free tickets or shares in lottery games conducted by the lottery and merchandise prizes. The lottery agency division shall maintain and make available for public inspection at its offices during regular business hours a detailed listing of the estimated number of prizes of each particular denomination that are expected to be awarded in any game that is

on sale or the estimated odds of winning the prizes and, after the end of the claim period, shall maintain and make available a listing of the total number of tickets or shares sold in a game and the number of prizes of each denomination which were awarded.

g. The frequency of selection of winning tickets or shares. Drawings shall be held in public. Drawings shall be witnessed by an independent certified public accountant. Equipment used to select winning tickets or shares or participants for prizes shall be examined by lottery agency division employees and an independent certified public accountant prior to and after each public drawing.

Sec. 409. Section 99E.9, subsection 3, paragraph n, subparagraph (1), Code Supplement 1985, is amended to read as follows:

(1) The payment of costs incurred in the operation and administration of the lottery and the lottery agency division, including the expenses of the lottery and the cost resulting from contracts entered into for consulting or operational services, or for marketing.

Sec. 410. Section 99E.9, subsection 5, Code Supplement 1985, is amended to read as follows:

5. Whenever possible when the lottery agency division awards a contract under subsection 2, for the lease, purchase, or servicing of a machine to be used in the conducting of a lottery game including, but not limited to, a video lottery machine or machine used in lotto, the lottery agency division shall give preference to awarding the contract to a person whose primary place of business is in Iowa.

Sec. 411. Section 99E.11, Code Supplement 1985, is amended to read as follows:
99E.11 REPORTS.

1. The commissioner shall report quarterly to the director, the governor, the treasurer of state, and the general assembly. The quarterly report shall include the total lottery revenue, prize disbursements, and other expenses for the preceding quarter. The fourth quarter report shall be included in the annual report made pursuant to subsection 2.

2. The commissioner also shall report annually to the director, the governor, the treasurer of state, and the general assembly. The annual report shall include a complete statement of lottery revenues, prize disbursements, and other expenses, and recommendations for changes in the law which the commissioner deems necessary or desirable. The annual report shall be submitted within ninety days after the close of a fiscal year.

3. The commissioner shall report immediately to the director, the governor, the treasurer of state, and the general assembly any matters that require immediate changes in the law in order to prevent abuses or evasions of this chapter or rules adopted or to rectify undesirable conditions in connection with the administration or operation of the lottery.

Sec. 412. Section 99E.13, subsections 1, 2, 3, 4, and 7, Code Supplement 1985, are amended to read as follows:

1. A member of the board, the director, the commissioner, or an employee of the lottery shall not directly or indirectly, individually, as a member of a partnership or other association, or as a shareholder, director, or officer of a corporation have an interest in a business which contracts for the operation and marketing of the lottery as authorized by section 99E.9, subsection 2.

2. A member of the board, the director, the commissioner, an employee of the lottery, or a member of their immediate family shall not ask for, offer to accept, or receive a gift, gratuity, or other thing of more than fifty dollars in value from a person contracting or seeking to contract with the state to supply gaming equipment or materials for use in the operation of a lottery or from an applicant for a license to sell tickets or shares in the lottery or from a licensee.

3. A person contracting or seeking to contract with the state to supply gaming equipment or materials for use in the operation of a lottery, an applicant for a license to sell tickets or

shares in the lottery, or a licensee shall not offer a member of the board, the director, the commissioner, an employee of the lottery, or a member of their immediate family a gift, gratuity, or other thing of more than fifty dollars in value.

4. A board member, director, commissioner, or employee of the lottery who violates a provision of this section, or if a member of their immediate family violates a provision of this section, shall be immediately removed from the office or position.

7. Enforcement of this section against a board member or the director or commissioner shall be by the attorney general who upon finding a violation shall initiate an action to remove the board member or the director or commissioner.

Sec. 413. Section 99E.14, Code Supplement 1985, is amended by striking the section and inserting in lieu thereof the following:

99E.14 LOTTERY ADMINISTRATORS.

The commissioner shall designate three administrative positions within the division which require specific areas of expertise relating to the operation of the lottery. These three administrative positions are exempt from the provisions of chapter 19A. The commissioner shall designate one of these three administrators to serve as acting commissioner in the commissioner's absence.

Departments, boards, commissions or other agencies of this state shall provide reasonable assistance to the lottery upon the request of the commissioner with the approval of the director.

Sec. 414. Section 324.2, Code Supplement 1985, is amended by adding the following new subsections:

NEW SUBSECTION. 8. "Department" means the department of revenue and finance.

NEW SUBSECTION. 9. "Director" means the director of revenue and finance.

Sec. 415. Section 324.33, Code 1985, is amended by adding the following new subsections:

NEW SUBSECTION. 9. "Department" means the department of revenue and finance.

NEW SUBSECTION. 10. "Director" means the director of revenue and finance.

Sec. 416. Section 324.57, subsection 6, Code 1985, is amended to read as follows:

6. "Department of revenue and finance" ~~shall include~~ includes the director of revenue and finance or the director's authorized representative.

Sec. 417. Section 324A.2, subsection 2, Code Supplement 1985, is amended to read as follows:

2. "Department" means the department of revenue and finance.

Sec. 418. Section 421.1, unnumbered paragraph 6, Code 1985, is amended to read as follows:

The members of the state board shall be allowed a ~~per diem of forty dollars~~ and their necessary travel and expenses while engaged in their official duties. Each member of the board may also be eligible to receive compensation as provided in section 7E.3. They shall organize the board and select one of their members as chairperson.

Sec. 419. Section 421.2, Code 1985, is amended to read as follows:

421.2 DEPARTMENT OF REVENUE AND FINANCE.

~~There is created a~~ A department of revenue and finance is created. The department shall be administered by a director of revenue and finance who shall be appointed by the governor subject to confirmation by the senate and shall serve at the pleasure of the governor. If the office of the director becomes vacant, the vacancy shall be filled in the same manner as provided for the original appointment. The director may establish, abolish, and consolidate departments within the department of revenue and finance when necessary for the efficient performance of the various functions and duties of the department of revenue and finance.

Sec. 420. Section 421.4, Code 1985, is amended to read as follows:

421.4 DEPUTIES.

The director may appoint deputy directors and may designate one or more of the deputies as acting director. Any A deputy designated to serve in the absence of the director shall have has all of the powers possessed by the director. The director may employ certified public accountants, engineering and technical assistants, and such other employees necessary to protect the interests of the state and any political subdivision. The director shall create a separate property tax division for which the director shall appoint a deputy director who shall administer all functions of the department of revenue relating to the assessment, levy and collection of property taxes as provided by law. All independent contracts and fees provided for in this section shall be are subject to the approval of the governor.

Sec. 421. Section 421.9, subsection 3, Code 1985, is amended by striking the subsection.

Sec. 422. Section 421.17, Code Supplement 1985, is amended by adding the following new subsections:

NEW SUBSECTION. 27. Administer chapter 99E.

NEW SUBSECTION. 28. Assume the accounting functions of the state comptroller's office.

Sec. 423. Section 421.30, subsections 2, 5, 6, and 8, Code 1985, are amended to read as follows:

2. There is created a reassessment expense fund committee composed of the director of revenue, the state comptroller, and the chairperson of the state board of tax review. The committee director of revenue and finance shall maintain and administer the reassessment expense fund created pursuant to subsection 1.

5. If the notice to the conference board and the assessor states that the director has determined that the proposal will result in compliance with the reassessment order, the conference board may, if it lacks the financial resources to comply in all respects with the reassessment order, file with the committee director an application for a loan from the reassessment expense fund. The loan to the conference board may be for all or part of the funds required to comply with the reassessment order. The committee director shall approve, amend and approve, or reject each application and notify the conference board and assessor of its decision. If the application is amended or rejected, the notice shall contain the committee's director's reasons for the amendment or rejection.

6. Upon the committee's director's approval of the advancement of funds from the reassessment expense fund, the committee director shall certify to the appropriate conference board and assessor a schedule for disbursing the loan to the assessing jurisdiction's appraiser fund authorized by section 441.50. The schedule shall provide for the disbursement of funds over the period of the reassessment project, except that ten percent of the funds shall not be disbursed until the project is completed. The conference board shall at its next opportunity levy pursuant to section 441.50 sufficient funds for purposes of repaying the loan made from the reassessment expense fund. The amount levied shall be sufficient to repay the loan in semiannual installments during the course of the reappraisal project as specified by a repayment schedule established by the committee director. The repayment schedule shall provide for repayment of the loan not later than one year following the completion of the reassessment. Semiannual repayments of the proceeds of the loan shall be made on or before December 1 and May 1 of each year.

8. The assessor of each assessing jurisdiction receiving funds under this section shall submit to the director, in the form and manner prescribed by the director, reports showing the progress of the reassessment. If the director determines that a reassessment undertaken with funds provided in this section is not being conducted in accordance with the proposal submitted pursuant to subsection 3, the director shall notify the appropriate conference board and

assessor and the committee of the director's determination. The notice shall contain an explanation as to how the deficiencies in the reassessment may be corrected. If the deficiencies noted by the director are not corrected within sixty days of the date the assessor and conference board are notified of their existence, the committee director shall suspend payments from the reassessment expense fund until the director notifies the committee that the deficiencies have been corrected.

Sec. 424. NEW SECTION. 421.31 POWERS AND DUTIES.

In addition to the powers and duties transferred to the director of revenue and finance, the director has the following powers and duties:

1. **AUDIT OF CLAIMS.** To audit all demands by the state, and to preaudit all accounts submitted for the issuance of warrants.

2. **CONTRACTS.** To certify, record, and encumber all formal contracts to prevent overcommitment of appropriations and allotments.

3. **ACCOUNTS.** To keep the central budget and proprietary control accounts of the state government in accordance with generally accepted accounting principles. Budget accounts are those accounts maintained to control the receipt and disposition of all funds, appropriations, and allotments. Proprietary accounts are those accounts relating to assets, liabilities, income, and expense.

4. **FAIR BOARD AND BOARD OF REGENTS.** To control the financial operations of the state fair board and the institutions under the state board of regents:

a. By charging all warrants issued to the respective educational institutions and the state fair board to an advance account to be further accounted for and not as an expense which requires no further accounting.

b. By charging all collections made by the educational institutions and state fair board to the respective advance accounts of the institutions and state fair board, and by crediting all such repayment collections to the respective appropriations and special funds.

c. By charging all disbursements made to the respective allotment accounts of each educational institution or state fair board and by crediting all such disbursements to the respective advance and inventory accounts.

d. By requiring a monthly abstract of all receipts and of all disbursements, both money and stores, and a complete account-current each month from each educational institution and the state fair board.

5. **CUSTODY OF RECORDS.** To have the custody of all books, papers, records, documents, vouchers, conveyances, leases, mortgages, bonds, and other securities appertaining to the fiscal affairs and property of the state, which are not required to be kept in some other office.

6. **APPORTIONMENT OF INTEREST.** To apportion the interest of the permanent school fund on the first Monday of March of each year, among the area education agencies of this state as provided in section 302.13.

7. **DEPARTMENT OF HUMAN SERVICES.** Assign an employee of the department of revenue and finance to check and audit all claims against the administrators of the divisions of the department of human services controlling state institutions, before the claims are approved by the human services administrators. The director of the department of revenue and finance shall keep all records and accounts relating to the expenditures of the human services administrators. The employee, in the checking and auditing of claims against the human services directors and keeping the records and accounts of the human services administrators, is under the direction and supervision of the director of the department of revenue and finance, and acts as an agent of that director. The director of the department of human services shall furnish the employee of the director of the department of revenue and finance with office space and help and assistance as necessary to properly perform the duties specified in this subsection.

Sec. 425. NEW SECTION. 421.32 ACCOUNTING.

The director of the department of revenue and finance may at any time require any person receiving money, securities, or property belonging to the state, or having the management, disbursement, or other disposition of them, an account of which is kept in the department of revenue and finance, to render statements thereof and information in reference thereto.

Sec. 426. NEW SECTION. 421.33 STATING ACCOUNT.

If an officer who is accountable to the treasury for any money or property neglects to render an account to the director of the department of revenue and finance within the time prescribed by law, or, if no time is so prescribed, within twenty days after being required so to do by the director of the department of revenue and finance, the director of the department of revenue and finance shall state an account against the officer from the books of the officer's office, charging ten percent damages on the whole sum appearing due, and interest at the rate of six percent per annum on the aggregate from the time when the account should have been rendered; all of which may be recovered by action brought on the account, or on the official bond of the officer.

Sec. 427. NEW SECTION. 421.34 COMPELLING PAYMENT.

If an officer fails to pay into the treasury the amount received by the officer within the time prescribed by law, or, having settled with the director of the department of revenue and finance, fails to pay the amount found due, the director of the department of revenue and finance shall charge the officer with twenty percent damages on the amount due, with interest on the aggregate from the time it became due at the rate of six percent per annum, and the whole may be recovered by an action brought on the account, or on the official bond of the officer, and the officer shall forfeit the officer's commission.

Sec. 428. NEW SECTION. 421.35 DEFENSE TO CLAIM.

The penal provisions in sections 421.33 and 421.34 are subject to any legal defense which the officer may have against the account as stated by the director of the department of revenue and finance, but judgment for costs shall be rendered against the officer in the action, whatever its result, unless the officer rendered an account within the time named in those sections.

Sec. 429. NEW SECTION. 421.36 REQUESTED CREDITS — OATH REQUIRED.

When a county treasurer or other receiver of public money seeks to obtain credit on the books of the department of revenue and finance for payment made to the treasurer, before giving such credit the director of the department of revenue and finance shall require that person to take and subscribe an oath that the person has not used, loaned, nor appropriated any of the public money for the person's private benefit, nor for the benefit of any other person.

Sec. 430. NEW SECTION. 421.37 REQUISITION FOR INFORMATION.

In those cases where the director of the department of revenue and finance is authorized to call upon persons or officers for information, or statements, or accounts, the comptroller may issue a requisition therefor in writing to the person or officer called upon, allowing reasonable time, which, having been served and return made to the director of the department of revenue and finance, as a notice in a civil action, is evidence of the making of the requisition.

Sec. 431. NEW SECTION. 421.38 LIMITS ON CLAIMS.

The director of the department of revenue and finance is limited in authorizing the payment of claims, as follows:

1. **THREE MONTHS LIMIT.** A claim shall not be allowed by the department of revenue and finance if the claim is presented after the lapse of three months from its accrual. However, claims by state employees for benefits pursuant to chapters 85, 85A, and 86 are subject to limitations provided in those chapters.

2. **CONVENTION EXPENSES.** No claims for expenses in attending conventions, meetings, conferences, or gatherings of members of any association or society organized and existing as a quasi-public association or society outside the state of Iowa shall be allowed at public expense, unless authorized by the executive council; and claims for such expenses outside of the state shall not be allowed unless the voucher is accompanied by so much of the minutes of the executive council, certified to by its secretary, showing that the expense was authorized by the council. This section does not apply to claims in favor of the governor, attorney general, Iowa state commerce commissioners, or to trips referred to in section 217.20.

3. **PAYMENT FROM FEES.** No claims for per diem and expenses payable from fees shall be approved for payment in excess of those fees if the law provides that such expenditures are limited to the special funds collected and deposited in the state treasury.

Sec. 432. NEW SECTION. 421.39 **CLAIMS — APPROVAL.**

The director of the department of revenue and finance before approving a claim shall determine:

1. That the creation of the claim is clearly authorized by law.
2. That the claim has been authorized by an officer or official body having legal authority to so authorize and that the fact of authorization has been certified to the director of the department of revenue and finance by such officer or official body.
3. That all legal requirements have been observed, including notice and opportunity for competition, if required by law.
4. That the claim is in proper form as the state comptroller may provide.
5. That the charges are reasonable, proper, and correct and no part of the claim has been paid.

Sec. 433. NEW SECTION. 421.40 **VOUCHERS — INTEREST.**

Before a warrant or its equivalent is issued for a claim payable from the state treasury, the department shall file an itemized voucher showing in detail the items of service, expense, thing furnished, or contract for which payment is sought. The claimant's original invoice shall be attached to a department's approved voucher. The director of the department of revenue and finance shall adopt rules specifying the form and contents for invoices submitted by a vendor to a department. The requirements apply to acceptance of an invoice by a department. A department shall not impose additional or different requirements on submission of invoices than those contained in rules of the director of the department of revenue and finance unless the director exempts the department from the invoice requirements or a part of the requirements upon a finding that compliance would result in poor accounting or management practices.

Sec. 434. NEW SECTION. 421.41 **WARRANTS — FORM.**

Each warrant shall bear on its face the signature or its facsimile of the director of the department of revenue and finance, or the signature or its facsimile of an assistant in case of a vacancy in the office of the director; a proper number, date, amount, and name of payee; a reference to the law under which it is drawn; whether for salaries or wages, services, or supplies, and what kind of supplies; and from what office or department, or for what other general or special purposes; or in lieu thereof, a coding system may be used, which particulars shall be entered in a warrant register kept for that purpose in the order of issuance; and as soon as practicable after issuing a warrant register, the director shall certify a duplicate of it to the treasurer.

Sec. 435. NEW SECTION. 421.42 **REQUIRED PAYEE.**

All warrants shall be drawn to the order of the person entitled to payment or compensation, except that when goods or material are purchased in foreign countries, warrants may be drawn upon the treasurer of state, payable to bearer for the net amount of invoice and current exchange, and the treasurer of state shall furnish a foreign draft payable to the order of the person from whom purchase is made.

Sec. 436. NEW SECTION. 421.43 PROHIBITED PAYEE.

In no case shall warrants be drawn in the name of the certifying office, department, board, or institution, or in the name of an employee of it, except for personal service rendered or expense incurred by the employee, unless there is express statutory authority therefor.

Sec. 437. NEW SECTION. 421.44 CLAIMS EXCEEDING APPROPRIATIONS.

No claim shall be allowed when the claim will exceed the amount specifically appropriated for it.

Sec. 438. NEW SECTION. 421.45 CANCELLATION OF STATE WARRANTS.

The director of the department of revenue and finance, as of March 31, June 30, September 30, and December 31 of each year shall cancel and request the treasurer of state to stop payment on all state warrants which have been outstanding and unredeemed by the state treasurer for one year or longer.

Sec. 439. Section 422.3, subsections 2 and 4, Code Supplement 1985, are amended to read as follows:

2. "Department" means the department of revenue and finance.
4. "Director" means the director of revenue and finance.

Sec. 440. Section 422B.6, unnumbered paragraph 2, Code Supplement 1985, is amended to read as follows:

The director of revenue and finance shall administer ~~the provisions of~~ a local earnings tax as nearly as possible in conjunction with the administration of state income tax laws. The director shall provide appropriate forms, or provide on the regular state tax forms, for reporting local earnings tax.

Sec. 441. Section 422B.9, unnumbered paragraph 3, Code Supplement 1985, is amended to read as follows:

The director of revenue and finance shall administer a local sales and services tax as nearly as possible in conjunction with the administration of state gross receipts tax laws. The director shall provide appropriate forms or provide on the regular state tax forms for reporting local sales and services tax liability.

Sec. 442. Section 426.6, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The agricultural land tax credit allowed each year shall be computed as follows: On or before the first of June the county auditor shall list by school districts all tracts of agricultural lands which they are entitled to credit ~~hereunder~~, together with the taxable value for the previous year, together with the budget from each school district for the previous year, and the tax rate determined for the general fund of the district in the manner prescribed in section 444.3 for the previous year, and if such tax rate is in excess of five dollars and forty cents per thousand dollars of assessed value, the auditor shall multiply the tax levy which is in excess of five dollars and forty cents per thousand dollars of assessed value by the total taxable value of the agricultural lands entitled to credit ~~hereunder~~ in the district, and on or before the first of June certify the amount ~~thereof~~ to the state ~~comptroller~~ department of revenue and finance.

Sec. 443. Section 426.8, Code 1985, is amended to read as follows:

426.8 APPORTIONMENT BY AUDITOR.

Upon receiving the pro rata percentage from the state ~~comptroller~~ director of revenue and finance, the county auditor shall determine the amount ~~thereof~~ to be credited to each tract of agricultural land, and shall enter upon tax lists as a credit against the tax levied on each tract of agricultural land on which there has been made an allowance of credit before delivering said tax lists to the county treasurer. Upon receipt of the ~~comptroller's~~ director's warrant by the county auditor, the auditor shall deliver said warrant to the county treasurer for apportionment. The county treasurer shall show on each tax receipt the amount of tax credit for each tract of agricultural land. In case of change of ownership the credit shall follow the title.

Sec. 444. Section 426.10, Code 1985, is amended to read as follows:

426.10 RULES PRESCRIBED.

The ~~state comptroller~~ director of revenue and finance shall have the power and authority to prescribe forms and rules, not inconsistent with the provisions of this chapter, necessary to carry out and effectuate its purposes.

Sec. 445. Section 427.17, subsection 3, Code 1985, is amended to read as follows:

3. On or before January 15, 1974, the county auditor of each county shall prepare a statement listing for each taxing district in the county the assessed or taxable values of all livestock assessed for taxation as of January 1, 1973. The statement shall also show the tax rates of the various taxing districts and the total amount of taxes which in the absence of this section would have been levied upon livestock assessed as of January 1, 1973. The county auditor shall certify and forward copies of the statement to the director of revenue and finance not later than January 15, 1974. The director of revenue and finance shall compute the applicable tax credit and certify to the ~~state comptroller~~ the amount due to each taxing district, which amount shall be the dollar amount which would be payable if all livestock so assessed were taxed, based upon those assessed as of January 1, 1973.

Sec. 446. Section 427A.6, Code 1985, is amended to read as follows:

427A.6 LISTING BY AUDITOR.

On or before July 1 of each year, the auditor of each county shall prepare a statement listing for each taxing district in the county all personal property upon which taxes shall not be collected due to the tax credit granted in this chapter. The statement shall show the tax rates of the various taxing districts and the total amount of taxes which shall not be collected in each district because of the tax credit. The auditor shall certify and forward one copy of the statement to the ~~state comptroller~~ department of revenue and finance on or before July 15 of each year. The department of revenue and finance shall have the responsibility of auditing audit credits allowed in all counties in the state and the assessed values and assessment practices which affect the amounts of credits and the audit shall be completed within twenty-four months from July 1 of the year the claims were filed. A copy of the audit containing disallowed credits shall be sent to the county auditor, and the county treasurer and ~~state comptroller~~, and the individuals these officers shall be directed to correct their books and records accordingly. A written notice of a disallowance shall be mailed by ordinary mail to the claimant at the claimant's last known address. The amount of any erroneous credit shall be charged to the county by the ~~state comptroller~~. The director of revenue and finance shall disallow any claim where if the audit or investigation revealed that the claimant was not entitled to the credit claimed. Persons and business enterprises Claimants may appeal any disallowed personal property credit to the state board of tax review.

Sec. 447. Section 427B.11, unnumbered paragraph 3, Code 1985, is amended to read as follows:

The county auditor shall certify and forward one copy of the statement to the ~~state comptroller~~ department of revenue and finance not later than July 1 of each year.

Sec. 448. Section 435.1, subsections 6 and 7, Code 1985, are amended to read as follows:

6. "Director" means the director of revenue and finance.

7. "Department" means the department of revenue and finance.

Sec. 449. Section 441.8, Code 1985, is amended to read as follows:

441.8 TERM - FILLING VACANCY.

The term of office of an assessor appointed under this chapter shall be for six years. Appointments for each succeeding term shall be made in the same manner as the original appointment except that not less than ninety days before the expiration of the term of the assessor the conference board shall hold a meeting to determine whether or not it desires to reappoint the incumbent assessor to a new term.

Effective January 1, 1980, the conference board shall have the power to reappoint the incumbent assessor only if the incumbent assessor has satisfactorily completed the continuing education program provided for in this section.

The ~~commission~~ established by this section director of revenue and finance shall develop and administer a program of continuing education which shall emphasize assessment and appraisal procedures, and the assessment laws of this state, and which shall include the subject matter specified in section 441.5.

There is created a ~~commission~~ consisting of the director of revenue, two Iowa assessors appointed by the executive board of the Iowa state association of assessors, and one member appointed by the state board of tax review, and three lay persons appointed by the governor to four-year terms beginning and ending as provided by section 69.19 subject to confirmation by the senate. A majority of the members of the board constitutes a quorum. The lay persons appointed to the ~~commission~~ who are not public employees shall be paid a forty dollar per diem and shall be reimbursed for actual and necessary expenses incurred while on official ~~commission~~ business. All compensation and reimbursements shall be paid by the department of revenue from the appropriation made to it for the fiscal year in which the claim for per diem or expenses is made.

The ~~commission~~ director of revenue and finance shall establish, designate, or approve courses, workshops, seminars, or symposiums to be offered as part of the continuing education program, the content of these courses, workshops, seminars, or symposiums and the number of hours of classroom instruction for each. At least once each year the ~~commission~~ director of revenue and finance shall meet to evaluate the continuing education program and make necessary changes in the program.

Upon the successful completion of courses, workshops, seminars, or symposiums contained in the program of continuing education, as demonstrated by attendance at sessions of the courses, workshops, seminars or symposiums and, in the case of a course designated by the ~~commission~~ director of revenue and finance, attaining a grade of at least seventy percent on an examination administered at the conclusion of the course, the assessor or deputy assessor shall receive credit equal to the number of hours of classroom instruction contained in those courses, workshops, seminars, or symposiums. An assessor or deputy assessor shall not be allowed to obtain credit for a course, workshop, seminar, or symposium for which the assessor or deputy assessor has previously received credit during the current term or appointment except for those courses, workshops, seminars, or symposiums designated by the commission. The examinations shall be confidential to the ~~commission~~ and persons designated by the commission to have access to the examinations.

Upon receiving credit equal to one hundred fifty hours of classroom instruction during the assessor's current term of office of which at least ninety of the one hundred fifty hours are from courses requiring an examination upon conclusion of the course, the ~~commission~~ director of revenue and finance shall certify to the assessor's conference board that the assessor is eligible to be reappointed to the position. For assessors whose present terms of office expire before six years from January 1, 1979, or who are appointed to complete an unexpired term, the number of credits required to be certified as eligible for reappointment shall be prorated according to the amount of time remaining in the present term of the assessor.

Within each six-year period following January 1, 1980 or the appointment of a deputy assessor appointed after January 1, 1979, the deputy assessor shall comply with this section except that upon the successful completion of ninety hours of classroom instruction of which at least sixty of the ninety hours are from courses requiring an examination upon conclusion of the course the deputy assessor shall be certified by the ~~commission~~ director of revenue and finance as being eligible to remain in the position. If a deputy assessor fails to comply with this section, the deputy assessor shall be removed from the position. If a deputy is appointed to the office of assessor, the hours of credit obtained as deputy pursuant to this section shall be

certified by the ~~commission~~ director of revenue and finance as being eligible to remain in the position. If a deputy assessor fails to comply with this section, the deputy assessor shall be removed from the position. If a deputy is appointed to the office of assessor, the hours of credit obtained as deputy pursuant to this section shall be credited to that individual as assessor and for the individual to be reappointed at the expiration of the term as assessor, that individual must obtain the credits which are necessary to total the number of hours for re-appointment.

Each conference board shall include in the budget for the operation of the assessor's office funds sufficient to enable the assessor and any deputy assessor to obtain certification as provided in this section. The conference board shall also allow the assessor and any deputy assessor sufficient time off from their regular duties to obtain certification. The ~~commission~~ director of revenue and finance shall adopt rules pursuant to chapter 17A to implement and administer the ~~provisions~~ of this section.

If the incumbent assessor is not reappointed as above provided, then not less than sixty days before the expiration of the term of said assessor, a new assessor shall be selected as provided in section 441.6.

In the event of the removal, resignation, death, or removal from the county of the said assessor, the conference board shall proceed to fill the vacancy by appointing an assessor to serve the unexpired term in the manner provided in section 441.6. Until the vacancy is filled, the chief deputy shall act as assessor, and in the event there be no deputy, in the case of counties the auditor shall act as assessor and in the case of cities having an assessor the city clerk shall act as assessor.

Sec. 450. Section 450A.1, subsections 4 and 8, Code 1985, are amended to read as follows:

4. "Director" means the director of the department of revenue and finance.

8. "Department" means the department of revenue and finance.

Sec. 451. Sections 8.7, 8.8, 8.9, 8.10, 8.11, 8.12, 8.13, 8.14, 8.15, 8.16, 8.17, 8.18, 8.19, and 8.20, Code 1985, are repealed.

DEPARTMENT OF INSPECTIONS AND APPEALS

ARTICLE I

ORGANIZATION

Sec. 501. NEW SECTION. 10A.101 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. "Department" means the department of inspections and appeals.

2. "Director" means the director of inspections and appeals.

3. "Administrators" means the chief hearing officer, chief inspector, chief investigator, and chief auditor.

Sec. 502. NEW SECTION. 10A.102 DEPARTMENT ESTABLISHED.

The department of inspections and appeals is established. The director of the department shall be appointed by the governor to serve at the pleasure of the governor subject to confirmation by the senate no less frequently than every four years, whether or not there has been a new director appointed during that time. If the office becomes vacant, the vacancy shall be filled in the same manner as provided for the original appointment.

Sec. 503. NEW SECTION. 10A.103 PURPOSE OF THE DEPARTMENT.

The department is created for the purpose of coordinating and conducting various audits, appeals, hearings, inspections, and investigations related to the operations of the executive branch of state government.

Sec. 504. NEW SECTION. 10A.104 POWERS AND DUTIES OF THE DIRECTOR.

The director or designees of the director shall:

1. Coordinate the internal operations of the department and develop and implement policies and procedures designed to ensure the efficient administration of the department.
2. Employ the administrators of the divisions within the department and all additional personnel, except the appellate defender and assistant appellate defender, deemed necessary for the administration of this chapter in accordance with chapter 19A. The administrators of the divisions are not exempt from the merit system.
3. Prepare an annual budget for the department.
4. Develop and recommend legislative proposals deemed necessary for the continued efficiency of department functions, and review legislative proposals generated outside of the department which are related to matters within the department's purview.
5. Adopt rules deemed necessary for the implementation and administration of this chapter in accordance with chapter 17A, including rules governing hearing and appeal proceedings.
6. Issue subpoenas, administer oaths, and take depositions in connection with audits, appeals, investigations, inspections, and hearings conducted by the department. If a person refuses to obey a subpoena issued by the department or otherwise fails to cooperate in proceedings of the department, the director may enlist the assistance of a court of competent jurisdiction in requiring the person's compliance. Failure to obey orders of the court renders the person in contempt of the court and subject to penalties provided for that offense.
7. Enter into contracts for the receipt and provision of services as deemed necessary. The director and the governor may obtain and accept federal grants and receipts to or for the state to be used for the administration of this chapter.

Sec. 505. NEW SECTION. 10A.105 CONFIDENTIALITY.

In those circumstances when disclosure would plainly and seriously jeopardize an investigation, information received by the department through filed reports, inspections, audits, investigations, or other means pursued in carrying out the provisions of this chapter shall not be disclosed publicly in a manner which identifies individual persons, corporations, or institutions prior to the issuance of the results of any hearing, appeal, inspection, audit, or investigation conducted by the department, except in a proceeding involving the denial, suspension, or revocation of a license. Hospital records, medical records, or the condition, diagnosis, care, or treatment of a patient or former patient or counselee, or former counselee, including outpatient, shall not be disclosed to the general public. This shall not be construed to prohibit the division from releasing the minimal amount of information necessary in its judgment to conduct audits, inspections, investigations, appeals and hearings, and shall not prohibit the introduction of such information as evidence at any hearing conducted by the department. The department may provide the information to the governmental entity for which it is conducting the hearing, appeal, inspection, audit, or investigation prior to the publication of the results.

The director, administrators, and their designees shall have access to all records deemed by the department to be pertinent to a hearing, appeal, audit, investigation, inspection, or other related function assigned under this chapter.

Sec. 506. NEW SECTION. 10A.106 DIVISIONS OF THE DEPARTMENT.

The department is comprised of the following divisions:

1. Appeals and fair hearings division.
2. Audits division.
3. Investigations division.
4. Inspections division.

ARTICLE II
APPEALS AND FAIR HEARINGS DIVISION

Sec. 507. NEW SECTION. 10A.201 DEFINITIONS.

As used in this article, unless the context otherwise requires:

1. "Administrator" means the chief hearing officer, who shall coordinate the administration of this division.
2. "Division" means the appeals and fair hearings division of the department of inspections and appeals.

Sec. 508. NEW SECTION. 10A.202 RESPONSIBILITIES.

1. The administrator shall coordinate the division's conduct of appeals and hearings as otherwise provided for by law including but not limited to the following:

a. Hearings and appeals relative to foster care facilities, child day care facilities, administration of the state medical assistance program, administration of the state supplementary assistance program, administration of the food stamps program, and administration of the aid to dependent children program and other programs administered by the department of human services. Decisions of the division in these areas are subject to review by the department of human services.

b. Hearings and appeals relative to occupational safety and health regulations and the state elevator code. Decisions of the division in these areas are subject to review by the employment appeal board.

c. Hearings and appeals relative to administration of the department of general services. Decisions of the division in this area are subject to review by the department of general services.

d. Hearings and appeals relative to administration of the department of transportation. Decisions of the division in this area are subject to review by the department of transportation.

e. Appeals relative to professional and occupational license denials, suspensions, revocations, and other matters involving professional and occupational discipline except those within the jurisdiction of the board of medical examiners, the board of pharmacy examiners, the board of dental examiners, and the board of nursing.

Judicial review of the division's actions in these areas may be sought in accordance with the terms of chapter 17A.

f. Hearings and appeals relative to administration of the department of elder affairs. Decisions of the division in this area are subject to review by the department of elder affairs.

g. Hearings and appeals relative to the licensure or certification of hospitals, hospices, and health care facilities. Decisions of the division in this area are subject to review by the department of inspections and appeals.

h. Hearings and appeals relative to the administration of the department of public health. Decisions of the division in this area are subject to review by the department of public health.

i. Hearings and appeals relative to administration of the department of public safety. Decisions of the division in this area are subject to review by the department of public safety.

j. Hearings and appeals relative to the administration of the department of personnel except those cases within the jurisdiction of the public employment relations board. Decisions of the division in this area shall be determined by the employment appeal board, and the appeal board's decisions shall be considered final agency action under chapter 17A, except for reduction in force appeals which shall be subject to review by the director of the department of personnel.

k. Hearings and appeals relative to the administration of the department of cultural affairs. Decisions of the division in this area are subject to review by the department of cultural affairs.

l. Hearings and appeals relative to administration of the department of natural resources. Decisions of the division in this area are subject to review by the department of natural resources.

2. The administrator shall coordinate the division's conduct of all nonstatutory administrative hearings and appeals provided for in the Iowa administrative code and bulletin.

ARTICLE III AUDITS DIVISION

Sec. 509. NEW SECTION. 10A.301 DEFINITIONS.

As used in this article, unless the context otherwise requires:

1. "Administrator" means the chief auditor, who shall coordinate the administration of this division.
2. "Division" means the audits division of the department of inspections and appeals.

Sec. 510. NEW SECTION. 10A.302 RESPONSIBILITIES.

The administrator shall coordinate the division's conduct of various audits as otherwise provided for by law, except those conducted by the state auditor's office, including but not limited to the following:

1. Audits of real estate broker trust accounts.
2. Audits relative to the administration of hospitals and health care facilities.
3. Audits relative to the administration and disbursement of funds under the state supplemental assistance program and the state medical assistance program.
4. Audits relative to the administration and disbursement of funds from the energy research and development fund designated for the weatherization program or the energy assistance program.

ARTICLE IV INVESTIGATIONS DIVISION

Sec. 511. NEW SECTION. 10A.401 DEFINITIONS.

As used in this article, unless the context otherwise requires:

1. "Administrator" means the chief investigator who shall coordinate the administration of this division.
2. "Division" means the investigations division of the department of inspections and appeals.

Sec. 512. NEW SECTION. 10A.402 RESPONSIBILITIES.

The administrator shall coordinate the division's conduct of various investigations as otherwise provided for by law including but not limited to the following:

1. Investigations relative to the practice of regulated professions and occupations, except those within the jurisdiction of the board of medical examiners, the board of pharmacy examiners, the board of dental examiners, and the board of nursing.
2. Investigations relative to proposed sales within the state of subdivided land situated outside of the state.
3. Investigations relative to applications for beer and liquor licenses.
4. Investigations relative to the standards and practices of hospitals, hospices, and health care facilities.
5. Investigations relative to the liquidation of overpayment debts owed to the department of human services.
6. Investigations relative to the operations of the department of elder affairs.
7. Investigations relative to the administration of the state supplemental assistance program, the state medical assistance program, the food stamp program, and the aid to dependent children program.
8. Investigations relative to the internal affairs and operations of agencies and departments within the executive branch of state government, except for institutions governed by the state board of regents.

ARTICLE V
INSPECTIONS DIVISION

Sec. 513. NEW SECTION. 10A.501 DEFINITIONS.

As used in this article, unless the context otherwise requires:

1. "Administrator" means the chief inspector, who shall coordinate the administration of this division.
2. "Division" means the inspections division of the department of inspections and appeals.

Sec. 514. NEW SECTION. 10A.502 RESPONSIBILITIES.

The administrator shall coordinate the division's conduct of various inspections as otherwise provided for by law including but not limited to the following:

1. Inspections of land situated outside of the state which is proposed for sale within the state.
2. Inspections of food establishments, including restaurants, hotels, food and beverage vending machines, state educational, charitable, correctional, and penal institutions, and sanitation inspections in any locality of the state upon the written petition of five or more residents of a particular locality.
3. Inspections and other licensing procedures relative to the hospice program, hospitals, and health care facilities. The division shall be the sole designated licensing authority for these programs and facilities.
4. Inspections relative to hospital and health care facility construction projects and licensing boards established within the department of health, except the board of medical examiners, the board of pharmacy examiners, the board of dental examiners, and the board of nursing.
5. Inspections of child foster care facilities and private institutions for the care of dependent, neglected, and delinquent children.

ARTICLE VI
EMPLOYMENT APPEAL BOARD

Sec. 515. NEW SECTION. 10A.601 EMPLOYMENT APPEAL BOARD — CREATED — DUTIES.

1. A full-time employment appeal board is created within the department of inspections and appeals to hear and decide contested cases under chapters 19A, 80, 88, 96, 97B, and 104.
2. The employment appeal board is composed of three members appointed by the governor, subject to confirmation by the senate, to six-year staggered terms beginning and ending as provided in section 69.19. One member shall be qualified by experience and affiliation to represent employers, one member shall be qualified by experience and affiliation to represent employees, and one member shall represent the general public. No more than two members shall be members of the same political party. A vacancy in membership shall be filled in the same manner as the original appointment. A member of the appeal board may be removed by the governor for inefficiency, neglect of duty, or malfeasance in office. The members of the employment appeal board shall receive an annual salary as set by the governor.
3. The members of the appeal board shall select a chairperson and vice chairperson from their membership. The appeal board shall meet at least once per month but may meet as often as necessary. Meetings shall be set by a majority of the appeal board or upon the call of the chairperson, or in the chairperson's absence, upon the call of the vice chairperson. The employment appeal board, subject to the approval of the director, may appoint personnel necessary for carrying out its functions and duties.

4. The appeal board may on its own motion affirm, modify, or set aside a decision of a hearing officer on the basis of the evidence previously submitted in the contested case, or direct the taking of additional evidence, or may permit any of the parties to the decision to initiate further appeals before the appeal board. The appeal board shall permit further appeal by any of the parties interested in a decision of a hearing officer and by the representative whose decision has been overruled or modified by the hearing officer. The appeal board shall review the case pursuant to rules adopted by the appeal board. The appeal board shall promptly notify the interested parties of its findings and decision.

5. The appeal board may order testimony to be taken by deposition, and may compel persons to appear and testify and to produce books, papers, and documents in the same manner as witnesses may be deposed and compelled to appear and testify and produce documentary evidence before the district court. In the discharge of the duties imposed by this chapter, the chairperson of the appeal board and any duly authorized representative designated by the appeal board, may administer oaths and affirmations, take depositions, certify official acts, and issue subpoenas. Persons deposed or compelled to testify or produce documentary evidence shall be allowed the same fees and traveling expenses as allowed witnesses in the district court.

6. The appeal board shall adopt rules pursuant to chapter 17A to establish the manner in which contested cases are to be presented, reports are to be required from the parties, and hearings and appeals are to be conducted. The appeal board shall keep a full and complete record of all proceedings in connection with a contested case. All testimony at a hearing shall be recorded, but need not be transcribed unless the contested case is further appealed. The appeal board shall retain the record for at least sixty days following the final date for appeal of a contested case. A decision of the appeal board is final agency action and an appeal of the decision shall be made directly to the district court. Any party to a contested case may appeal the decision to the district court.

7. An application for rehearing before the appeal board shall be filed pursuant to section 17A.16, unless otherwise provided in chapter 19A, 80, 88, 96, 97B, or 104. A petition for judicial review of a decision of the appeal board shall be filed pursuant to section 17A.19. The appeal board may be represented in any such judicial review by an attorney who is a regular salaried employee of the appeal board or who has been designated by the appeal board for that purpose, or at the appeal board's request, by the attorney general. Notwithstanding the petitioner's residency requirement in section 17A.19, subsection 2, a petition for judicial review may be filed in the district court of the county in which the petitioner was last employed or resides, provided that if the petitioner does not reside in this state, the action shall be brought in the district court of Polk county, Iowa, and any other party to the proceeding before the appeal board shall be named in the petition. Notwithstanding the thirty-day requirement in section 17A.19, subsection 6, the appeal board shall, within sixty days after filing of the petition for judicial review or within a longer period of time allowed by the court, transmit to the reviewing court the original or a certified copy of the entire records of a contested case. The appeal board may also certify to the court, questions of law involved in any decision by the appeal board. Petitions for judicial review and the questions so certified shall be given precedence over all other civil cases except cases arising under the workers' compensation law of this state. No bond shall be required for entering an appeal from any final order, judgment, or decree of the district court to the supreme court.

Sec. 516. Section 13B.2, Code 1985, is amended to read as follows:

13B.2 CREATION OF OFFICE.

The office position of state appellate defender is established within the department of inspections and appeals. The governor shall appoint the state appellate defender, who shall serve at the pleasure of the governor, subject to confirmation by the senate no less frequently than once every four years, whether or not there has been a new appellate defender appointed during that time, and shall establish the appellate defender's salary.

Sec. 517. Section 13B.6, subsection 2, Code 1985, is amended to read as follows:

2. ~~The criminal and juvenile justice planning agency department of inspections and appeals shall provide internal accounting and related fiscal services for the office of the appellate defender as requested by the appellate defender.~~

Sec. 518. Section 17A.16, subsection 2, Code 1985, is amended to read as follows:

2. Any party may file an application for rehearing, stating the specific grounds therefor and the relief sought, within twenty days after the issuance of any final decision by the agency in a contested case. A copy of such application shall be timely mailed by the ~~applicant~~ presiding agency to all parties of record not joining therein. Such an application for rehearing shall be deemed to have been denied unless the agency grants the application within twenty days after its filing.

Sec. 519. Section 88.1, subsection 3, Code 1985, is amended to read as follows:

3. Authorizing the labor commissioner to set mandatory occupational safety and health standards applicable to businesses, and by creating an ~~occupational safety and health review commission~~ employment appeal board within the department of inspections and appeals for carrying out adjudicatory functions under the chapter.

Sec. 520. Section 88.3, subsections 1 and 2, Code 1985, are amended to read as follows:

1. "Appeal board" means the employment appeal board created under section 10A.601.

~~1 2. "Commissioner" means the labor commissioner of the state of Iowa appointed pursuant to section 91.2.~~

~~2. "Commission" means the occupational safety and health review commission established under this chapter.~~

Sec. 521. Section 88.5, subsection 1, paragraph b, Code 1985, is amended to read as follows:

b. Before ~~promulgating~~ adopting, modifying, or revoking any standard by rule pursuant to this section, the commissioner shall hold a public hearing on the subject matter of the proposed ~~promulgation~~ adoption, modification, or revocation. ~~Any An~~ interested person may appear and be heard at ~~such the~~ hearing, in person or by agent or counsel. ~~The commissioner shall maintain a mailing list for hearings, and at least thirty days before the hearing the commissioner shall mail a notice of the hearing by ordinary mail to each person on the mailing list. Such notice shall include a copy of the proposed promulgation, modification, or revocation. When the commissioner receives a written request from any person to be placed on the mailing list for hearings, the commissioner shall add such person to the mailing list. At the end of each calendar year, the commissioner may remove any person from the mailing list if the commissioner has not received from such person during the last three months of such calendar year a written request to be placed on the mailing list for the following year. The commissioner shall cause to be published a notice of each hearing in one or more newspapers in the state having a statewide circulation. The provisions of this section are in addition to the requirements of chapter 17A.~~

Sec. 522. Section 96.6, subsection 3, Code 1985, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Appeals from the initial determination shall be heard by a hearing officer employed by the department of job service. A hearing officer's decision may be appealed by any party to the employment appeal board created in section 10A.601. The decision of the appeal board is final agency action and an appeal of the decision shall be made directly to the district court.

Sec. 523. Section 96.6, subsections 4, 5, 6, 7, and 8, Code 1985, are amended by striking the subsections.

Sec. 524. Section 96.11, subsection 7, paragraph f, Code Supplement 1985, is amended to read as follows:

f. ~~Any~~ An employee of the department, a hearing officer, or a member of the appeal board who violates any provision of this section shall be guilty of a serious misdemeanor.

Sec. 525. Section 96.19, Code 1985, is amended by adding the following new subsection:
NEW SUBSECTION. 39. "Appeal board" means the employment appeal board created under section 10A.601.

Sec. 526. Section 104.10, subsection 2, Code 1985, is amended to read as follows:

2. If the owner does not make the changes necessary for compliance as required in subsection 1 within the period specified by the commissioner, the commissioner, upon notice and hearing, may suspend or revoke the operating permit, or may refuse to issue the operating permit for the facility. The commissioner shall notify the owner of any action to suspend, revoke, or refuse to issue an operating permit and the reason ~~therefor~~ for the action by certified mail. ~~Any~~ An owner may appeal the commissioner's initial decision. The appeal shall be heard by a hearing officer of the department of inspections and appeals. An owner who, after a hearing before the commissioner a hearing officer, is aggrieved by a suspension, revocation, or refusal to issue an operating permit may appeal to the ~~occupational safety and health review commission established under chapter 88~~ employment appeal board created under section 10A.601. Notice of appeal shall be filed with the ~~occupational safety and health review commission appeal board~~ within thirty calendar days from receipt of the notice of the commissioner's action.

PARAGRAPH DIVIDED. Any A party adversely affected or aggrieved by an order of the ~~occupational safety and health review commission appeal board~~ issued under this subsection may obtain a review of such the order in the district court of the county in which the facility is located by filing in ~~such the~~ court within sixty days following the issuance of ~~such the~~ order a written petition that the order be modified or set aside. A copy of ~~such the~~ petition shall be forthwith transmitted by the clerk of the district court to the ~~occupational safety and health review commission appeal board~~ and to all other parties, and ~~thereupon the occupational safety and health review commission appeal board~~ shall promptly file in the court the transcript of record in the proceedings. Upon filing of the petition, the court shall have has jurisdiction of the proceedings and of the questions to be determined therein, and shall have power to may grant ~~such~~ temporary relief or a restraining order as it deems just and proper, and to may make and enter upon the pleadings, testimony, and proceedings set forth in ~~such the~~ record a decree affirming, modifying, or setting aside in whole or in part, the order of the ~~occupational safety and health review commission appeal board~~ and enforcing the same order to the extent that ~~such the~~ order is affirmed, modified, or denied.

PARAGRAPH DIVIDED. No proceedings before the commissioner or the commissioner's agents, a hearing officer, the ~~occupational safety and health review commission appeal board~~, or any district court of this state shall be deemed to deny any owner an operating permit until there is a final adjudication of the matter. No objection which has not been urged before the ~~occupational safety and health review commission appeal board~~ shall be considered by the court, unless the failure or neglect to urge ~~such the~~ objection shall be is excused because of extraordinary circumstances. The findings of the ~~occupational safety and health review commission appeal board~~ with respect to questions of fact, if supported by substantial evidence on the record considered as a whole, shall be are conclusive. The ~~occupational safety and health review commission's appeal board's~~ copy of the testimony shall be available to all parties for examination at all reasonable times, without cost, and for the purpose of judicial review of the ~~occupational safety and health review commission's appeal board's~~ orders. Upon the filing of the record with it, the jurisdiction of the court shall be is exclusive and its judgment and decree shall be is final, except that the same shall be it is subject to review by the Iowa supreme court.

Sec. 527. Section 135B.10, Code 1985, is amended to read as follows:

135B.10 HOSPITAL LICENSING BOARD.

The governor shall appoint five individuals appointed by the governor to the hospital advisory council as individuals of who possess recognized ability in the field of hospital administration, who shall function as and be the hospital licensing board within the department of inspections and appeals.

Sec. 528. Section 135B.11, subsection 2, Code 1985, is amended to read as follows:

2. To review and approve such rules and standards authorized hereunder under this chapter prior to their promulgation adoption by the department of health as specified herein.

~~The members Each member of the board shall be paid a forty-dollar per diem and shall be reimbursed for actual and necessary expenses incurred as members may also be eligible to receive compensation as provided in section 7E.3. All per diem moneys paid to the members shall be paid from funds appropriated to the state department of health.~~

Sec. 529. Section 170.1, Code 1985, is amended by adding the following new subsections:

NEW SUBSECTION. 3. "Retail food store sanitation code" means the retail food store sanitation code recommended by the food and drug administration in 1982.

NEW SUBSECTION. 4. "Department" means the department of inspections and appeals.

NEW SUBSECTION. 5. "Director" means the director of the department of inspections and appeals.

Sec. 530. Section 170.2, Code 1985, is amended to read as follows:

170.2 LICENSE REQUIRED.

~~No A person shall not open or operate a food establishment until a license has been obtained from the department of agriculture inspections and appeals. Each A license shall expire one year from date of issue. A license is renewable. This section shall does not require the licensing of establishments exclusively engaged in the processing of meat and poultry which are licensed pursuant to section 189A.3.~~

Sec. 531. Section 170.4, Code 1985, is amended to read as follows:

170.4 OPERATION WITHOUT INSPECTION OR LICENSE.

~~No A person shall not open or operate a food establishment until inspection has been made by the department of agriculture inspections and appeals. Inspections shall be conducted according to the standards of the retail food store sanitation code.~~

Sec. 532. Section 170.4, Code 1985, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. A food establishment under section 170.2 which is also considered a food service establishment under section 170A.2 shall be inspected by the department, or a local board of health which has contracted with the department, for both purposes at the same time.

Sec. 533. Section 170.5, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The department of agriculture inspections and appeals shall collect the following fees for licenses:

Sec. 534. Section 170.46, Code 1985, is amended to read as follows:

170.46 ANNUAL REGULAR INSPECTION.

The department shall inspect provide for the inspection of each food establishment in the state at least once each calendar year in accordance with the standards of the retail food store sanitation code. The inspector may enter the food establishment at any reasonable hour to make the inspection. The management shall afford free access to every part of the premises and render all aid and assistance necessary to enable the inspector to make a thorough and complete inspection.

Sec. 535. NEW SECTION. 170.55 AUTHORITY TO ENFORCE THE RETAIL FOOD STORE SANITATION CODE.

The director has sole and exclusive authority to regulate, license, and inspect food establishments and to enforce the retail food store sanitation code in Iowa. Municipal corporations shall not regulate, license, inspect, or collect license fees from food establishments except as provided for in agreements entered into between the director and the municipal corporations.

If a municipal corporation wants its local board of health to license, inspect, and otherwise enforce the retail food store sanitation code within its jurisdiction, the municipal corporation may enter into an agreement to do so with the director. The director may enter into such an agreement if the director finds that the local board of health has adequate resources to perform the required functions.

Sec. 536. Section 170A.2, subsections 2, 3, 5, and 10, Code 1985, are amended to read as follows:

2. "Secretary Director" means the secretary of agriculture director of the department of inspections and appeals or the chief inspector of the inspections division of the department of inspections and appeals.

3. "Department" means the department of agriculture inspections and appeals.

5. "Food service establishment" means any a place where food is prepared and intended for individual portion service, and includes the site at which individual portions are provided. The term includes any such place regardless of whether consumption is on or off the premises and regardless of whether there is a charge for the food. The term also includes delicatessen-type operations that prepare sandwiches intended for individual portion service and food service operations in schools and summer camps. The term does not include private homes where food is prepared or stored for individual family consumption, retail food stores, the location of food vending machines, and supply vehicles, and retail food stores except grocery stores and convenience stores which include delicatessen-type operations or otherwise prepare food which is intended for individual portion service. The term does not include child day care facilities, and food service facilities subject to inspection by other agencies of the state and located in nursing homes, health care facilities, or hospitals.

10. "Regulatory authority" means the state department of agriculture or a local board of health that has entered into an agreement with the secretary of agriculture director pursuant to section 170A.4 for authority to enforce the Iowa food service sanitation code in its jurisdiction.

Sec. 537. Section 170A.3, unnumbered paragraph 1, Code 1985, is amended to read as follows:

As soon as practicable, the secretary director shall adopt the food service sanitation ordinance, [section 170A.2(42)], subsection 12, by rule as part of the Iowa food service sanitation code with the following exceptions:

Sec. 538. Section 170A.4, unnumbered paragraphs 1 through 4, Code 1985, are amended to read as follows:

The secretary has sole and exclusive authority to director shall regulate, license, and inspect food service establishments and to enforce the Iowa food service sanitation code in Iowa. Municipal corporations shall not regulate, license, inspect, or collect license fees from food service establishments except as provided for in the Iowa food service sanitation code.

If a municipal corporation wants its local board of health to license, inspect, and otherwise enforce the Iowa food service sanitation code within its jurisdiction, the municipal corporation may enter into an agreement to do so with the secretary director. The secretary director may enter into such an agreement if the secretary director finds that the local board of health has adequate resources to perform the required functions. A municipal corporation may only

enter into an agreement to enforce the Iowa food service sanitation code if it also agrees to enforce the Iowa hotel sanitation code pursuant to section 170B.3 and to enforce the food and beverage vending machine laws pursuant to section 191A.14. To avoid duplication of inspection, the department, not a local board of health, shall inspect a food service establishment located within a food establishment, unless a local board of health has contracted with the department for inspections of food establishments and food service establishments.

If the secretary director enters into an agreement with a municipal corporation as provided by this section, the secretary director shall cause the inspection practices of a municipal corporation to be spot checked on a regular basis.

Each A local board of health that is responsible for enforcing the Iowa food service sanitation code within its jurisdiction pursuant to an agreement shall make an annual report to the secretary director providing the following information:

Sec. 539. Section 170A.4, subsection 4 and unnumbered paragraph 5, Code 1985, are amended to read as follows:

4. Other information the secretary director requests.

The secretary director shall monitor local boards of health to determine if they are enforcing the Iowa food service sanitation code within their respective jurisdictions. If the secretary director determines that the Iowa food service sanitation code is enforced by a local board of health, such enforcement shall be accepted in lieu of enforcement by the department in that jurisdiction. If the secretary director determines that the Iowa food service sanitation code is not enforced by a local board of health, the secretary director may rescind the agreement after reasonable notice and an opportunity for a hearing. If the agreement is rescinded, the secretary director shall assume responsibility for enforcement in the jurisdiction involved.

Sec. 540. Section 170A.4, Code 1985, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. A food service establishment under section 170A.2 which is also considered a food establishment under section 170.2 shall be inspected by the department for both purposes at the same time.

Sec. 541. Section 170B.2, subsections 1, 2, and 7, Code 1985, are amended to read as follows:

1. "Secretary Director" means the secretary of agriculture director of the department of inspections and appeals or the chief inspector of the inspections division of the department of inspections and appeals.

2. "Department" means the department of agriculture inspections and appeals.

7. "Regulatory authority" means the state department of agriculture or a local board of health that has entered into an agreement with the secretary director pursuant to section 170B.3 for authority to enforce the Iowa hotel sanitation code in its jurisdiction.

Sec. 542. Section 170B.3, unnumbered paragraphs 1, 2, and 3, Code 1985, are amended to read as follows:

The secretary has sole and exclusive authority to director shall regulate, license, and inspect hotels and to enforce the Iowa hotel sanitation code in Iowa. Municipal corporations shall not regulate, license, inspect, or collect license fees from hotels except as provided for in the Iowa hotel sanitation code.

If a municipal corporation wants its local board of health to license, inspect, and otherwise enforce the Iowa hotel sanitation code within its jurisdiction, the municipal corporation may enter into an agreement to do so with the secretary director. The secretary director may enter into the agreement if the secretary director finds that the local board of health has adequate resources to perform the required functions. A municipal corporation may only enter into an agreement to enforce the Iowa hotel sanitation code if it also agrees to enforce the Iowa food service sanitation code pursuant to section 170A.4 and to enforce the food and beverage vending machine laws pursuant to section 191A.14.

Each A local board of health that is responsible for enforcing the Iowa hotel sanitation code within its jurisdiction, pursuant to an agreement, shall make an annual report to the secretary director providing the following information:

Sec. 543. Section 170B.3, subsection 4 and unnumbered paragraph 4, Code 1985, are amended to read as follows:

4. Other information the secretary director requests.

The secretary director shall monitor local boards of health to determine if they are enforcing the Iowa hotel sanitation code within their respective jurisdictions. If the secretary director determines that the Iowa hotel sanitation code is enforced by a local board of health, such enforcement shall be accepted in lieu of enforcement by the department in that jurisdiction. If the secretary director determines that the Iowa hotel sanitation code is not enforced by a local board of health, the secretary director may rescind the agreement after reasonable notice and an opportunity for a hearing. If the agreement is rescinded, the secretary director shall assume responsibility for enforcement in the jurisdiction involved.

Sec. 544. Section 191A.1, subsections 2, 3, and 10, Code 1985, are amended to read as follows:

2. "Secretary Director" means the secretary of agriculture director of the department of inspections and appeals or the chief inspector of the inspections division of the department of inspections and appeals.

3. "Department" means the department of agriculture inspections and appeals.

10. "Regulatory authority" means the state department of agriculture or a local board of health that has entered into an agreement with the secretary of agriculture director pursuant to section 191A.14 for authority to enforce the food and beverage vending machine laws in its jurisdiction.

Sec. 545. Section 191A.3, Code 1985, is amended to read as follows:

191A.3 APPLICATION.

An application for a vending machine operator's license shall be made upon a form furnished by the regulatory authority. The application form shall provide for obtaining information relating to ownership of commissaries, location of commissaries, location of shops and other servicing centers, and the total number of licensable vending machines by general product type owned and operated by the applicant and other information required by the secretary director. The operator shall agree in the application to maintain within the jurisdiction of the regulatory authority a complete list of all vending machines and machine locations operated by the applicant and to make the list available to the regulatory authority at the time of inspection or auditing.

Sec. 546. Section 191A.7, Code 1985, is amended to read as follows:

191A.7 DISCIPLINARY ACTION.

A license issued under this chapter may be revoked by the regulatory authority for violation by the licensee of a provision of this chapter or an applicable rule of the department. In lieu of license revocation, the regulatory authority may require the immediate discontinuance of operation of a vending machine or commissary whenever if it finds unsanitary conditions or other conditions which constitute a substantial hazard to the public health. The order shall apply only to the vending machines, commissary, or product involved. A person whose license is revoked, or who is ordered to discontinue the operation of a vending machine or commissary, may appeal that decision to the secretary director. The secretary director or the secretary's designee chief hearing officer of the department shall schedule and hold a hearing upon the appeal not later than thirty days from the time of revocation or the order of discontinuance. The secretary director or the chief hearing officer shall issue a decision immediately following the hearing. Judicial review may be sought in accordance with the terms of the Iowa administrative procedure Act.

Sec. 547. Section 191A.14, Code 1985, is amended to read as follows:

191A.14 AUTHORITY TO ENFORCE THE FOOD AND BEVERAGE VENDING MACHINE LAWS.

The secretary has sole and exclusive authority to director shall regulate, license, and inspect food and beverage vending machines and operators and to otherwise enforce the food and beverage vending machine laws. Municipal corporations shall not regulate, license, inspect, or collect license fees for food and beverage vending machines or their operation except pursuant to this section.

If a municipal corporation wants its local board of health to enforce the food and beverage vending machine laws within its jurisdiction, the municipal corporation may enter into an agreement to do so with the secretary director. The secretary director may enter into such an agreement if the secretary director finds that the local board of health has adequate resources to perform the required functions. A municipal corporation may only enter into an agreement to enforce the food and beverage vending machine laws if it also agrees to enforce the Iowa food service sanitation code pursuant to section 170A.4 and to enforce the Iowa hotel sanitation code pursuant to section 170B.3.

Each A local board of health that is responsible for enforcing the food and beverage vending machine laws within its jurisdiction pursuant to an agreement shall make an annual report to the secretary director providing the following information:

1. The total number of food or beverage vending machine operator's licenses granted or renewed during the year.
2. The amount of money collected in license fees during the year.
3. Other information the secretary director requests.

The secretary director shall monitor local boards of health to determine if they are enforcing the food and beverage vending machine laws within their respective jurisdictions. If the secretary director determines that the food and beverage vending machine laws are enforced by a local board of health, the secretary director shall accept such enforcement in lieu of enforcement by the department in that jurisdiction. If the secretary director determines that the food and beverage vending machine laws are not enforced by a local board of health, the secretary director may rescind the agreement after reasonable notice and an opportunity for a hearing. If the agreement is rescinded, the secretary director shall assume responsibility for enforcement in the jurisdiction involved.

Sec. 548. The department shall develop and adopt procedures and guidelines for contract agreements with local boards of health under section 170.55 no later than January 1, 1987.

Sec. 549. Section 237.16, Code 1985, is amended to read as follows:

237.16 STATE FOSTER CARE REVIEW BOARD.

The state foster care review board is created within the department of inspections and appeals. The state board consists of seven members appointed by the governor, subject to confirmation by the senate and directly responsible to the governor and ~~shall not be located within a current department or agency of the state~~. Vacancies on the state board shall be filled in the same manner as original appointments are made.

The members of the state board shall annually select a chairperson, vice chairperson, and other officers the members deem necessary. ~~The members shall not receive per diem but shall receive reimbursement for actual and necessary expenses incurred in their duties as members.~~ Each member of the board may also be eligible to receive compensation as provided in section 7E.3. The state board shall meet at least twice a year.

An employee of the department of inspections and appeals, the department, an employee or board member of a child-placing agency, an employee of an agency with which the department contracts for services for children under foster care, a foster parent providing foster care, or an employee of the district court is not eligible to serve on the state board.

Sec. 550. Sections 88.10 and 135A.5, Code 1985, are repealed.

DEPARTMENT OF AGRICULTURE
AND LAND STEWARDSHIP

Sec. 601. Section 83.2, subsections 2 and 3, Code 1985, are amended to read as follows:

2. "Department Division" means the department division of soil conservation within the department of agriculture and land stewardship.

3. "Director Administrator" means the administrative officer division administrator of the department division of soil conservation or a designee.

Sec. 602. Section 83A.2, subsections 1 and 5, Code Supplement 1985, are amended to read as follows:

1. "Administrator" means the administrative officer division administrator of the department responsible for administration or enforcement of this chapter or that officer's division of soil conservation or a designee.

5. "Department Division" means the department division of soil conservation within the department of agriculture and land stewardship.

Sec. 603. Sections 83A.4 and 83A.5, Code 1985, are repealed. Sections 83A.3 and 83A.6, Code Supplement 1985, are repealed.

Sec. 604. Section 159.1, subsections 1 and 2, Code 1985, are amended to read as follows:

1. "Secretary" ~~shall mean~~ means the secretary of agriculture.

2. "Department" ~~shall mean~~ means the Iowa department of agriculture and land stewardship and wherever such if the department is required or authorized to do an act, unless otherwise provided, it shall be construed as authorizing performance the act may be performed by an officer, regular assistant, or duly authorized agent of such the department.

Sec. 605. Section 159.2, subsection 2, Code 1985, is amended by striking the subsection and inserting in lieu thereof the following:

2. To encourage a relationship between people and the land that recognizes land as a resource to be managed in a manner that avoids irreparable harm.

3. To develop and implement policies that inspire public confidence in the long-term future of agriculture as an economic activity as well as a way of life.

Sec. 606. Section 159.3, Code 1985, is amended to read as follows:

159.3 CO-OPERATION COOPERATION.

The department of agriculture and the Iowa State University state university of science and technology shall ~~co-operate~~ cooperate in all ways that may be beneficial to the agricultural interests of the state, but without duplicating research or educational work conducted by said the university. ~~Nothing herein contained shall be construed to~~ This section does not subordinate either the department or the university in their several spheres of action.

The department of agriculture is hereby authorized to ~~co-operate~~ may cooperate with the United States department of agriculture as the Iowa department ~~may deem~~ deems wise and just.

Sec. 607. Section 159.5, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The secretary of agriculture ~~shall be~~ is the head of the department of agriculture and land stewardship which shall:

Sec. 608. Section 159.5, Code 1985, is amended by adding the following new subsection:

NEW SUBSECTION. 2B. Establish and maintain a division of soil conservation. The division administrator shall be appointed by the secretary and shall serve at the pleasure of the secretary.

Sec. 609. Section 159.6, Code 1985, is amended by adding the following new subsections:

- 12A. Coal mining and mines as set forth in chapters 83 and 83A.
13. Soil and water conservation as set forth in chapters 467A through 467D.
14. Grain dealers as set forth in chapter 542.
15. Grain bargaining agents as set forth in chapter 542A.
16. Bonded warehouses for agricultural products as set forth in chapter 543.

Sec. 610. Section 159.20, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

159.20 POWERS OF DIVISION.

A farm commodity division, hereinafter referred to as the division, is created within the Iowa department of agriculture and land stewardship. It is the duty of the division to do or cause to be done those things designed to lead to more advantageous marketing of Iowa farm commodities. To implement this purpose the division is authorized to:

1. Investigate the subject of marketing farm commodities.
2. Promote their sales, distribution and merchandising.
3. Furnish information and assistance concerning farm commodities to the public.
4. Cooperate with the college of agriculture of the Iowa state university of science and technology in its farm marketing education and research.
5. Gather and diffuse useful information concerning all phases of the marketing of Iowa farm commodities in cooperation with other public or private agencies and, in that context, establish a farm commodity informational data base.
6. Investigate methods and practices in connection with the processing, handling, grading, classifying, sorting, weighing, packing, transportation, storage, inspection, and merchandising of farm commodities within this state.
7. Ascertain sources of supply of Iowa farm commodities, and prepare and periodically publish lists of names and addresses of producers and consignors of farm commodities, to be available upon request.
8. Perform inspection or grading, or both, of any farm commodity if requested by the person engaged in the production, marketing, or processing of the farm commodity, except that the person shall pay for the services as provided by the rules of the department.
9. Cooperate with the department of economic development to avoid duplication of efforts between the division and the agricultural marketing program operated by the department of economic development.

The division shall have a division administrator appointed by the secretary of agriculture.

As used in this division of this chapter, "farm commodity" means any unprocessed agricultural product, including animals, agricultural crops, and forestry products grown, raised, produced, or fed in Iowa for sale in commercial channels. "Commercial channels" means the processes of sale of a farm commodity or unprocessed product from the farm commodity to any person, public or private, who resells the farm commodity for breeding, processing, slaughter, or distribution.

Sec. 611. Section 162.2, subsection 10, Code 1985, is amended by striking the subsection.

Sec. 612. Section 163.26, subsections 1 and 2, Code 1985, are amended by striking the subsections.

Sec. 613. Section 163.35, subsection 2, Code 1985, is amended by striking the subsection.

Sec. 614. Section 163A.1, subsection 1, Code 1985, is amended by striking the subsection.

Sec. 615. Section 164.1, subsection 1, Code 1985, is amended by striking the subsection.

Sec. 616. Section 165.2, unnumbered paragraph 2, Code 1985, is amended to read as follows:

~~It shall be the duty of each and every~~ An owner of dairy or breeding cattle in the state ~~to shall~~ conform to and abide by the rules laid down by the state department and the

federal departments department of agriculture and follow their instructions designed to suppress the disease, prevent its spread, and avoid reinfection of the herd.

Sec. 617. Section 165.15, Code 1985, is amended to read as follows:

165.15 ACCREDITED VETERINARIAN.

An accredited veterinarian is one who has successfully passed an examination set by the state department and the federal departments department of agriculture and is authorized to may make tuberculin tests of accredited herds of cattle under the uniform methods and rules governing accredited herd work which are approved by the United States department of agriculture.

Sec. 618. Section 166A.1, subsection 1, Code 1985, is amended by striking the subsection.

Sec. 619. Section 166B.1, subsection 3, Code 1985, is amended by striking the subsection.

Sec. 620. Section 166C.2, subsections 1 and 2, Code 1985, are amended by striking the subsections.

Sec. 621. Section 168.1, subsection 2, Code 1985, is amended by striking the subsection.

Sec. 622. Section 172.1, subsection 4, Code 1985, is amended by striking the subsection.

Sec. 623. Section 172A.1, subsections 5 and 6, Code 1985, are amended by striking the subsections.

Sec. 624. Section 172B.1, subsection 4, Code 1985, is amended by striking the subsection.

Sec. 625. Section 173.1, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The Iowa state fair board is created within the department of agriculture and land stewardship. The Iowa state fair board shall consist of:

Sec. 626. Section 173.1, subsections 1 and 4, Code 1985, are amended by striking the subsections and inserting in lieu thereof the following:

1. The governor of the state, the secretary of agriculture, and the president of the Iowa state university of science and technology or their qualified representatives, who shall serve as nonvoting members of the board.

4. A secretary appointed by the secretary of agriculture from a list of three candidates nominated by the voting members of the board. The secretary of the board is a nonvoting member of the board.

5. A treasurer elected by the voting members of the board, who is a nonvoting member of the board.

Sec. 627. Section 173.9, unnumbered paragraph 1, Code 1985, is amended by striking the paragraph and inserting in lieu thereof the following:

The secretary of the board shall serve at the pleasure of the secretary of agriculture. However, the voting members of the board shall make an annual recommendation to the secretary of agriculture as to whether the secretary of the board should be retained. The secretary of the board shall:

Sec. 628. Section 175.2, subsection 3, Code Supplement 1985, is amended to read as follows:

3. "Authority" means the Iowa family farm agricultural development authority established in section 175.3.

Sec. 629. Section 175.3, subsection 1, Code Supplement 1985, is amended to read as follows:

1. The Iowa family farm agricultural development authority is established, and within the department of agriculture and land stewardship. The authority is constituted a public instrumentality and agency of the state exercising public and essential governmental

functions. The authority is established to undertake programs which assist beginning farmers in purchasing agricultural land and agricultural improvements and depreciable agricultural property for the purpose of farming, and programs which provide financing to farmers for permanent soil and water conservation practices on agricultural land within the state or for the acquisition of conservation farm equipment. The powers of the authority are vested in and exercised by a board of eleven members with nine members appointed by the governor subject to confirmation by the senate. The treasurer of state or the treasurer's designee and the secretary of agriculture or the secretary's designee are ex officio nonvoting members. No more than five appointed members shall belong to the same political party. As far as possible the governor shall include within the membership persons who represent financial institutions experienced in agricultural lending, the real estate sales industry, farmers, beginning farmers, average taxpayers, local government, and other persons specially interested in family farm development.

Sec. 630. Section 175.7, subsection 1, Code 1985, is amended to read as follows:

1. The ~~governor, subject to confirmation by the senate, secretary of agriculture~~ shall appoint an executive director of the authority, who shall serve at the pleasure of the ~~governor secretary~~. The executive director shall be selected primarily for administrative ability and knowledge in the field, without regard to political affiliation. The executive director shall not, directly or indirectly, exert influence to induce any other officers or employees of the state to adopt a political view, or to favor a political candidate for office.

Sec. 631. Section 182.1, subsection 8, Code Supplement 1985, is amended by striking the subsection.

Sec. 632. Section 183A.1, subsection 7, Code Supplement 1985, is amended by striking the subsection.

Sec. 633. Section 185.1, subsection 1, Code 1985, is amended by striking the subsection.

Sec. 634. Section 185C.1, subsection 1, Code 1985, is amended by striking the subsection.

Sec. 635. Section 187.1, subsection 1, Code 1985, is amended by striking the subsection.

Sec. 636. Section 189.1, subsections 2 and 3, Code 1985, are amended to read as follows:

2. "Department" ~~shall mean~~ means the department of agriculture, and land stewardship, and, ~~wherever said if the department is required or authorized to do an act, it shall be construed as authorizing performance the act may be performed~~ by a regular assistant or a duly authorized agent of ~~said the~~ department.

3. "Secretary" ~~shall mean~~ means the secretary of agriculture.

Sec. 637. Section 189A.2, subsections 1 and 2, Code 1985, are amended by striking the subsections.

Sec. 638. Section 192A.1, subsections 2 and 3, Code 1985, are amended by striking the subsections.

Sec. 639. Section 194.3, subsection 1, Code 1985, is amended by striking the subsection.

Sec. 640. Section 195.3, subsection 1, Code 1985, is amended by striking the subsection.

Sec. 641. Section 196A.1, subsection 7, Code 1985, is amended by striking the subsection.

Sec. 642. Section 198.3, subsection 1, Code 1985, is amended by striking the subsection.

Sec. 643. Section 206.2, subsections 9 and 10, Code 1985, are amended by striking the subsections.

Sec. 644. Section 214A.1, subsection 2, Code Supplement 1985, is amended by striking the subsection.

Sec. 645. Section 467A.2, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

467A.2 DECLARATION OF POLICY.

It is hereby declared to be the policy of the legislature to integrate the conservation of soil and water resources into the production of agricultural commodities to insure the long-term protection of the soil and water resources of the state of Iowa, and to encourage the development of farm management and agricultural practices that are consistent with the capability of the land to sustain agriculture, and thereby to preserve natural resources, control floods, prevent impairment of dams and reservoirs, assist and maintain the navigability of rivers and harbors, preserve wildlife, protect the tax base, protect public lands and promote the health, safety and public welfare of the people of this state.

Sec. 646. Section 467A.3, subsection 3, Code 1985, is amended to read as follows:

3. "Department" or "~~department of soil conservation~~" means the agency created by section ~~467A.4~~ department of agriculture and land stewardship.

Sec. 647. Section 467A.3, Code 1985, is amended by adding the following new subsection:

NEW SUBSECTION. 3A. "Division" means the division of soil conservation created within the department.

Sec. 648. Section 467A.4, subsections 1, 2, and 3, Code Supplement 1985, are amended to read as follows:

1. ~~There is established, to serve as an agency of the state and The soil conservation division is established within the department to perform the functions conferred upon it in this chapter, the department of soil conservation chapters 83, 83A, and 467A through 467D. The department division shall be administered in accordance with the policies of the state soil conservation committee, which shall advise the division and which shall approve administrative rules proposed by the department division for the administration of chapters 83, 83A, and 467A through 467D before the rules are adopted pursuant to chapter 17A. The state soil conservation committee shall consist consists of a chairperson and twelve ten other members. The following shall serve as ex officio nonvoting members of the committee: The director of the state agricultural Iowa cooperative extension service in agriculture and home economics, or the director's designee, the secretary of agriculture or the secretary's designee, the director of the state conservation commission or the director's designee, and the executive director of the department of water, air and waste management natural resources or the executive director's designee. Eight Nine voting members shall be appointed by the governor subject to confirmation by the senate. Six of the appointive members shall be persons engaged in actual farming operations, one of whom shall be a resident of each of the six conservancy districts established by section 467D.3, and no more than one of whom shall be a resident of any one county. The seventh, and eighth, and ninth appointive members shall be chosen by the governor from the state at large with one appointed to be a representative of cities and, one appointed to be a representative of the mining industry, and one appointee who is a farmer actively engaged in tree farming operations. The committee may invite the secretary of agriculture of the United States to appoint one person to serve with the above-mentioned other members, and the president of the Iowa county engineers association may designate a member of the association to serve in the same manner, but these persons shall have no vote and shall serve in an advisory capacity only. The committee shall adopt a seal, which seal shall be judicially noticed, and may perform acts, hold public hearings, and adopt rules as provided in chapter 17A as necessary for the execution of its functions under this chapter.~~

2. The state soil conservation committee may employ an administrative officer and such other agents and employees, permanent and temporary, as it may require, and shall determine their qualifications, duties and compensation. The committee or department division may call

upon the attorney general of the state for such necessary legal services as either may require. The committee shall have authority to may delegate to its chairperson, to one or more of its members, or to one or more agents or employees, such powers and duties as it may deem deems proper. Upon request of the committee, for the purpose of carrying out any of the functions assigned the committee or the department by law, the supervising officer of any state agency, or of any state institution of learning shall, insofar as may be possible under available appropriations, and having due regard to the needs of the agency to which the request is directed, assign or detail the request to the department members of the staff or personnel of such the agency or institution of learning, and make such the special reports, surveys, or studies as the committee may request requests.

3. The committee shall designate its chairperson, and may change the designation. The members appointed by the governor shall serve for a period of six years. Members shall be appointed in each odd-numbered year to succeed members whose terms expire as provided by section 69.19. Appointments may be made at other times and for other periods as necessary to fill vacancies on the committee. Members shall not be appointed to serve more than two complete six-year terms. Members designated to represent the secretary of agriculture, director of the state conservation commission, or the executive director of the department of water, air and waste management natural resources and the director of the Iowa cooperative extension service in agriculture and home economics shall serve at the pleasure of the officer making the designation. A majority of the voting members of the committee constitutes a quorum, and the concurrence of a majority of the voting members of the committee in any matter within their duties is required for its determination. The chairperson and members of the committee, not otherwise in the employ of the state, or any political subdivision, shall receive forty dollars per diem as compensation for their services in the discharge of their duties as members of the committee. The committee shall determine the number of days for which any committee member may draw per diem compensation, but the total number of days for which per diem compensation is allowed for the entire committee shall not exceed four hundred days per year. They Members are also entitled to actual expenses, including traveling expenses, necessarily incurred in the discharge of their duties as members of the committee. The per diem and expenses paid to the committee members shall be paid from funds appropriated to the committee department. Each member of the committee may also be eligible to receive compensation as provided in section 7E.3. The committee shall provide for the execution of surety bonds for all employees and officers who are entrusted with funds or property, shall provide for the keeping of a full and accurate record of all proceedings and of all resolutions, regulations, and orders issued or adopted, and shall provide for an annual audit of the accounts of receipts and disbursements.

Sec. 649. Section 467A.4, subsection 4, unnumbered paragraph 1, Code Supplement 1985, is amended to read as follows:

In addition to the other duties and powers hereinafter conferred upon the department division of soil conservation, it the division shall have has the following duties and powers:

Sec. 650. Section 467A.4, subsection 4, paragraph n, Code Supplement 1985, is amended by striking the paragraph.

Sec. 651. Section 467A.7, subsection 16, Code 1985, is amended to read as follows:

16. The commissioners shall, as a condition for the receipt of any state cost-sharing funds for permanent soil conservation practices, require the owner of the land on which the practices are to be established to covenant and file, in the office of the soil conservation district of the county in which the land is located, an agreement identifying the particular lands upon which the practices for which state cost-sharing funds are to be received will be established, and providing that the project will not be removed, altered, or modified so as to lessen its effectiveness without the consent of the commissioners, obtained in advance and based on

guidelines drawn up by the state soil conservation committee, for a period of twenty years after the date of receiving payment. The commissioners shall assist the state soil conservation committee division in the enforcement of this subsection. The agreement shall does not create a lien on the land, but shall be is a charge personally against the owner of the land at the time of removal, alteration, or modification if an administrative order is made under section 467A.61, subsection 3.

Sec. 652. Section 467A.10, Code 1985, is amended to read as follows:
467A.10 DISCONTINUANCE OF DISTRICTS.

At any time after five years after the organization of a district under the provisions of this chapter, any twenty-five owners of land lying within the boundaries of such the district, but in no case less than twenty percent of the owners of land lying within such the district, may file a petition with the state soil conservation committee praying division asking that the operations of the district be terminated and the existence of the district discontinued. The committee may conduct such public meetings and public hearings upon such the petition as may be necessary to assist in the consideration thereof of the petition. Within sixty days after such a petition has been received by the committee division, the department division shall give due notice of the holding of a referendum, and shall supervise such the referendum, and shall issue appropriate regulations rules governing the conduct thereof of the referendum, the question to be submitted by ballots upon which the words "For terminating the existence of the (name of the soil conservation district to be here inserted)" and "Against terminating the existence of the (name of the soil conservation district to be here inserted)" shall be printed, with a square before each proposition and a direction to insert an X mark in the square before one or the other of said the propositions as the voter may favor favors or oppose opposes discontinuance of such the district. All owners of lands lying within the boundaries of the district shall be are eligible to vote in such the referendum. Only such landowners shall be eligible to vote. No informalities in the conduct of such the referendum or in any matters relating thereto shall to the referendum invalidate said the referendum or the result thereof of the referendum if notice thereof shall have been was given substantially as herein provided in this section and said if the referendum shall have been was fairly conducted.

When sixty-five percent of the landowners vote to terminate the existence of such the district, the state soil conservation committee division shall advise the commissioners to terminate the affairs of the district. The commissioners shall dispose of all property belonging to the district at public auction and shall pay over the proceeds of such the sale to be covered deposited into the state treasury. The commissioners shall thereupon then file an application, duly verified, with the secretary of state for the discontinuance of such the district, and shall transmit with such the application the certificate of the state soil conservation committee division setting forth the determination of the committee division that the continued operation of such the district is not administratively practicable and feasible. The application shall recite that the property of the district has been disposed of and the proceeds paid over as provided in this section provided, and shall set forth a full accounting of such the properties and proceeds of the sale. The secretary of state shall issue to the commissioners a certificate of dissolution and shall record such the certificate in an appropriate book of record in the secretary of state's office.

Upon issuance of a certificate of dissolution under the provisions of this section, all ordinances and regulations theretofore previously adopted and in force within such the districts shall be are of no further force and effect. All contracts theretofore previously entered into, to which the district or commissioners are parties, shall remain in force and effect for the period provided in such the contracts. The state soil conservation committee shall be division is substituted for the district or commissioners as party to such the contracts. The committee shall be division is entitled to all benefits and subject to all liabilities under such

the contracts and ~~shall have~~ has the same right and liability to perform, to require performance, and to sue and be sued ~~thereon~~, and to modify or terminate ~~such~~ the contracts by mutual consent or otherwise, as the commissioners of the district would have had.

The ~~state soil conservation committee~~ division shall not entertain petitions for the discontinuance of any district nor conduct referenda upon ~~such~~ discontinuance petitions nor make determinations pursuant to ~~such~~ the petitions in accordance with the provisions of this chapter, more often than once in five years.

Sec. 653. Section 467A.11, Code 1985, is amended to read as follows:

467A.11 REPORT TO GOVERNOR.

The ~~committee~~ division shall submit to the governor, no later than January 1 next preceding each biennial legislative session, a report which shall state the following: The number and acreage of districts in existence or in process of organization, together with an estimate of the number and probable acreage of the districts which may be organized during the ensuing biennial fiscal period, and a statement of the balances of funds, if any, available to the ~~committee~~ as to the sums needed division for its administrative and other expenses arising from this chapter, and for allocation among the several districts during the ensuing biennial fiscal period.

Sec. 654. Section 467A.12, Code 1985, is amended to read as follows:

467A.12 STATEMENT TO COMPTROLLER.

On or before September 1 next preceding each ~~biennial annual~~ legislative session, the ~~state soil conservation committee~~ division shall submit to the state comptroller, on official estimate blanks furnished for ~~such~~ those purposes, statements and estimates of the expenditure requirements for each fiscal year of the ensuing biennium, and a statement of the balance of funds, if any, available to the ~~committee~~ division, and the estimates of the ~~committee~~ division as to the sums needed for the administrative and other expenses of the ~~committee and department~~ division for the purposes of this chapter.

Sec. 655. Section 467A.42, subsection 1, Code 1985, is amended to read as follows:

1. "Soil loss limit" means the maximum amount of soil loss due to erosion by water or wind, expressed in terms of tons per acre per year, which the commissioners of the respective soil conservation districts shall determine is acceptable in order to meet the objectives expressed in section 467D.1, Code 1985.

Sec. 656. Section 467A.42, subsection 2, paragraphs a and b, Code 1985, are amended to read as follows:

a. "Permanent soil and water conservation practices" means planting of perennial grasses, legumes, shrubs, or trees, the establishment of grassed waterways, and the construction of terraces, or other permanent soil and water practices approved by the ~~state soil conservation committee~~ division.

b. "Temporary soil and water conservation practices" means planting of annual or biennial crops, use of strip-cropping, contour planting, or minimum or mulch tillage, and any other cultural practices approved by the ~~state soil conservation committee~~ division.

Sec. 657. Section 467A.44, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The commissioners of each soil conservation district shall, with approval of and within time limits set by administrative order of the ~~state soil conservation committee~~ division, adopt ~~such~~ reasonable regulations as are deemed necessary to establish a soil loss limit or limits for the district and provide for the implementation of the limit or limits, and may subsequently amend or repeal their regulations as they deem necessary. The ~~state soil conservation committee~~ division shall review the soil loss limit regulations adopted by the soil conservation districts at least once every five years, and shall recommend any changes in the regulations of any a soil conservation district which the ~~state committee~~ division deems necessary to assure that the district's soil loss limits are reasonable and attainable. The commissioners may:

Sec. 658. Section 467A.45, Code 1985, is amended to read as follows:

467A.45 SUBMISSION OF RULES TO COMMITTEE DIVISION — HEARING.

Regulations which the commissioners propose to adopt, amend, or repeal shall be submitted to the state soil conservation committee division, in such a form as the committee shall prescribe prescribed by the division, for its approval. The committee division may approve the regulations as submitted, or with such amendments as it deems necessary. The commissioners shall thereafter, after approval, publish notice of hearing on the proposed regulations, as approved, in a newspaper of general circulation in the district, setting a date and time not less than ten nor more than thirty days after such the publication when a hearing on the proposed regulations will be held at a specified place. The notice shall include the full text of the proposed regulations or shall state that the proposed regulations are on file and available for review at the office of the affected soil conservation district.

Sec. 659. Section 467A.46, Code 1985, is amended to read as follows:

467A.46 CONDUCT OF HEARING.

At the hearing, the commissioners or their designees shall explain, in reasonable detail, the reasons why adoption, amendment, or repeal of the regulations is deemed necessary or advisable. Any landowner, or any occupant of land who would be affected by the regulations, shall be afforded an opportunity to be heard for or against the proposed regulations. At the conclusion of the hearing, the commissioners shall announce and enter of record their decision whether to adopt or modify the proposed regulations. Any modification must be approved by the state soil conservation committee division, which may at its discretion order the commissioners to republish the regulations and hold another hearing in the manner prescribed by this chapter.

Sec. 660. Section 467A.48, subsections 1 and 2, Code 1985, are amended to read as follows:

1. An owner or occupant of land in this state is not required to establish any new permanent or temporary soil and water conservation practice unless public or other cost-sharing funds have been specifically approved for that land and actually made available to the owner or occupant. The amount of cost-sharing funds made available shall not exceed seventy-five percent of the estimated cost as established by the commissioners of a permanent soil and water conservation practice, or seventy-five percent of the actual cost, whichever is less, or an amount set by the state soil conservation committee division for a temporary soil and water conservation practice, except as otherwise provided by law with respect to land classified as agricultural land under conservation cover. The commissioners shall establish the estimated cost of permanent soil and water conservation practices in the district based upon one and two-tenths of the average cost of the practices installed in the district during the previous year. The average costs shall be reviewed and approved by the commissioners each calendar year.

2. The state soil conservation committee division shall review these requirements once each year, and may authorize soil conservation district commissioners to make the mandatory establishment of any specified soil and water conservation practice in any particular case conditional on a higher proportion of public cost-sharing than is required by this section. When the commissioners have been so authorized, they shall, in determining the amount of cost-sharing for establishment of a specified soil and water conservation practice to comply with an administrative order issued pursuant to section 467A.47, consider the extent to which the practice will contribute benefits to the public in relation to the benefits that will accrue to the individual owner or occupant of the land on which the practice is to be established. Evidence that an application for public or other cost-sharing funds, from a source or sources having authority to pay a portion of the cost of work needed to comply with an administrative order issued pursuant to section 467A.47, has been submitted to the proper officer or agency constitutes commencement of the work within the meaning of sections 467A.43 to through 467A.53.

Sec. 661. Section 467A.71, subsection 3, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The state soil conservation committee division may:

Sec. 662. Section 467D.2, subsection 1, Code 1985, is amended to read as follows:

1. "Conservancy Watershed planning district" means one of the six conservancy watershed planning districts established by section 467D.3.

Sec. 663. Section 467D.2, subsection 4, Code 1985, is amended by striking the subsection and inserting in lieu thereof the following:

4. "Division" means the division of soil conservation established within the department of agriculture and land stewardship.

Sec. 664. Section 467D.3, unnumbered paragraph 1, Code 1985, is amended to read as follows:

In furtherance of the policy set forth in section 467D.1, the entire area of the state of Iowa shall be divided into six conservancy watershed planning districts, and the same are hereby established as political subdivisions of the state of Iowa, as follows:

Sec. 665. Section 467D.12, Code 1985, is amended to read as follows:
467D.12 BUDGET.

In each even-numbered year the board shall prepare a budget for the biennium beginning July 1 of the succeeding calendar year, setting forth all proposed expenditures by the conservancy district during such the biennium, and stating the amounts which it is anticipated will be available to the conservancy district during such the biennium from sources other than state appropriations. The board shall submit its budget to the state soil conservation committee department on or before August 1 of each even-numbered year.

Sec. 666. Section 467D.13, Code 1985, is amended to read as follows:
467D.13 REVIEW BY STATE COMMITTEE DEPARTMENT.

The committee department shall review the proposed biennial budget of each of the conservancy districts, and may revise any such budget. The committee department shall prepare a consolidated list of the appropriations requested for administration, operation, and maintenance of each conservancy district for each year of the ensuing biennium, and of capital appropriations requested, if any, for each conservancy district, and shall forward the consolidated list to the state comptroller as a part of the committee's department's estimates of expenditure requirements submitted pursuant to section 8.23.

Sec. 667. Section 467D.17, Code 1985, is amended to read as follows:

467D.17 PLAN PRESENTED TO COMMITTEE, DEPARTMENT, DEPARTMENT OF WATER, AIR AND WASTE MANAGEMENT NATURAL RESOURCES, AND SOIL CONSERVATION DISTRICTS.

The board shall tentatively adopt the plan by resolution and shall present the plan to the committee department and the department of water, air and waste management natural resources for review. The department of water, air and waste management natural resources shall within ninety days review the plan as presented and make recommendations it deems necessary to bring the conservancy district's plan into conformity with the comprehensive water allocation plan established by the department of water, air and waste management pursuant to section 455B.263. The recommendations of the department of water, air and waste management natural resources shall be submitted to the board for incorporation into the plan. The plan shall then be submitted to the soil conservation districts located entirely or partially within the conservancy district. The soil conservation districts shall review, comment and record a vote within ninety days indicating their support of or opposition to the plan in the same manner provided in section 467D.5, subsection 1. The committee department shall inform the soil conservation districts of the votes of the districts within the conservancy

district. The committee department shall review the plan as presented, give consideration to the comments and votes of the soil conservation districts, give final approval or disapproval of the plan within ninety days, and provide a written statement detailing the basis of its decision.

A subsequent major change in the plan, as determined by the conservancy board, is not effective until approved by the process provided in this section for approval of the original plan.

Sec. 668. Effective July 1, 1988, section 455B.280 and chapter 467D, Code 1985, are repealed, and section 467A.4, subsection 4, paragraphs "g" through "m", Code Supplement 1985, are amended by striking the paragraphs.

Sec. 669. Section 542.1, subsection 1, Code Supplement 1985, is amended to read as follows:

1. "Commission Department" means the Iowa state commerce commission department of agriculture and land stewardship.

Sec. 670. Section 542A.1, Code 1985, is amended by adding the following new unnumbered paragraph after unnumbered paragraph 1:

NEW UNNUMBERED PARAGRAPH. As used in this chapter, "department" means the department of agriculture and land stewardship.

Sec. 671. Section 543.1, subsection 1, Code 1985, is amended to read as follows:

1. "Commission Department" shall mean means the Iowa state commerce commission department of agriculture and land stewardship.

DEPARTMENT OF COMMERCE

Sec. 701. NEW SECTION. 546.1 DEFINITIONS.

When used in this chapter, unless the context otherwise requires:

1. "Department" means the department of commerce.
2. "Director" means the director of the department of commerce.

Sec. 702. NEW SECTION. 546.2 DEPARTMENT OF COMMERCE.

1. A department of commerce is created to coordinate and administer the various regulatory, service, and licensing functions of the state relating to the conducting of business or commerce in the state.

2. The chief administrative officer of the department is the director. The director shall be appointed by the governor, subject to the confirmation of the senate, and shall serve at the pleasure of the governor. The director is subject to reconfirmation after four years in office. The director shall be appointed on the basis of executive and administrative abilities but shall not have been an officer or employee of any bank, credit union, savings and loan association, or insurance company. The salary shall be fixed by the governor within a range established by the general assembly.

3. The department is administratively organized into the following divisions:

- a. Banking.
- b. Credit union.
- c. Savings and loan.
- d. Gaming.
- e. Utilities.
- f. Insurance.
- g. Alcoholic beverages.
- h. Professional licensing and regulation.

4. The director shall have the following responsibilities:

a. To establish general operating policies for the department to provide general uniformity among the divisions while providing for necessary flexibility.

b. To assemble a department structure and strategic plan that will provide optimal decentralization of responsibilities and authorities with sufficient coordination for appropriate growth and development.

c. To coordinate personnel services and shared administrative support services to assure maximum support and assistance to the divisions.

d. To coordinate the development of an annual budget which quantifies the operational plans of the divisions.

e. To identify and, with the chief administrative officers of each division, facilitate the opportunities for consolidation and efficiencies within the department.

f. To maintain monitoring and control systems, procedures, and policies which will permit each level of responsibility to quickly and precisely measure its results with its plan and standards.

5. The chief administrative officer of each division shall have the following responsibilities:

a. To make rules pursuant to chapter 17A except to the extent that rulemaking authority is vested in a policymaking commission.

b. To hire, allocate, develop, and supervise employees of the division necessary to perform duties assigned to the division by law.

c. To supervise and direct personnel and other resources to accomplish duties assigned to the division by law.

d. To establish fees assessed to the regulated industry except to the extent this power is vested in a policymaking commission.

6. Each division is responsible for policymaking and enforcement duties assigned to the division under the law. Except as provided in section 546.11, subsection 3:

a. Each division shall adopt rules pursuant to chapter 17A to implement its duties.

b. Decisions by the divisions are final agency actions pursuant to chapter 17A.

Sec. 703. NEW SECTION. 546.3 BANKING DIVISION.

The banking division shall regulate and supervise banks under chapter 524, regulated loan companies under chapter 536, industrial loan companies under chapter 536A, and the industrial loan thrift guaranty corporation of Iowa under chapter 536B, and shall perform other duties assigned to the division by law. The division is headed by the superintendent of banking who shall be appointed pursuant to section 524.201. The state banking board shall perform duties within the division as prescribed by law.

Sec. 704. NEW SECTION. 546.4 CREDIT UNION DIVISION.

The credit union division shall regulate and supervise credit unions under chapter 533. The division is headed by the superintendent of credit unions who shall be appointed pursuant to section 533.55. The credit union review board shall perform duties within the division as prescribed in chapter 533.

Sec. 705. NEW SECTION. 546.5 SAVINGS AND LOAN DIVISION.

The savings and loan division shall regulate and supervise savings and loan associations and savings banks under chapter 534. The division is headed by the superintendent of savings and loan associations who shall be appointed pursuant to section 534.401.

Sec. 706. NEW SECTION. 546.6 GAMING DIVISION.

The gaming division shall combine and coordinate the supervision of pari-mutuel betting and the conducting of games of skill, games of chance, or raffles in the state. The division shall enforce and implement chapters 99B and 99D. The division is headed by the administrator of gaming who shall be appointed pursuant to section 99D.6. The state racing commission shall perform duties within the division as prescribed in chapter 99D.

Sec. 707. NEW SECTION. 546.7 UTILITIES DIVISION.

The utilities division shall regulate and supervise public utilities operating in the state. The division shall enforce and implement chapters 476, 476A, 478, and 479 and shall perform other duties assigned to it by law. The division is headed by the administrator of public utilities who shall be appointed by the governor pursuant to section 474.1.

Sec. 708. NEW SECTION. 546.8 INSURANCE DIVISION.

The insurance division shall regulate and supervise the conducting of the business of insurance in the state. The division shall enforce and implement Title XX, insurance, chapters 505 through 523C, and chapters 502, 503, and 535C, and shall perform other duties assigned to the division by law. The division is headed by the commissioner of insurance who shall be appointed pursuant to section 505.2.

Sec. 709. NEW SECTION. 546.9 ALCOHOLIC BEVERAGES DIVISION.

The alcoholic beverages division shall enforce and implement chapter 123. The division is headed by the administrator of alcoholic beverages who shall be appointed pursuant to section 123.10. The alcoholic beverages commission shall perform duties within the division pursuant to chapter 123.

Sec. 710. NEW SECTION. 546.10 PROFESSIONAL LICENSING AND REGULATION DIVISION.

1. The professional licensing and regulation division shall administer and coordinate the licensing and regulation of several professions by bringing together the following licensing boards:

a. The commission of engineering and land surveying examiners created pursuant to chapter 114.

b. The commission of accountancy created pursuant to chapter 116.

c. The real estate commission created pursuant to chapter 117.

d. The commission of architectural examiners created pursuant to chapter 118.

e. The commission of landscape architectural examiners created pursuant to chapter 118A.

2. The division is headed by the administrator of professional licensing and regulation who shall be appointed by the governor subject to confirmation by the senate and shall serve a four-year term that begins and ends as provided in section 69.19. A vacancy shall be filled for the unexpired portion of the term in the same manner as a full-term appointment is made. The administrator shall appoint and supervise staff and shall coordinate activities for the commissions within the division. The administrator shall act as a staff person to one or more of the commissions.

3. The licensing and regulation commissions included in the division pursuant to subsection 1 retain the powers granted them pursuant to the chapters in which they are created, except for budgetary and personnel matters which shall be handled by the administrator. Each commission shall adopt rules pursuant to chapter 17A. Decisions by a commission are final agency actions for purposes of chapter 17A.

Sec. 711. Section 99B.1, subsection 16, Code 1985, is amended to read as follows:

16. "Department Division" means the gaming division of the department of revenue commerce.

Sec. 712. Section 99B.2, subsection 1, Code 1985, is amended to read as follows:

1. The ~~department~~ is the agency responsible for issuing a license division shall issue the licenses required by this chapter. A license shall not be issued, except upon submission to the department division of an application on forms furnished by the department division, and the required license fee. A license may be issued to an eligible applicant. However, a license shall not be issued to an applicant who has been convicted of or pled guilty to a violation of this chapter, or who has been convicted of or pled guilty to a violation of chapter 123 that resulted, at any time, in revocation of a license issued to the applicant under chapter 123 or that resulted, within the twelve months preceding the date of application for a license required by this chapter, in suspension of a license issued under chapter 123. To be eligible for a two year two-year license under section 99B.7, an organization shall have been in existence at least five years prior to the date of issuance of the license. A license also shall not be issued for a location for which a previous license issued under this chapter or chapter 123 has been revoked

within the preceding two years. Except as otherwise provided in this chapter, a license is valid for a period of two years from the date of issue. The license fee is not refundable, but shall be returned to the applicant if an application is not approved. ~~When~~ If a bingo license has been issued by the department division, the licensee shall be notified by the department division of the renewal date for the license ten days prior to that date.

Sec. 713. Section 99D.5, subsection 1, Code 1985, is amended to read as follows:

1. ~~There is created a~~ A state racing commission is created within the department of commerce consisting of five members who shall be appointed by the governor subject to confirmation by the senate, and who shall serve not to exceed a three-year term at the pleasure of the governor. The term of each member shall begin and end as provided in section 69.19.

Sec. 714. Section 99D.5, subsection 4, Code 1985, is amended to read as follows:

4. ~~Commission members shall be~~ each entitled to receive an annual salary of six thousand dollars until June 30, 1987, and thereafter are entitled to forty dollars per diem for each day actually spent in performing commission duties. Members shall also be reimbursed for ~~necessary travel and actual expenses~~ incurred in the performance of their duties to a maximum of six thousand dollars per year for the commission each member. Each member shall post a bond in the amount of ten thousand dollars, with sureties to be approved by the governor, to guarantee the proper handling and accounting of moneys and other properties required in the administration of this chapter. The premiums on the bonds shall be paid as other expenses of the commission.

Sec. 715. Section 99D.6, Code 1985, is amended to read as follows:

99D.6 CHAIRPERSON — ADMINISTRATOR — EMPLOYEES — DUTIES — BOND.

The commission shall elect in July of each year one of its members chairperson for the succeeding year. ~~The commission may employ a secretary and shall appoint an administrator of the gaming division of the department of commerce subject to confirmation by the senate. The administrator shall serve a four-year term. The term shall begin and end in the same manner as set forth in section 69.19. A vacancy shall be filled for the unexpired portion of the term in the same manner as a full-term appointment is made. The administrator may hire other assistants and employees as necessary to carry out its the division's duties. Some or all of the information required of applicants in section 99D.8A, subsections 1 and 2, may also be required of employees of the commission division if the commission deems it necessary. The secretary administrator shall keep a record of the proceedings of the commission, and preserve the books, records, and documents entrusted to the secretary's administrator's care, and perform other duties as the commission prescribes. The commission shall require the secretary administrator to post a bond in a sum it may fix, conditioned upon the faithful performance of the secretary's administrator's duties. Subject to the approval of the governor, the commission shall fix the compensation of its secretary the administrator within salary range five as set by the general assembly. The commission shall also fix the compensation of its other employees, subject to the approval of the governor. The commission division shall have its headquarters in the city of Des Moines, and shall meet in July of each year and at other times and places as it finds necessary for the discharge of its duties.~~

Sec. 716. Section 114.3, Code 1985, is amended to read as follows:

114.3 ESTABLISHMENT OF BOARD COMMISSION.

~~There is established the state board~~ A commission of engineering and land surveying examiners which shall consist is created within the professional licensing and regulation division of the department of commerce. ~~The commission consists of four members who are registered professional engineers, one member who is a registered land surveyor or a professional engineer who is also a registered land surveyor, and two members who are not registered professional engineers or land surveyors and who shall represent the general public. Members shall be appointed by the governor subject to confirmation by the senate. A registered member shall be actively engaged in the practice of engineering or land surveying and shall have been so engaged for five years preceding the appointment, the last two of which shall~~

have been in Iowa. ~~No two~~ Not more than one registered ~~members~~ member of the ~~board commission~~ shall be from the same branch of the profession of engineering. Professional associations or societies composed of registered engineers or registered land surveyors may recommend the names of potential ~~board commission~~ members whose profession is representative of that association or society to the governor, ~~but~~. ~~However~~, the governor ~~shall is not be~~ bound by the recommendations. A ~~board commission~~ member shall not be required to be a member of any professional association or society composed of professional engineers or land surveyors.

Sec. 717. Section 114.8, Code 1985, is amended to read as follows:

114.8 COMPENSATION AND EXPENSES — COMPENSATION.

Members of the ~~board~~ shall set their own per diem compensation at a rate not exceeding ~~forty dollars per day for the time actually spent in traveling to and from, and in attending duly authorized functions of the board and its committees, and shall commission are entitled to receive all necessary traveling and incidental actual expenses incurred in the discharge of their duties within the limits of funds appropriated to the board commission. Each member of the commission may also be eligible to receive compensation as provided in section 7E.3.~~

Sec. 718. Section 114.9, Code 1985, is amended to read as follows:

114.9 ORGANIZATION OF THE BOARD — MEETINGS — QUORUM COMMISSION — STAFF.

The ~~board commission~~ shall elect annually from its members a chairperson and a vice chairperson. The ~~board~~ shall employ a secretary whose salary shall be established by the governor with the approval of the executive council pursuant to section 19A.9, subsection 2, under the pay plan for exempt positions in the executive branch of government. The ~~administrator of the professional licensing and regulation division of the department of commerce shall hire and provide staff to assist the commission in implementing this chapter. The board commission shall hold at least one meeting at the seat of government, and meetings shall be called at other times by the secretary administrator at the request of the chairperson or four members of the board. At any meeting of the board commission, a majority of members shall constitute constitutes a quorum. The board shall have power to employ such legal, technical and clerical assistants and incur such expense as may be necessary to properly carry out the provisions of this chapter within the limits of funds appropriated to the board.~~

Sec. 719. Section 116.3, subsection 1, unnumbered paragraph 1, Code 1985, is amended to read as follows:

~~There is established a board~~ A commission of accountancy is created within the professional licensing and regulation division of the department of commerce. The ~~board of accountancy shall consist commission consists~~ of eight members, five of whom shall be certified public accountants, one of whom shall be from the accounting practitioner advisory ~~committee council~~, and two of whom shall not be certified public accountants or licensed accounting practitioners and who shall represent the general public. A certified or licensed member shall be actively engaged in practice as a certified public accountant or accounting practitioner and shall have been so engaged for five years preceding appointment, the last two of which shall have been in Iowa. Professional associations or societies composed of certified public accountants may recommend the names of potential ~~board commission~~ members to the governor, ~~but~~. ~~However~~, the governor ~~shall is not be~~ bound by the recommendations. A ~~board commission~~ member shall not be required to be a member of any professional association or society composed of certified public accountants. Members, except the member from the accounting practitioner advisory ~~committee council~~, shall be appointed by the governor to staggered terms, subject to confirmation by the senate. The ~~board commission~~ member from the accounting practitioner advisory ~~committee council~~ shall serve a one-year term and must be the most senior member of the accounting practitioner advisory ~~committee council~~ who has not

served a term on the ~~board of accountancy commission~~ in the previous two years. "Board" as As used in this chapter, "commission" means the board commission of accountancy established by this section. Upon the expiration of each of the terms and of each succeeding term, except that of the member from the accounting practitioner advisory committee council, a successor shall be appointed for a term of three years beginning and ending as provided in section 69.19. Members, except the member from the accounting practitioner advisory committee council, shall serve a maximum of three terms or nine years, whichever is less. Vacancies occurring in the membership of the board commission for any cause shall be filled in the same manner as original appointments are made by the governor, for the unexpired term and are subject to senate confirmation. The public members of the board commission of accountancy shall be allowed to participate in administrative, clerical, or ministerial functions incident to giving the examination, but shall not determine the content of the examination or determine the correctness of the answers.

Sec. 720. Section 116.3, subsection 2, unnumbered paragraph 6, Code 1985, is amended by striking the unnumbered paragraph and inserting in lieu thereof the following:

The administrator of the professional licensing and regulation division of the department of commerce shall hire and provide for staff to assist the commission with implementing this chapter.

Sec. 721. Section 116.3, subsection 2, unnumbered paragraph 7, Code 1985, is amended to read as follows:

Each A member of the board shall commission is entitled to be paid a per diem set by the board in an amount not to exceed forty dollars per day for each day the member is performing official duties and shall be reimbursed for actual and necessary expenses, including travel, incurred in the discharge of official duties. Each member of the commission may also be eligible to receive compensation as provided in section 7E.3.

Sec. 722. Section 117.8, Code 1985, is amended to read as follows:

117.8 COMMISSION ESTABLISHED CREATED - STAFF.

There is established the Iowa A real estate commission which shall consist is created within the professional licensing and regulation division of the department of commerce. The commission consists of three members licensed under this chapter and two members not licensed under this chapter and who shall represent the general public. At least one of the licensed members shall be a licensed real estate salesperson, except that if the licensed real estate salesperson becomes a licensed real estate broker during a term of office, that person may complete the term, but is not eligible for reappointment on the commission as a licensed real estate salesperson. A licensed member shall be actively engaged in the real estate business and shall have been so engaged for five years preceding the appointment, the last two of which shall have been in Iowa. Professional associations or societies of real estate brokers or real estate salespersons may recommend the names of potential commission members to the governor, but. However, the governor is not bound by their recommendations. A commission member is shall not be required to be a member of any professional association or society composed of real estate brokers or salespersons. Commissioners shall be appointed by the governor subject to confirmation by the senate. Appointments shall be for three-year terms and shall commence and end as provided in section 69.19. A commissioner shall serve no more than three terms or nine years, whichever is less. No more than one commissioner shall be appointed from a county. A commissioner shall not hold any other elective or appointive state or federal office. Vacancies shall be filled for the unexpired term by appointment of the governor and are subject to senate confirmation. A majority of the commissioners constitutes a quorum. The administrator of the professional licensing and regulation division shall hire and provide staff to assist the commission with implementing this chapter.

Sec. 723. Section 117.12, Code 1985, is amended to read as follows:

117.12 EXPENSES – COMPENSATION OF COMMISSIONERS.

Members of the commission shall set their own per diem compensation at a rate not exceeding forty dollars per day for each day actually engaged in the discharge of their duties and are entitled to be reimbursed for their actual and necessary expenses in the performance of duties pertaining to their office within the limits of the funds appropriated to the commission. Each member of the commission may also be eligible to receive compensation as provided in section 7E.3.

Sec. 724. Section 117.14, Code 1985, is amended to read as follows:

117.14 FEES AND EXPENSES.

All fees and charges collected by the commission under the provisions of this chapter shall be paid into the general fund in the state treasury. All expenses incurred by the commission under the provisions of this chapter, including compensation to the director, clerks and assistants of staff assigned to the commission, shall be paid out of the general fund in the state treasury.

Sec. 725. Section 118.1, unnumbered paragraph 1, Code 1985, is amended to read as follows:

There is established the board The commission of architectural examiners which shall consist is created within the professional licensing and regulation division of the department of commerce. The commission consists of five members who possess a certificate of registration issued under section 118.9 and who have been in active practice of architecture for not less than five years, the last two of which shall have been in Iowa, and two members who do not possess a certificate of registration issued under section 118.9 and who shall represent the general public. Members shall be appointed by the governor subject to confirmation by the senate.

Sec. 726. Section 118.5, Code 1985, is amended to read as follows:

118.5 DUTIES.

The board commission shall enforce the provisions of this chapter and may incur such expense as shall be necessary within the limit of funds appropriated to the board, and, shall make rules for the examination of applicants for the certificate of registration provided by this chapter, and shall, after due public notice, hold meetings each year for the purpose of examining applicants for registration and the transaction of business pertaining to the affairs of the board commission. Examinations shall be given as often as deemed necessary, but not less than one time per year annually. No action Action at any a meeting can shall not be taken without the affirmative votes of a majority of the members of the board commission. The administrator of the professional licensing and regulation division of the department of commerce shall hire and provide staff to assist the commission with implementing this chapter.

Sec. 727. Section 118.12, Code 1985, is amended to read as follows:

118.12 PAYMENT OF EXPENSES – COMPENSATION.

The members of the board shall set their own per diem compensation at a rate not exceeding forty dollars per day for each day actually engaged in the discharge of their duties, and shall commission are entitled to be reimbursed for the actual expenses incurred in attending the meetings of the board and for office supplies, printing, and clerical hire, and other necessary expenses incurred in carrying out the provisions of this chapter commission, within the limits of the funds appropriated to the board commission. Warrants for payments of expenses of the board shall be issued by the state comptroller and paid by the treasurer of state upon presentation of vouchers regularly drawn by the president and secretary of the board and authorized by the board. Each member of the commission may also be eligible to receive compensation as provided in section 7E.3.

Sec. 728. Section 118A.3, unnumbered paragraph 1, Code 1985, is amended to read as follows:

There is established a board A commission of landscape architectural examiners which shall consist is created within the professional licensing and regulation division of the department of commerce. The commission consists of five members who are registered landscape architects and two members who are not registered landscape architects and who shall represent the general public. Members shall be appointed by the governor, subject to confirmation by the senate. A registered member shall be actively engaged in the practice of landscape architecture or the teaching of landscape architecture in an accredited college or university, and shall have been so engaged for five years preceding appointment, the last two of which shall have been in Iowa. Professional associations or societies composed of registered landscape architects may recommend the names of potential board members to the governor, but. However, the governor is not bound by the recommendations. A board commission member is shall not be required to be a member of any professional association or society composed of professional landscape architects.

Sec. 729. Section 118A.5, Code 1985, is amended to read as follows:
118A.5 DUTIES.

The board commission shall enforce the provisions of sections 118A.1 to 118A.21 and may employ technical and clerical assistants and incur such expense as may be necessary within the limits of funds appropriated to the board. The board may employ a secretary whose salary shall be established by the governor with the approval of the executive council pursuant to section 19A.9, subsection 2, under the pay plan for exempt positions in the executive branch of government. The board this chapter, shall make rules for the examination of applicants for the certificate of registration, and shall, after public notice, shall conduct examinations of applicants for registration. The board commission shall keep a record of its proceedings. The board commission shall adopt and have an official seal which shall be affixed to all certificates of registration granted and the board. The commission may make such other rules, not inconsistent with law, as necessary for the proper performance of its duty duties. The board commission shall maintain a roster showing the name, place of business, and residence, and the date and number of the certificate of registration of every registered landscape architect in this state. The administrator of the professional licensing and regulation division of the department of commerce shall hire and provide staff to assist the commission in implementing this chapter.

Sec. 730. Section 118A.7, Code 1985, is amended to read as follows:
118A.7 COMPENSATION AND EXPENSES — COMPENSATION.

Members of the board shall set their own per diem compensation at a rate not exceeding forty dollars per day for the time actually spent in traveling to and from, and in attending meetings of the board and its committees, and shall receive all necessary traveling and incidental commission are entitled to receive reimbursement of actual expenses incurred in the discharge of their duties within the limits of funds appropriated to the board commission. Warrants for payments of expenses of the board shall be issued by the state comptroller and paid by the treasurer of state upon presentation of vouchers signed by the chairperson or vice chairperson and secretary and authorized by the board. Each member of the commission may also be eligible to receive compensation as provided in section 7E.3.

Sec. 731. Section 123.4, Code Supplement 1985, is amended to read as follows:
123.4 DEPARTMENT DIVISION CREATED — PLACE OF BUSINESS.

An Iowa beer and liquor control department alcoholic beverages division is created within the department of commerce to administer and enforce the laws of this state concerning beer, wine, and alcoholic liquor. The principal place of business of the department shall be provided the department by the authority designated by law to provide such quarters or offices to state departments or agencies.

Sec. 732. Section 123.5, Code 1985, is amended to read as follows:

123.5 COUNCIL COMMISSION CREATED.

There is hereby created within the department an Iowa beer and liquor council, An alcoholic beverages commission is created within the division. The commission is composed of five members, not more than three of whom shall belong to the same political party. The council shall be held strictly accountable for the enforcement of the provisions of this chapter.

Sec. 733. Section 123.6, Code Supplement 1985, is amended to read as follows:

123.6 APPOINTMENT — TERM — QUALIFICATIONS EXPENSES — COMPENSATION.

Appointments shall be for five-year staggered terms beginning and ending as provided by section 69.19 and shall be made by the governor, subject to confirmation by the senate. Members of the council commission shall be chosen on the basis of managerial ability and experience as business executives. One member of the council commission may be the holder of or have an interest in a permit or license to manufacture alcoholic liquor, wine, or beer or to sell alcoholic liquor, wine, or beer at wholesale or retail. Members A member may be reappointed for one additional term. Each member appointed shall is entitled to receive compensation for the member's services of forty dollars per diem in addition to reasonable and necessary reimbursement of actual expenses incurred while attending meetings. Each member of the commission may also be eligible to receive compensation as provided in section 7E.3.

Sec. 734. Section 123.8, Code 1985, is amended to read as follows:

123.8 SURETY BONDS.

Each council commission member shall post a bond, at the expense of the state, in such an amount and with such sureties as the executive council shall approve approves, to guarantee to the state the proper handling and accounting of such the moneys, and merchandise, and other properties as may be required in the administration of this chapter. It shall be the duty of the director to The administrator shall secure from all employees of the department division holding positions of trust a bond with such sureties as the beer and liquor control council shall approve alcoholic beverages commission approves adequate to guarantee to the state the proper handling and accounting of all moneys, merchandise, and other properties.

Sec. 735. Section 123.10, unnumbered paragraph 1, Code 1985, is amended by striking the unnumbered paragraph and inserting in lieu thereof the following:

The governor shall appoint the administrator of the alcoholic beverages division, subject to confirmation by the senate, to a four-year term. A vacancy in an unexpired term shall be filled in the same manner as a full-term appointment is made. The administrator shall not be a member of the commission. The administrator's salary shall be fixed by the general assembly. The administrator shall be qualified to perform the administrator's duties by managerial ability and experience as a business executive. The administrator shall post a bond paid from the state general fund in an amount established by the governor to insure proper discharge of the administrator's duties.

Sec. 736. Section 123.15, Code Supplement 1985, is amended to read as follows:

123.15 HEARING BOARD CREATED.

A three-member hearing board is created for the purpose of conducting departmental division hearings relating to controversies concerning the issuance, suspension, or revocation of special liquor permits, liquor control licenses, wine permits, and beer permits authorized under this chapter. One member shall be appointed by the council commission from its membership, which member may be periodically replaced by appointment of another council commission member; one member shall be the attorney general or the attorney general's designee; and one member shall be the commissioner of public safety or the commissioner's designee. The hearing board shall establish and adopt rules and procedures for conducting departmental division hearings under this chapter.

Sec. 737. Section 123.16, subsection 1, Code Supplement 1985, is amended to read as follows:

1. The ~~council~~ shall commission, in addition to the duties specifically enumerated in this chapter, shall act as a department division policy-making body and serve in an advisory capacity to the director administrator. The director administrator shall be responsible for supervising supervise the daily operations of the department division and shall execute the policies of the department division as determined by the council commission.

Sec. 738. Section 123.20, subsection 1, Code Supplement 1985, is amended to read as follows:

1. To purchase alcoholic liquors and wine for resale by the department division in the manner set forth in this chapter.

Sec. 739. Section 123.21, unnumbered paragraph 1, Code Supplement 1985, is amended to read as follows:

The ~~director~~ may administrator, with the approval of the council commission and subject to the provisions of chapter 17A, make such may adopt rules as are necessary to carry out the provisions of this chapter. Such The administrator's authority shall extend extends to, but is not be limited to, the following:

Sec. 740. Section 474.1, Code 1985, is amended to read as follows:

474.1 MEMBERS CREATION OF DIVISION — ORGANIZATION.

The ~~Iowa state commerce commission~~ shall be A utilities division is created within the department of commerce. The policymaking body for the division is the utilities board which is created within the division. The board is composed of three members appointed by the governor and subject to confirmation by the senate, not more than two of whom shall be from the same political party, and each commissioner. Each member appointed shall serve for six-year staggered terms beginning and ending as provided by section 69.19. Vacancies shall be filled for the unexpired portion of the term in the same manner as full-term appointments are filled made.

On the second Tuesday of July of each year, the Iowa state commerce commission The utilities board shall organize by electing one of its members as chairperson, and appointing an executive secretary, who shall take the same oath as the commissioners members. The commission board shall set the salary of the executive secretary within the limits of the pay plan for exempt positions provided for in section 19A.9, subsection 2, unless otherwise provided by the general assembly. The commission board may employ additional personnel as it may find finds necessary. Subject to confirmation by the senate, the governor shall appoint a member as the chairperson of the board. The chairperson shall be the administrator of the utilities division. The appointment as chairperson shall be for a two-year term which begins and ends as provided in section 69.19.

As used in this chapter and chapter chapters 475A, the words 476, 476A, 478, and 479, "commission division" and "commerce commission utilities division" mean the Iowa state commerce commission utilities division of the department of commerce.

Sec. 741. Section 474.10, Code 1985, is amended to read as follows:

474.10 GENERAL COUNSEL.

The ~~commission board~~ shall employ a competent attorneys attorney to serve as the its general counsel, and assistants to the general counsel as it finds necessary for the full and efficient discharge of its duties. The general counsel shall be is the attorney for, and legal advisor of, the commission board and shall be is exempt from chapter 19A. Assistants to the general counsel shall be are subject to chapter 19A. The general counsel or an assistant to the general counsel shall provide the necessary legal advice to the commission board in all matters and represent the commission board in all actions instituted in a state or federal court challenging the validity of any rule, regulation, or order of the commission board. The general counsel

shall also represent the grain warehouse division in all administrative proceedings before the commission brought under chapters 542, 542A, and 543. The existence of a fact which disqualifies a person from election or from acting as state commerce commissioner utilities board member disqualifies the person from employment as general counsel or assistant general counsel. The general counsel shall devote the counsel's entire full time of employment to the duties of the office; and during. During employment the counsel shall not be a member of a political committee, contribute to a political campaign fund other than through the income tax checkoff for contributions to the Iowa election campaign fund and the presidential election campaign fund, participate in a political campaign, or be a candidate for a political office.

Sec. 742. Section 475A.1, subsection 1, Code 1985, is amended to read as follows:

1. APPOINTMENT. After the general assembly convenes in 1983, and every four years thereafter, the governor The attorney general shall appoint a competent attorney to the office of consumer advocate, subject to confirmation by the senate, in accordance with section 2.32. The consumer advocate is the chief administrator of the consumer advocate division of the department of justice. The advocate's term of office is for four years. The term begins and ends as provided in the same manner as set forth in section 69.19.

Sec. 743. Section 475A.1, subsection 5, Code 1985, is amended to read as follows:

5. REMOVAL. The governor attorney general may remove the consumer advocate for malfeasance or nonfeasance in office, or for any cause which renders the advocate ineligible for appointment, or incapable or unfit to discharge the duties of the advocate's office; and the advocate's removal, when so made, is final.

Sec. 744. Section 475A.3, subsections 1 and 2, Code 1985, are amended to read as follows:

1. OFFICE. The office of consumer advocate is at the seat of the government shall be a separate division of the department of justice and located at the same location as the Iowa state commerce commission utilities division of the department of commerce. Administrative support services shall be provided to the consumer advocate division by the utilities division of the department of commerce.

2. EMPLOYEES. The consumer advocate may employ attorneys, legal assistants, secretaries, clerks, and other employees the consumer advocate finds necessary for the full and efficient discharge of the duties and responsibilities of the office. The consumer advocate may employ consultants as expert witnesses or technical advisors pursuant to contract in any proceeding in which the consumer advocate division is a party. Employees of the consumer advocate division, other than the consumer advocate, are subject to merit employment except as provided in section 19A.3.

Sec. 745. Section 505.1, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

505.1 INSURANCE DIVISION CREATED.

An insurance division is created within the department of commerce to regulate and supervise the conducting of the business of insurance in the state. The commissioner of insurance is the chief executive officer of the division. As used in this chapter, the rest of the insurance title, and chapters 502, 503, and 535C, "division" means the insurance division.

Sec. 746. Section 475A.7, Code 1985, is amended to read as follows:

475A.7 CONSUMER ADVISORY PANEL.

The governor attorney general shall appoint nine five members and the governor shall appoint four members to a consumer advisory panel to meet at the request of the consumer advocate for consultation regarding public utility regulation. A member shall be appointed from each congressional district with the appointee residing within the congressional district at the time of appointment. The remaining appointees shall be members at large. No more than five members shall belong to the same political party as provided in section 69.16. The members

appointed by the attorney general shall serve four-year terms at the pleasure of the governor attorney general and their appointments are not subject to confirmation. The members appointed by the governor shall serve four-year terms at the pleasure of the governor and their appointments are not subject to confirmation. The governor or attorney general shall fill a vacancy in the same manner as the original appointment for the unexpired portion of the member's term. Members of the consumer advisory panel shall serve without compensation, but shall be reimbursed for actual expenses from funds appropriated to the office of consumer advocate.

Sec. 747. Section 524.205, subsection 3, Code 1985, is amended to read as follows:

3. A member of the state banking board, other than the superintendent, shall not receive no a salary but shall be allowed and paid the sum of forty dollars per day for each day or any part thereof in which the member is engaged in the performance of the member's duties together with is entitled to reimbursement for actual and necessary expenses incurred by the member in connection with such the member's duties. Each member of the board may also be eligible to receive compensation as provided in section 7E.3.

Sec. 748. Section 524.206, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

524.206 BANKING DIVISION CREATED.

The banking division is created within the department of commerce.

Sec. 749. Section 524.208, Code 1985, is amended to read as follows:

524.208 ASSISTANTS, EXAMINERS, AND OTHER EMPLOYEES.

The superintendent may appoint such assistants, examiners, and other employees as the superintendent may deem deems necessary to the proper discharge of the duties imposed upon the superintendent by the laws of this state. The merit system as established by chapter 19A, shall apply to all employees of the department of banking, except the superintendent, deputy superintendent and one stenographer or secretary. The salary of such stenographer or secretary shall be fixed by the state banking board. Pay plans shall be established for employees subject to the merit system, other than clerical, who examine the accounts and affairs of state banks and who examine the accounts and affairs of other persons, subject to supervision and regulation by the superintendent, which are substantially equivalent to those paid by the Federal Deposit Insurance Corporation and other federal supervisory agencies in this area of the United States.

Sec. 750. Section 533.51, subsection 3, Code 1985, is amended to read as follows:

3. "Administrator Superintendent" means the administrator superintendent of credit unions appointed by the governor to direct and regulate credit unions pursuant to this chapter.

Sec. 751. Section 533.52, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

533.52 CREDIT UNION DIVISION CREATED.

A credit union division of the department of commerce is created to administer this chapter.

Sec. 752. Section 533.53, subsection 4, Code 1985, is amended to read as follows:

4. Each member of the board shall receive actual and necessary expenses incurred in the discharge of official duties. Each member of the board may also be eligible to receive compensation as provided in section 7E.3.

Sec. 753. Section 533.55, Code 1985, is amended to read as follows:

533.55 ADMINISTRATOR SUPERINTENDENT.

1. The administrator superintendent shall be appointed by the governor, subject to confirmation by the senate, and must shall possess a minimum of five years credit union experience.

2. The administrator superintendent may employ special assistants, examiners, and other employees as are necessary to carry out the provisions of this chapter. The administrator shall superintendent, subject to approval by the board, shall establish salaries for the persons employed.

3. The administrator superintendent may ~~make further~~ adopt rules as necessary or appropriate to implement this chapter, subject to the prior approval of the rules by the board.

Sec. 754. Section 533.56, Code 1985, is amended to read as follows:

533.56 DEPUTY ADMINISTRATOR SUPERINTENDENT.

1. The administrator superintendent shall appoint a deputy administrator superintendent who shall assist the administrator superintendent in the performance of the administrator's office superintendent's duties and who shall perform the duties of the administrator superintendent as directed by the administrator superintendent during the absence or inability of the administrator superintendent.

2. The deputy administrator superintendent shall serve at the pleasure of the administrator superintendent. If the office of the administrator superintendent becomes vacant, the deputy administrator shall have superintendent has all powers and duties of the administrator superintendent until a new administrator superintendent is appointed by the governor in accordance with the provisions of this chapter.

3. The deputy administrator superintendent shall receive a salary to be fixed by the board.

Sec. 755. Section 533.57, Code 1985, is amended to read as follows:

533.57 EXPENSES.

The administrator superintendent, deputy administrator superintendent, assistants, examiners, and other employees of the credit union department division are entitled to receive reimbursement for expenses incurred in the performance of their duties subject to approval by the board. The administrator superintendent, and when specifically authorized by the administrator superintendent, the deputy administrator superintendent, assistants, examiners, and other employees of the credit union department division, are entitled to receive reimbursement for expenses incurred while attending conventions, meetings, conferences, schools, or seminars relating to the performance of their duties.

Sec. 756. Section 534.401, subsection 1, Code 1985, is amended by striking the subsection and inserting in lieu thereof the following:

1. SUPERINTENDENT OF SAVINGS AND LOAN ASSOCIATIONS. A savings and loan association division is created within the department of commerce. The superintendent of savings and loan associations is the chief administrative officer of the division. The governor shall appoint the superintendent subject to confirmation by the senate. The superintendent shall serve a four-year term. The term begins and ends as provided in section 69.19. A vacancy in an unexpired term shall be filled in the same manner as a full-term appointment is made. The superintendent shall have at least five years' practical experience in savings and loan management, examination, or supervision. The superintendent's salary shall be set by the governor within a range set by the general assembly. The superintendent is entitled to actual expenses incurred in the performance of the superintendent's duties.

Sec. 757. Section 536A.2, subsection 4, Code 1985, is amended by striking the subsection and inserting in lieu thereof the following:

4. "Superintendent" means the superintendent of banking within the banking division of the department of commerce.

Sec. 758. Section 536A.3, Code 1985, is amended to read as follows:

536A.3 LICENSE – FACE-TO-FACE SOLICITATION.

With respect to a loan other than a consumer loan, ~~no~~ a person shall not engage in the business of operating an “Industrial Loan Company” industrial loan company in the ~~this~~ state of Iowa without first having obtained a license from the auditor of the state of Iowa superintendent. With respect to a consumer loan, ~~no~~ a person required by section 537.2301 to have a license ~~shall be~~ is not authorized to engage in the business of operating an “Industrial Loan Company” industrial loan company without first obtaining a license from the auditor of the state of Iowa superintendent. A person ~~which that~~ enters into less than ten supervised loans per year in this state and ~~which that~~ neither has an office physically located in this state nor engages in face-to-face solicitation in this state may contract for and receive the rate of interest permitted in this chapter for licensees ~~hereunder in this chapter~~. A “consumer loan” ~~shall be means the same as defined in section 537.1301.~~

Sec. 759. Section 536A.6, Code 1985, is amended to read as follows:

536A.6 ADMINISTRATION BY SUPERINTENDENT.

The auditor of the state of Iowa is hereby invested with the power, authority and duty to ~~superintendent shall supervise the operation of industrial loan companies in the this state of Iowa in accordance with the provisions of this chapter.~~

Sec. 760. Section 536B.2, subsection 2, Code 1985, is amended by striking the subsection and inserting in lieu thereof the following:

2. “Superintendent” means the superintendent of banking within the banking division of the department of commerce.

Sec. 761. Section 536B.6, Code 1985, is amended to read as follows:

536B.6 RULES OF AUDITOR SUPERINTENDENT.

The ~~auditor superintendent shall~~ adopt rules pursuant to chapter 17A which ~~may be~~ are necessary or advisable to accomplish the purposes of this chapter. Rules adopted by the ~~auditor superintendent shall~~ continue in force until either modified by subsequent rule or superseded by a plan submitted by the guaranty corporation and approved by the ~~auditor superintendent.~~

Sec. 762. Section 117.11, Code 1985, is repealed.

Sec. 763. It is the intent of the general assembly that sections 701 through 799* shall have temporary effect only, that chapter 546 is repealed on July 1, 1988 other than to implement the winding down of the operations of the department of commerce. The amendments in sections 711 through 799* made in this Act shall be stricken when chapter 546 is repealed.

DEPARTMENT OF ECONOMIC DEVELOPMENT
ARTICLE I
ORGANIZATION

Sec. 801. **NEW SECTION. 15.101 MISSION.**

The mission of the Iowa department of economic development is to enhance the economic development of the state and provide for job creation and increased prosperity and opportunities for the citizens of the state by providing direct financial and technical assistance and training to businesses and individuals and by coordinating other state, local, and federal economic development programs.

Sec. 802. **NEW SECTION. 15.102 DEFINITIONS.**

As used in this chapter, unless the context otherwise requires:

1. “Board” means the Iowa economic development board.
2. “Department” means the Iowa department of economic development.
3. “Director” means the director of the department or the director’s designee.

*According to enrolled Act

4. "Small business" means any enterprise which is located in this state, which is operated for profit and under a single management, and which has either fewer than twenty employees or an annual gross income of less than three million dollars computed as the average of the three preceding fiscal years. This definition does not apply to any program or activity for which a definition for small business is provided for the program or activity by federal law or regulation or other state law.

5. "Targeted small business" means a small business which is fifty-one percent or more owned, operated, and actively managed by one or more women or minority persons. As used in this subsection, "minority person" means an individual who is a Black, Hispanic, Asian or Pacific Islander, or American Indian or Alaskan native.

Sec. 803. NEW SECTION. 15.103 ECONOMIC DEVELOPMENT BOARD.

The Iowa economic development board is created, consisting of nine voting members appointed by the governor and seven ex officio nonvoting members. The ex officio nonvoting members are four legislative members and the presidents, or their designees, of the university of northern Iowa, the state university of Iowa and the Iowa state university of science and technology. The legislative members are two state senators, one appointed by the majority and one appointed by the minority leaders of the state senate from their respective parties, and two state representatives, one appointed by the speaker and one appointed by the minority leader of the state house of representatives from their respective parties. Not more than five of the voting members shall be from the same political party. The secretary of agriculture shall be one of the voting members. The governor shall appoint the remaining eight voting members of the board for a term of four years beginning and ending as provided by section 69.19, subject to confirmation by the senate, and the governor's appointments shall include persons knowledgeable of the various elements of the department's responsibilities.

A vacancy on the board shall be filled in the same manner as regular appointments are made for the unexpired portion of the regular term.

The board shall meet in May of each year for the purpose of electing one of its voting members as chairperson. The board shall meet at the call of the chairperson or when any five members of the board file a written request with the chairperson for a meeting. Written notice of the time and place of each meeting shall be given to each member of the board. A majority of the voting members constitutes a quorum.

Members of the board, the director, and other employees of the department shall be allowed their actual and necessary expenses incurred in the performance of their duties. All expenses shall be paid from appropriations for those purposes and the department is subject to the budget requirements of chapter 8. Each member of the board may also be eligible to receive compensation as provided in section 7E.3.

If a member of the board has an interest, either direct or indirect, in a contract to which the department is or is to be a party, the interest shall be disclosed to the board in writing and shall be set forth in the minutes of a meeting of the board. The member having the interest shall not participate in action by the board with respect to the contract. This paragraph does not limit the right of a member of the board to acquire an interest in bonds, or limit the right of a member to have an interest in a bank or other financial institution in which the funds of the department are deposited or which is acting as trustee or paying agent under a trust indenture to which the department is a party.

Sec. 804. NEW SECTION. 15.104 DUTIES OF THE BOARD.

The board shall:

1. Develop and coordinate the implementation of a twenty-year comprehensive economic development plan of specific goals, objectives, and policies for the state. This plan shall be updated annually and revised as necessary. All other state agencies involved in economic development activities shall annually submit to the board for its review and potential inclusion in the plan their goals, objectives, and policies.

2. Prepare a five-year strategic plan for state economic growth to implement the specific comprehensive goals, objectives, and policies of the state. All other state agencies involved in economic development activities shall annually submit to the board for its review and inclusion in the strategic plan their specific strategic plans and programs. The five-year strategic plan for state economic growth shall be updated annually.

3. Develop a method of evaluation of the attainment of goals and objectives from pursuing the policies of the five-year and twenty-year plans.

4. Implement the requirements of chapter 73.

5. Approve the budget of the department as prepared by the director.

6. Establish guidelines, procedures, and policies for the awarding of grants or contracts administered by the department.

7. Review grants or contracts awarded by the department, with respect to the department's adherence to the guidelines and procedures and the impact on the five-year strategic plan for economic growth.

8. Adopt all necessary rules recommended by the director or administrators of divisions prior to their adoption pursuant to chapter 17A.

Sec. 805. NEW SECTION. 15.105 DEPARTMENT OF ECONOMIC DEVELOPMENT – DIRECTOR.

The Iowa department of economic development is created. The department shall be administered by a director who shall be appointed by the governor subject to confirmation by the senate and shall serve at the pleasure of the governor. If the office of the director becomes vacant, the vacancy shall be filled in the same manner as provided for the original appointment.

Sec. 806. NEW SECTION. 15.106 DUTIES OF THE DIRECTOR.

The director shall:

1. Manage the internal operations of the department and establish guidelines and procedures to promote the orderly and efficient administration of the department.

2. Employ personnel as necessary to carry out the duties and responsibilities of the department, consistent with chapter 19A for nonprofessional employees. Professional staff of the department are exempt from chapter 19A.

3. Prepare a budget for the department, subject to the approval of the board, and prepare reports required by law or by the board.

4. Appoint the administrators of the divisions of the department.

5. Review and submit to the board legislative proposals necessary to maintain current state economic development and tourism laws.

6. Recommend rules to the board for the implementation of this chapter.

7. Report to the board, on at least a quarterly basis, on grants and contracts awarded by the department.

8. Seek to implement the plans approved by the board under section 15.104, subsections 1 and 2.

9. Have management authority over, prepare the budgets of, and have responsibility over the Iowa high technology council and the Iowa product development corporation.

10. Implement the requirements of chapter 73.

Sec. 807. NEW SECTION. 15.107 DIVISIONS.

The director may establish administrative divisions within the department in order to most efficiently and effectively carry out the department's responsibilities, subject to the following:

1. That, initially, there exist a finance division and a job training and entrepreneurship assistance division among the department's divisions.

2. That any creation or modification of departmental divisions be set in place only after consultation with the board.

Sec. 808. **NEW SECTION. 15.108 PRIMARY RESPONSIBILITIES.**

The department has the following areas of primary responsibility:

1. **FINANCE.** To provide for financial assistance to businesses, local governments, and educational institutions through loans and grants of state and federal funds to enable them to promote and achieve economic development within the state. To carry out this responsibility, the department shall:

a. Expend federal funds received as community development block grants as provided in section 8.41.

b. Provide staff assistance to the corporation formed under authority of sections 28.11 to 28.16 to receive and disburse funds to further the overall development and well-being of the state.

c. Provide financial assistance to local development corporations as provided for in sections 28.25 to 28.29.

d. Provide staff support and assistance to the Iowa high technology council established in sections 28.51 to 28.55.

e. Provide administration for the Iowa product development corporation created in sections 28.81 to 28.94.

f. Administer the funds appropriated from the community economic betterment account of the Iowa plan fund for economic development as provided in 1985 Iowa Acts, chapter 33, section 302, subsection 2, as amended.

g. Administer the funds appropriated from the jobs now account of the Iowa plan fund for economic development, except those for the community cultural grants program, as provided in 1985 Iowa Acts, chapter 33, section 302, subsection 3, paragraphs "c" and "d", as amended.

h. Administer the funds appropriated from the education and agriculture research and development account of the Iowa plan fund for economic development as provided in 1985 Iowa Acts, chapter 33, section 302, subsection 4, paragraph "b", as amended.

2. **MARKETING.** To coordinate, develop, and make available technical services on the state and local levels in order to aid businesses in their start-up or expansion in the state. To carry out this responsibility, the department shall:

a. Establish within the department a federal procurement office staffed with individuals experienced in marketing to federal agencies.

b. Aid in the promotion and development of manufacturing in Iowa. The department may adopt, subject to the approval of the board, a label or trademark identifying quality Iowa products together with any other appropriate design or inscription and this label or trademark shall be registered in the office of the secretary of state.

(1) The department may register or file the label or trademark under the laws of the United States or any foreign country which permits registration, making the registration as an association or through an individual for the use and benefit of the department.

(2) The department shall establish guidelines for granting authority to use the label or trademark to persons or firms who make a satisfactory showing to the department that the products meet the guidelines as constituting bona fide, quality Iowa products. The trademark or label use shall be registered with the department.

(3) A person shall not use the label or trademark or advertise it, or attach it on any manufactured article or agricultural product except as provided in this subsection.

c. Promote an import substitution program to encourage the purchase of domestically produced Iowa goods by identifying and inventorying potential purchasers and the firms that can supply them, contacting the suppliers to determine their interest and ability in meeting the potential demand, and making the buyers aware of the potential suppliers.

d. Aid in the promotion and development of the agricultural processing industry in the state.

3. LOCAL GOVERNMENT AND SERVICE COORDINATION. To coordinate the development of state and local government economic development-related programs in order to promote efficient and economic use of federal, state, local, and private resources.

a. To carry out this responsibility, the department shall:

(1) Provide the mechanisms to promote and facilitate the coordination of management and technical assistance services to Iowa businesses and industries and to communities by the department, by the merged area schools, and by the state board of regents institutions, including the small business development centers, the center for industrial research and service, and extension activities. In order to achieve this goal, the department may establish periodic meetings with representatives from the merged area schools and the state board of regents institutions to develop this coordination. The merged area schools and the state board of regents institutions shall cooperate with the department in seeking to avoid duplication of economic development services through greater coordinating efforts in the utilization of space, personnel, and materials and in the development of referral and outreach networks. The department shall annually report on the degree to which economic development activities have been coordinated and the degree to which there are future coordination needs, and the merged area schools and the state board of regents institutions shall be given an opportunity to review and comment on this report prior to its printing or release. The department shall also establish a registry of applications for federal funds related to management and technical assistance programs.

(2) Establish, manage, and administer the activities of the primary research and marketing center and the satellite centers as provided in section 28.101.

(3) Provide office space and staff assistance to the city development board as provided in section 368.9.

(4) Provide technical and financial assistance to local and regional government organizations in Iowa, analyze intergovernmental relations in Iowa, and recommend policies to state agencies, local governments, the governor, and the general assembly as these pertain to economic development.

(5) Train field experts in local development and through them provide continuing support to small local organizations.

b. In addition to the duties specified in paragraph "a", the department may:

(1) Perform state and interstate comprehensive planning and related activities.

(2) Perform planning for metropolitan or regional areas or areas of rapid urbanization including interstate areas.

(3) Provide planning assistance to cities, other municipalities, counties, groups of adjacent communities, metropolitan and regional areas, and official governmental planning agencies.

(4) Assist public or private universities and colleges and urban centers to:

(a) Organize, initiate, develop, and expand programs which will provide special training in skills needed for economic and efficient community development.

(b) Support state and local research that is needed in connection with community development.

4. EXPORTING. To promote and aid in the marketing and sale of Iowa industrial and agricultural products and services outside of the state. To carry out this responsibility, the department shall:

a. Establish and carry out the purposes of the Iowa export trading company as provided in sections 28.106 to 28.108.

b. Prepare a report for the governor and the general assembly indicating the areas of export development in which this state could be more actively involved and how this involvement could occur. The initial report shall be available to the governor and members of the general assembly by December 1, 1986. Subsequent reports may be submitted as deemed necessary. The report shall include, but is not limited to:

(1) Information on the financial requirements of export trade activity and the potential roles for state involvement in export trade financing.

(2) Information on financing of export trade activity undertaken by other states and the results of this activity.

(3) Recommendations for a long-term export trade policy for the state.

(4) Recommendations regarding state involvement in export trade financing requirements.

(5) Other findings and recommendations deemed relevant to the understanding of export trade development.

c. Perform the duties and activities specified for the agricultural marketing program under sections 15.201 and 15.202.

d. Perform the duties and activities specified for the industrial and business export trade plan under section 15.231.

e. To the extent deemed feasible and in coordination with the board of regents and the area community colleges, work to establish a conversational foreign language training program.

f. To the extent deemed feasible, promote and assist in the creation of one or more international currency and barter exchanges.

g. Seek assistance and advice from the export advisory board appointed by the governor and the Iowa district export council which advises the United States department of commerce. The governor is authorized to appoint an export advisory board.

h. To the extent deemed feasible, develop a program in which graduates of Iowa institutions of higher education or former residents of the state who are residing in foreign countries and who are familiar with the language and customs of those countries are utilized as cultural advisors for the department and for Iowa businesses participating in trade missions and other foreign trade activities, and in which foreign students studying at Iowa institutions of higher education are provided means to establish contact with Iowa businesses engaged in export activities, and in which foreign students returning to their home countries are used as contacts for trading purposes.

5. TOURISM. To promote Iowa's public and private recreation and tourism opportunities to Iowans and out-of-state visitors and aid promotional and development efforts by local governments and the private sector. To carry out this responsibility, the department shall:

a. Build general public consensus and support for Iowa's public and private recreation, tourism, and leisure opportunities and needs.

b. Recommend high quality site management and maintenance standards for all public and private recreation and tourism opportunities.

c. Coordinate and develop with the state department of transportation, the state department of natural resources, the state department of cultural affairs, and other state agencies public interpretation and education programs which encourage Iowans and out-of-state visitors to participate in recreation and leisure opportunities available in Iowa.

d. Coordinate with other divisions of the department to add Iowa's recreation, tourism, and leisure resources to the agricultural and other images which characterize the state on a national level.

e. Consolidate and coordinate the many existing sources of information about local, regional, statewide, and national opportunities into a comprehensive, state-of-the-art information delivery system for Iowans and out-of-state visitors.

f. Formulate and direct marketing and promotion programs to specific out-of-state market populations exhibiting the highest potential for consuming Iowa's public and private tourism products.

g. Provide ongoing long-range planning on a statewide basis for improvements in Iowa's public and private tourism opportunities.

h. Provide the private sector and local communities with advisory services including analysis of existing resources and deficiencies, general development and financial planning, marketing guidance, hospitality training, and others.

i. Measure the change in public opinion of Iowans regarding the importance of recreation, tourism, and leisure.

j. Provide annual monitoring of tourism visitation by Iowans and out-of-state visitors to Iowa attractions, public and private employment levels, and other economic indicators of the recreation and tourism industry and report predictable trends.

k. Identify new business investment opportunities for private enterprise in the recreation and tourism industry.

l. Cooperate with and seek assistance from the state department of cultural affairs.

m. Seek coordination with and assistance from the state department of natural resources in regard to the Mississippi river parkway under chapter 308 for the purposes of furthering tourism efforts.

6. **JOB TRAINING AND ENTREPRENEURIAL ASSISTANCE.** To develop job training strategies which will promote economic growth and the creation of new job opportunities and to administer related programs including the federal Job Training Partnership Act. To carry out this responsibility, the department shall:

a. Coordinate and perform the duties specified under the job training partnership program in chapter 7B, the Iowa industrial new jobs training Act in chapter 280B, and the Iowa small business new jobs training Act in chapter 280C. In performing these duties, the department shall:

(1) Develop a job training delivery system which will minimize administrative costs through a single delivery system, maximize the use of public and private resources for job training initiatives, and assume the coordination of services and activities with other related programs at both the state and local level.

(2) Manage a job training program reporting and evaluation system which will measure program performance, identify program accomplishments and service levels, evaluate how well job training programs are being coordinated among themselves and with other related programs, and show areas where job training efforts need to be improved.

(3) Maintain a financial management system, file appropriate administrative rules, and monitor the performance of agencies and organizations involved with the administration of job training programs assigned to the department.

b. Develop job training strategies which will promote economic growth and the creation of new job opportunities. Specifically, the department shall:

(1) Work closely with representatives of business and industry, labor organizations, and educational institutions to determine the job training needs of Iowa employers, and where possible, provide for the development of industry-specific training programs.

(2) Promote Iowa job training programs to potential and existing Iowa employers and to employer associations.

(3) Develop annual goals and objectives which will identify both short-term and long-term methods to improve program performance, create employment opportunities for residents, and enhance the delivery of services.

(4) Develop job training and technical assistance programs which will promote entrepreneurial activities, assist small businesses, and help generate off-farm employment opportunities for persons engaged in farming.

(5) Coordinate job training activities with other economic development finance programs to stimulate job growth.

(6) Develop policies and plans under the youth program provisions of appropriate programs which will emphasize employing Iowa youth on projects designed to improve Iowa parks and recreation areas, restore historical sites, and promote tourism. The department shall coordinate its youth program efforts with representatives of educational institutions to promote the understanding by youth of career opportunities in business and industry.

c. To the extent feasible, develop from available state and federal job training program resources an entrepreneurship training program to help encourage the promotion of small businesses within the state. The department of education and the state board of regents shall

cooperate with the department on this program. The entrepreneurship training program shall coordinate its activities with other financial and technical assistance efforts within the department.

d. Administer the Iowa youth corps under sections 15.221 to 15.223.

e. Administer the Iowa "self-employment loan program" under section 15.241.

f. To the extent feasible, provide assistance to the department of human services in obtaining a waiver to provide self-employment opportunities to recipients of aid to families with dependent children.

g. Provide assistance to workers seeking economic conversion of closed or economically distressed plants located in the state including, but not limited to, the following:

(1) Evaluating the feasibility and economic viability of proposed employee-owned businesses.

(2) Working with the small business development centers to provide technical assistance and counseling services including, but not limited to, legal, tax, management, marketing, labor, and contract assistance to persons who seek to form employee-owned businesses.

(3) Assisting persons in obtaining financing for the purchase and operation of employee-owned businesses.

7. SMALL BUSINESS. To provide assistance to small business, targeted small business, and entrepreneurs creating small businesses to ensure continued viability and growth. To carry out this responsibility, the department shall:

a. Receive and review complaints from individual small businesses that relate to rules or decisions of state agencies, and refer questions and complaints to a governmental agency where appropriate.

b. Establish and administer the regulatory information service provided for in section 28.17.

c. Aid in the development and implementation of the Iowa targeted small business procurement Act established in sections 73.15 through 73.21 and the targeted small business loan guarantee program of the Iowa finance authority established in section 220.95. The duties of the director under this paragraph include the following:

(1) The director, in conjunction with the director of the department of management, shall publicize the procurement set-aside program to targeted small businesses and to agencies of state government, attempt to locate targeted small businesses able to perform set-aside awards, and encourage program participation. The director may request the cooperation of the department of general services, the department of transportation, the state board of regents, or any other agency of state government in publicizing this program.

(2) The director, in conjunction with the director of the department of management, shall publicize the loan guarantee program of the Iowa finance authority to targeted small businesses.

(3) When the director determines, or is notified by the head of another agency of state government, that a targeted small business is unable to perform procurement set-aside awards, the director shall assist the small business in attempting to remedy the causes of the inability to perform. In assisting the small business, the director may use any management or financial assistance programs available through state or governmental agencies or private sources.

The director, in conjunction with the director of the department of management and jointly with the universities under the jurisdiction of the state board of regents, the area community colleges, and the area vocational schools, shall develop and make available in all areas of the state, programs to offer and deliver concentrated, in-depth advice and services to assist targeted small businesses. The advice and services shall extend to all areas of business management in its practical application, including but not limited to accounting, engineering, drafting, grant writing, obtaining financing, locating bond markets, market analysis, and projections of profit and loss.

(4) The director shall establish by rule standards and procedures for certifying that targeted small businesses are eligible to participate in the procurement set-aside program. The procedure for determination of eligibility shall not include self-certification by a business. Rules and guidelines adopted pursuant to this section are subject to review and approval by the director of the department of management. The director shall maintain a current directory of targeted small businesses which have been certified pursuant to this subparagraph.

(5) The director shall submit an annual report to the governor and the general assembly relating progress toward realizing the goals and objectives of the procurement set-aside program and the loan guarantee program of the Iowa finance authority during the preceding fiscal year. The Iowa finance authority and the director of the department of management shall assist in compiling the data to be included in the report. The report shall include the following information:

(a) The total dollar value and number of potential set-aside awards identified and the percentage of total state procurements this reflects.

(b) The total dollar value and number of set-aside contracts awarded to targeted small businesses with appropriate designation as to the total number and value of set-aside contracts awarded to each small business, and the percentages of the total state procurements the figures of total dollar value and the number of set-asides reflects.

(c) The number of contracts which were designated and set aside pursuant to sections 73.15 through 73.21, but which were not awarded to a targeted small business, the estimated total dollar value of these awards, the lowest offer or bid on each of these awards made by the small business and the price at which these contracts were awarded pursuant to the normal procurement procedures.

(d) The efforts undertaken to identify targeted small businesses and to publicize and encourage participation in the set-aside and loan guarantee programs during the preceding year.

(e) The efforts undertaken to develop technical assistance programs and to remedy the inability of targeted small businesses to perform on potential set-asides.

(f) Information about the number of applications received and processed by the Iowa finance authority under the loan guarantee program, the value of loans guaranteed, and follow-up information on targeted small businesses which have been awarded loan guarantees.

(g) The director's recommendations for strengthening the set-aside program and delivery of services to targeted small businesses. The director of the department of management shall provide recommendations to the director regarding strengthening contract compliance activities by state agencies.

(h) The department of general services, the department of transportation, the state board of regents, and all other agencies of state government shall provide all relevant information requested by the director for the preparation of the annual report.

c. If determined necessary by the board, provide training for bank loan officers to increase their level of expertise in regard to business loans.

d. To the extent feasible, cooperate with the department of employment services to establish a program to educate existing employers and new or potential employers on the rates and workings of the state unemployment compensation program and the state workers' compensation program.

e. Study the feasibility of reducing the total number of state licenses, permits, and certificates required to conduct small businesses.

f. Encourage and assist small businesses to obtain state contracts and subcontracts by cooperating with the directors of purchasing in the department of general services, the state board of regents, and the department of transportation in performing the following functions:

(1) Developing a uniform small business vendor application form which can be adopted by all agencies and departments of state government to identify small businesses and targeted small businesses which desire to sell goods and services to the state. This form shall also contain information which can be used to determine certification as a targeted small business pursuant to paragraph "c", subparagraph (4).

- (2) Compiling and maintaining a comprehensive source list of small businesses.
- (3) Assuring that responsible small businesses are solicited on each suitable purchase.
- (4) Assisting small businesses in complying with the procedures for bidding and negotiating for contracts.
- (5) Simplifying procurement specifications and terms in order to increase the opportunities for small business participation.
- (6) When economically feasible, dividing total purchases into tasks or quantities to permit maximum small business participation.
- (7) Preparing timely forecasts of repetitive contracting requirements by dollar volume and types of contracts to enhance the participation of responsible small businesses in the public purchasing process.
- (8) Developing a mechanism to measure and monitor the amount of participation by small businesses in state procurement.
 - g. In addition, the department may establish a small business advisory council to:
 - (1) Advise and consult with the board and the department with respect to matters which are of concern to small business.
 - (2) Submit recommendations to the board relating to actual or proposed activities concerning small business.
 - (3) Submit recommendations for legislative or administrative actions.
 - (4) Review and monitor small business programs and agencies in order to determine their effectiveness and whether they complement or compete with each other, and to coordinate the delivery of programs and services aimed at small business.
 - (5) Initiate special small business economic studies as deemed necessary, including but not limited to analyses of trends and growth opportunities relative to small business.
 - (6) Provide other information or perform other duties which would be of assistance to small business.

8. MISCELLANEOUS. To provide other necessary services, the department shall:

- a. Collect and assemble, or cause to have collected and assembled, all pertinent information available regarding the industrial, agricultural, and public and private recreation and tourism opportunities and possibilities of the state of Iowa, including raw materials and products that may be produced from them; power and water resources; transportation facilities; available markets; the availability of labor; the banking and financing facilities; the availability of industrial sites; the advantages of the state as a whole, and the particular sections of the state, as industrial locations; the development of a grain alcohol motor fuel industry and its related products; and other fields of research and study as the board deems necessary. This information, as far as possible, shall consider both the encouragement of new industrial enterprises in the state and the expansion of industries now existing within the state, and allied fields to those industries.
- b. Apply for, receive, contract for, and expend federal funds and grants and funds and grants from other sources.
- c. Except as otherwise provided in sections 19.33, 28.82, 28.87, 262.9, and 280A.23, provide that an inventor whose research is funded in whole or in part by the state shall assign to the state a proportionate part of the inventor's rights to a letter patent resulting from that research. Royalties or earnings derived from a letter patent shall be paid to the treasurer of state and credited by the treasurer to the general fund of the state. However, the department in conjunction with other state agencies, including the board of regents, shall provide incentives to inventors whose research is funded in whole or in part by the state for having their products produced in the state. These incentives may include taking a smaller portion of the inventor's royalties or earnings than would otherwise occur under this paragraph or other provisions of the law.
- d. Administer or oversee federal rural economic development programs in the state.

ARTICLE II
ACTIVITIES

Part 1

Sec. 809. NEW SECTION. 15.201 AGRICULTURAL MARKETING PROGRAM.

The department shall operate an agricultural marketing program designed to lead to more advantageous marketing of Iowa agricultural products. The department may develop and carry out activities to implement this program, and shall:

1. Investigate the subject of marketing agricultural products and recommend efficient and economical methods of marketing.
2. Promote the sales, distribution, and merchandising of agricultural products.
3. Furnish information and assistance to the public concerning the marketing of agricultural products.
4. Cooperate with the division of agriculture of the Iowa state university of science and technology in farm marketing education and research and avoid unnecessary duplications.
5. Gather and diffuse useful information concerning all phases of the marketing of Iowa farm products in cooperation with other public or private agencies.
6. Ascertain sources of supply of Iowa agricultural products, and prepare and publish from time to time lists of names and addresses of producers and consignors and furnish the lists to persons applying for them.
7. Aid in the promotion and development of the agricultural processing industry in the state.

Sec. 810. NEW SECTION. 15.202 GRANTS AND GIFTS.

The department may, with the approval of the director, accept grants and allotments of funds from the federal government and enter into cooperative agreements with the secretary of agriculture of the United States for projects to effectuate any of the purposes of the agricultural marketing program; and may accept grants, gifts, or allotments of funds from any person for the purpose of carrying out the agricultural marketing program. The department shall make an itemized accounting of such funds to the director at the end of each fiscal year.

Sec. 811. NEW SECTION. 15.202A AGRICULTURAL PRODUCTS ADVISORY COUNCIL.

The department shall establish, in consultation with the department of agriculture and land stewardship, an agricultural products advisory council for the purpose of advising the two departments in relation to the sales, promotion, marketing, export of agricultural commodities, and value-added agricultural products processed in Iowa and for the purpose of assisting in the coordination of the respective agricultural marketing programs of the two departments. The council shall consist of one member from each of the following associations, appointed by the secretary of agriculture: Iowa pork producers association, Iowa beef cattle producers association, Iowa sheep and wool promotion board, Iowa egg council, Iowa dairy industry commission, Iowa turkey marketing council, Iowa soybean promotion board, Iowa corn promotion board, Iowa wood industry association, and state horticulture society and up to an additional ten members, appointed by the director, who are experienced in exporting agricultural products, financing the export of agricultural products, and adding value to and processing of agricultural products.

The agricultural products advisory council shall submit recommendations to the departments of economic development and agriculture and land stewardship, the governor, and the general assembly.

Part 2

Sec. 812. NEW SECTION. 15.221 IOWA YOUTH CORPS ESTABLISHED.

An Iowa youth corps is established in this state. The objectives of the youth corps are to provide meaningful and productive public service jobs for youth, assist youth in securing unsubsidized employment, and develop opportunities for youth to engage in volunteer community service activities. The general assembly intends that participation in the youth corps will

provide youth with an opportunity to explore careers, gain needed work experience, and contribute to the general welfare of their communities and state. The youth corps shall provide the following programs:

1. A public service employment program for disadvantaged and handicapped youth attending school.
2. A summer employment program for youth of all economic classifications.
3. A youth volunteer program.

Sec. 813. NEW SECTION. 15.222 ADMINISTRATION.

The department shall administer the Iowa youth corps and adopt rules governing its operation and eligibility for participation. The programs of the Iowa youth corps shall be open to both sexes. A person must be at least fourteen years of age and not older than nineteen years six months at the time of enrollment to receive wages or stipends through the youth corps. The department shall submit an annual report to the general assembly on the Iowa youth corps by January 15 of each year.

Sec. 814. NEW SECTION. 15.223 EMPHASIS AND CONTRIBUTIONS.

The Iowa youth corps shall give emphasis in its employment and volunteer programs to projects related to soil conservation, land management, energy savings, community improvement activities, economic development, and work benefiting human service programs. The department may require participating nonprofit private or public agencies operating a youth corps project to contribute at least thirty-five percent of the total project budget. The contribution may be in the form of cash or services.

Part 3

Sec. 815. NEW SECTION. 15.231 INDUSTRIAL AND BUSINESS EXPORT TRADE PLAN.

The department shall establish an industrial and business export trade plan, with trade related programs in the following areas:

1. Education and training programs, such as seminars and workshops, publications, and training and recruiting, directed at businesses engaged in exporting and businesses with the potential to become involved in exporting.
2. Marketing and promotion programs including market research that focuses on sectors and markets that have promising growth potentials for the state; strengthening Iowa's overseas markets in which overseas representation would be desirable; continuing overseas trade missions which emphasize advance planning and postmission assistance; and serving as a catalyst or broker to facilitate the development of joint exporting ventures between Iowa businesses.
3. Trade financing programs combining public and private sources and supporting the private sector in educating businesses as to sources of financing within and outside the state.
4. Sales programs not involving the department in direct sales but encouraging the development of the middleman structure necessary for the small and medium-sized businesses to consummate sales and support and expand overseas sales through the department's marketing functions.

Part 5*

Sec. 816. NEW SECTION. 15.251 TITLE.

This part shall be known as the "Iowa Business-Industry Information and Training Network Act".

Sec. 817. NEW SECTION. 15.252 PURPOSE.

The purpose of this part is to establish through the merged areas a statewide network of regional offices to help coordinate job training programs with statewide, regional, and local economic development initiatives, and to promote the economic growth of this state.

*No Part 4 in enrolled Act

Sec. 818. NEW SECTION. 15.253 ACTIVITIES.

The activities of the network may include activities which foster the development of statewide programs designed to improve the coordination of job training programs with local and regional economic development efforts, provide technical assistance and information services to local and regional economic development organizations, promote the development of regional and local labor-management cooperative programs, and improve the quality and availability of business-industry and entrepreneurial training programs through the development of public and private partnerships.

Sec. 819. NEW SECTION. 15.254 COORDINATION.

The network shall be coordinated through the department in cooperation with the departments of education and employment services. Each regional office of the network shall be part of the satellite centers established under section 28.101. The department shall develop the coordination criteria to be used by the regional network offices.

Sec. 820. NEW SECTION. 15.255 FUNDING.

It is intended that multiple federal and state funding sources be used to help finance this network. To facilitate this cooperative funding strategy the following apply:

1. Under the terms of section 123 of the Job Training Partnership Act of 1982, Pub. L. No. 97-300, the department and the department of education shall enter into a cooperative agreement as a condition to providing funds under that section. The cooperative agreement shall focus on how section 123 funds will be used to enhance the following activities:

a. Providing financial assistance for special programs and services designed to meet the needs of rural areas outside major labor market areas.

b. Industry-wide training.

c. Activities under Title III of the Job Training Partnership Act of 1982.

d. Developing and providing to service delivery areas information on a state and local area basis regarding economic, industrial, and labor market conditions.

e. Providing preservice and inservice training for planning, management, and delivery staffs of administrative entities and private industry councils, as well as contractors for state supported programs.

f. Providing services to populations with special needs as identified by the state job training coordinating council.

2. The department of education shall prepare cooperative agreements with local education agencies reflecting the terms of the cooperative agreement between the department of education and the department of economic development.

Sec. 821. NEW SECTION. 15.256 RULES.

The department shall adopt rules pursuant to chapter 17A to implement this part.

Sec. 822. Section 7B.4, Code Supplement 1985, is amended by adding the following new subsection:

NEW SUBSECTION. Services under this section shall be available for assisting employee-owned businesses and employee-ownership groups which intend to start up an employee-owned business.

Sec. 823. Section 12.1, Code 1985, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The treasurer is responsible for reporting on the bonding activities of all political subdivisions, instrumentalities, and agencies of the state and shall make recommendations to the general assembly and the governor on modification in the bonding authority. The treasurer shall notify each political subdivision, instrumentality, and agency of the state to report to the treasurer the amount of bonds outstanding and each new bond issue. The treasurer shall adopt rules and establish forms for carrying out this

provision. Each political subdivision, instrumentality, and agency of the state shall provide all the information required by the treasurer under this provision.

Sec. 824. NEW SECTION. 12.30 COORDINATION OF BONDING ACTIVITIES.

1. As used in this section, unless the context otherwise requires:

a. "Authority" means a department, or public or quasi-public instrumentality of the state including, but not limited to, the authority created under chapter 175, 175A, 220, 261A, 307B, or 442A, which has the power to issue obligations, except that "authority" does not include the state board of regents.

b. "Obligations" means notes, bonds, including refunding bonds, and other evidences of indebtedness of an authority.

2. Notwithstanding any other provision of the Code the treasurer shall coordinate the issuance of obligations by authorities. The treasurer, or the treasurer's designee, shall serve as ex officio nonvoting member of each authority. Prior to the issuance of obligations, an authority shall notify the treasurer of its intention to do so. The treasurer shall:

a. Select and fix the compensation for, in consultation with the respective authority, through a competitive selection procedure, attorneys, accountants, financial advisors, banks, underwriters, insurers, and other employees and agents which in the treasurer's judgment are necessary to carry out the authority's intention. Prior to the initial selection, the treasurer shall, after consultation with the authorities, establish a procedure which provides for a fair and open selection process including, but not limited to, the opportunity to present written proposals and personal interviews. The treasurer shall maintain a list of firms which have requested to be notified of requests for proposal. The selection criteria shall take into consideration, but is not limited to, compensation, expenses, experience with similar issues, scheduling, ability to provide the services of individuals with specific knowledge in the relevant subject matter and length of the engagement. The treasurer may waive the requirements for a competitive selection procedure for any specific employment upon written notice to the executive council stating why the waiver is in the public interest. Upon selection by the treasurer, the authority shall promptly employ the individual or firm and be responsible for payment of costs.

b. Submit an account to the respective authority for all costs incurred in each transaction. The treasurer will charge an authority for costs of administration. The authority shall disburse to the treasurer the amounts set forth in the account.

c. Direct the investment or deposit of the proceeds of the sale of the obligations, in accordance with the language of the documents drafted to effectuate issuance of the obligations, except for the proceeds necessary to fund the ongoing operations of the authority. This paragraph does not apply to proceeds of obligations issued before the effective date of this section.

d. Collect from an authority and other sources, any statistical and financial information necessary to draft an offering document or prepare a presentation necessary for the issuance or marketing of the obligations.

3. Each respective authority shall consult with the treasurer on the following:

a. Amount, terms, and conditions of the obligations to be issued by the authority including other provisions deemed necessary by the treasurer or the authority.

b. The documents or instruments necessary to effectuate issuance of the obligation.

c. Presentations to rating agencies and marketing activities. The treasurer may choose to participate in these presentations.

4. Professional services, including but not limited to attorneys, accountants, financial advisors, banks, underwriters, insurers, and other employees employed by a project sponsor may be selected by the project sponsor, if the obligation is issued in behalf of the project sponsor and the purchaser of the obligation does not have recourse to the authority or state.

5. The treasurer may delay implementation of this section for up to six months following the effective date of this section for an authority to facilitate an orderly transition.

Sec. 825. Section 28.51, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The Iowa high technology council, hereafter referred to as the "council" is created. The council shall be administratively integrated into the Iowa development commission for staff support and assistance. The council shall be an advisory body to the Iowa department of economic development. The department may provide staff support and assistance.

Sec. 826. Section 28.52, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The purpose of the council shall be to encourage the development of and advise the Iowa department of economic development regarding high technology industries and research in Iowa which will establish net new employment opportunities for Iowa workers or assist in improving the efficiency, productivity, and viability of family farm operations and which will improve the quality of life in an environmentally sound manner. For high technologies consistent with this purpose, the council shall advise the department on how to:

Sec. 827. Section 28.53, Code 1985, is amended to read as follows:

28.53 GRANTS, GIFTS, AND BEQUESTS.

The council may receive and expend shall advise the department on the receipt and expenditure of grants, gifts, and bequests, including but not limited to appropriations, federal funding, and other funding available for the purposes pursuant to section 28.52.

Sec. 828. Section 28.55, unnumbered paragraph 1, Code 1985, is amended to read as follows:

A public investment in commercial development by the ~~council~~ Iowa department of economic development may be made only in Iowa and in conjunction with private investment and shall be reflected in a public ownership interest in the commercial entity which is established. The public ownership interest shall be negotiated with the other investing parties, including but not limited to, educational institutions, inventors, and private investors. A provision relating to the terms of ownership and the circumstances of disposal of the public ownership interest shall be made at the time of investment.

Sec. 829. Section 28.83, subsections 3 and 6, Code 1985, are amended to read as follows:

3. The board of directors shall annually elect one member as chairperson and one member as secretary. The board may elect other officers of the corporation as necessary. ~~Members are entitled to receive forty dollars per diem for each day spent in performance of duties and shall be reimbursed for necessary expenses incurred in the performance of duties from funds appropriated to the Iowa department of economic development commission.~~

6. The corporation shall be a part of the Iowa department of economic development commission for administrative purposes only which shall provide all staff and administrative assistance. The corporation shall submit to the department for its approval all plans, programs, initiatives and budgets.

Sec. 830. Section 28.86, Code 1985, is amended to read as follows:

28.86 PRESIDENT.

The board of directors director of the department of economic development shall appoint a president of the corporation who shall serve at the pleasure of the board director and shall receive the compensation determined by the board director. The president is a state employee. The president shall not be a member of the board of directors. The president is the chief administrative and operational officer of the corporation and shall direct and supervise the administrative affairs and the general management of the corporation subject to the direction and oversight of the director. The president may employ other employees as designated

by the board. The president shall provide copies of all minutes, documents, and other records of the corporation and shall provide a certificate which attests to truthfulness of the copies, if requested. Persons dealing with the corporation may rely upon the certificates. The president shall keep a record of all proceedings, documents, and papers filed with the corporation.

Sec. 831. NEW SECTION. 73.15 TITLE AND DEFINITIONS.

1. Sections 73.15 through 73.21 may be cited as the "Iowa targeted small business procurement Act."

2. As used in sections 73.15 through 73.21, unless the context requires otherwise, "small business" and "targeted small business" mean as defined in section 15.102.

Sec. 832. NEW SECTION. 73.16 PROCUREMENTS FROM SMALL BUSINESSES AND TARGETED SMALL BUSINESSES — SET-ASIDE REQUIREMENTS.

Notwithstanding any provision of law or rule relating to competitive bidding procedures:

1. Every agency, department, commission, board, committee, officer or other governing body of the state shall purchase goods and services supplied by small businesses and targeted small businesses in Iowa. In addition to the other provisions of this section relating to set-asides for targeted small businesses, all purchasing authorities shall assure that a proportionate share of small businesses and targeted small businesses identified under the uniform small business vendor application program of the department of economic development are given the opportunity to bid on all solicitations issued by agencies and departments of state government.

2. The director of each agency or department of state government having purchasing authority shall designate and set aside for awarding to certified targeted small businesses identified pursuant to section 15.108, subsection 7, paragraph "c", at least two percent, and should set a goal of up to ten percent, of the value of anticipated procurements of goods and services, including construction, but not including utility services, each fiscal year. The director of each department and agency of state government shall cooperate with the director of the department of economic development and the director of the department of management and do all acts necessary to carry out the provisions of sections 73.15 through 73.21.

Sec. 833. NEW SECTION. 73.17 TARGETED SMALL BUSINESS SET-ASIDE — PRELIMINARY PROCEDURES.

Quarterly the director of each agency and department of state government shall review the agency's or department's anticipated purchasing requirements. The directors shall notify the director of the department of economic development of their anticipated purchases and recommended set-asides not later than August 15 of each fiscal year and quarterly thereafter. The directors may divide the procurements so designated into contract award units of economically feasible production runs to facilitate offers or bids from targeted small businesses. In designating set-aside procurements, the directors may vary the included procurements so that a variety of goods and services produced by different targeted small businesses may be set aside each year. The director of the department of economic development, in conjunction with the director of the department of management, shall review the information submitted and may require modifications from the agencies and departments.

Sec. 834. NEW SECTION. 73.18 NOTICE OF SOLICITATION FOR BIDS — IDENTIFICATION OF TARGETED SMALL BUSINESSES.

The director of each agency or department releasing a solicitation for bids or request for proposal under the set-aside program shall notify the director of the department of economic development prior to or upon release of the solicitation. The director of the department of economic development shall notify the soliciting agency or department of any targeted small businesses which have been certified pursuant to section 15.108, subsection 7, paragraph "c", subparagraph (4), and which may be qualified to bid.

Sec. 835. NEW SECTION. 73.19 NEGOTIATED PRICE OR BID CONTRACT.

In awarding a contract under the targeted small business set-aside program, a director of an agency or department having purchasing authority may use either a negotiated price or bid contract procedure. The amount of an award shall not exceed by more than five percent that director's estimated price for the goods or services if they were to be purchased on the open market or under the competitive bidding procedures of any provisions of law or rules relating to competitive bidding procedures, and not under this set-aside program. The director of the department of economic development or the director of the department of management may assist in the negotiation of a contract price under this section. Surety bonds guaranteed by the United States small business administration are acceptable security for a construction award under this section.

Sec. 836. NEW SECTION. 73.20 DETERMINATION OF ABILITY TO PERFORM.

Before announcing the set-aside award, the purchasing authority shall evaluate whether the targeted small business scheduled to receive the award is able to perform the set-aside contract. This determination shall include consideration of production and financial capacity and technical competence. If the purchasing authority determines that the targeted small business may be unable to perform, the director of the department of economic development shall be notified and shall assist the targeted small business pursuant to section 15.108, subsection 7, paragraph "c", subparagraph (3).

Sec. 837. NEW SECTION. 73.21 OTHER PROCUREMENT PROCEDURES.

All laws and rules pertaining to solicitations, bid evaluations, contract awards, and other procurement matters apply to procurement set-asides for targeted small businesses to the extent there is no conflict. If sections 73.15 through 73.21 conflict with other laws or rules, then sections 73.15 through 73.21 govern.

Sec. 838. Section 176A.2, Code 1985, is amended to read as follows:

176A.2 DECLARATION OF POLICY.

It is hereby declared to be the policy of the legislature to provide for aid in disseminating among the people of Iowa useful and practical information on subjects relating to agriculture, home economics, and rural and community life and economic development, and to encourage the application of the same information in the several counties of the state through extension work to be carried on in co-operation cooperation with Iowa State University state university of science and technology and the United States department of agriculture as provided in the Act of Congress May 8, 1914, as amended by Public Law 83 of the Eighty-third Congress.

Sec. 839. Section 176A.9, subsection 1, Code 1985, is amended to read as follows:

1. The extension council shall have has for its sole purpose the dissemination of information, the giving of instruction and practical demonstrations on subjects relating to agriculture, home economics, rural and community life and economic development, and the encouragement of the application of the same information, instruction, and demonstrations to and by all persons in the extension district, and the imparting to such the persons of information on said those subjects through field demonstrations, publications, or other media.

Sec. 840. Section 220.1, subsection 28, Code Supplement 1985, is amended by adding after paragraph c the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. "Small business" includes an employee-owned business which has been an employee-owned business for less than three years or which meets the conditions of paragraphs "a" through "c".

Sec. 841. Section 220.10, subsection 1, Code 1985, is amended to read as follows:

1. All moneys Moneys declared by the authority to be surplus moneys which are not required to service bonds and notes issued by the authority, to pay administrative expenses of the authority, or to accumulate necessary operating or loss reserves, shall be used by the

authority to provide loans to the Iowa family farm development authority in connection with the programs authorized in the Iowa family farm development Act or to provide grants, subsidies, and services to lower income families and very low income families through any of the programs authorized in this chapter, or to provide funds for the residential mortgage interest reduction program established pursuant to section 220.81.

Sec. 842. NEW SECTION. 220.95 TARGETED SMALL BUSINESS LOAN GUARANTEE PROGRAM.

1. As used in this section:

a. "Small business" means any enterprise which is located in this state, which is operated for profit and under a single management, and which has either fewer than twenty employees or an annual gross income of less than three million dollars computed as the average of the three preceding fiscal years. This definition does not apply to any program or activity for which a definition for small business is provided for the program or activity by federal law or regulation or other state law.

b. "Targeted small business" means a small business, as defined in paragraph "a", which small business is fifty-one percent or more owned, operated, and actively managed by one or more women or minority persons. As used in this subsection, "minority person" means an individual who is a Black, Hispanic, Asian or Pacific Islander, or American Indian or Alaskan native.

2. The director of the department of economic development, in conjunction with the director of the department of management, may organize one or more advisory groups composed of representatives of women, minority persons, the business and financial community, and others interested in the loan guarantee program to serve on a volunteer basis in advising the authority concerning the implementation of this section. The authority shall consult with the director of the department of economic development and the director of the department of management to determine whether targeted small businesses which have expressed an interest in doing business with agencies of state government under the provisions of sections 73.15 through 73.21 should be considered for application for guarantees under this section.

3. The authority may require an applicant for a loan guarantee under this section to consult with a designated small business assistance program as described in section 15.108, subsection 7, paragraph "c", subparagraph (3), prior to approval of the loan guarantee.

4. The authority shall adopt rules as necessary for the administration of the loan guarantee program under this section. Rules and guidelines adopted pursuant to this section are subject to review and approval by the director of the department of management.

5. The general assembly is not obligated to appropriate any moneys to pay for any defaults or to appropriate any moneys to be credited to the loan reserve account. The loan guarantee program does not obligate the state except to the extent provided in this section, and the authority in administering the program shall not give or lend the credit of the state of Iowa.

Sec. 843. Section 261A.6, Code 1985, is amended by adding the following new subsection:
NEW SUBSECTION. All employees of the authority are exempt from chapters 19A and 97B.

Sec. 844. Section 262.9, Code 1985, is amended by adding the following new subsection:
NEW SUBSECTION. In issuing bonds or notes under this chapter, chapter 262A, chapter 263A, or other provision of law, select and fix the compensation for, through a competitive selection procedure, attorneys, accountants, financial advisors, banks, underwriters, insurers, and other employees and agents which in the board's judgment are necessary to carry out the board's intention. Prior to the initial selection, the board shall establish a procedure which provides for a fair and open selection process including, but not limited to, the opportunity to present written proposals and personal interviews. The board shall maintain a list of firms which have requested to be notified of requests for proposal. The selection criteria shall take

into consideration, but are not limited to, compensation, expenses, experience with similar issues, scheduling, ability to provide the services of individuals with specific knowledge in the relevant subject matter and length of engagement. The board may waive the requirements for a competitive selection procedure for any specific employment upon adoption of a resolution of the board stating why the waiver is in the public interest and shall provide the executive council with written notice of the granting of any such waiver.

Sec. 845. Section 368.7, unnumbered paragraph 2, Code 1985, is amended to read as follows:

An application for annexation of territory not within the urbanized area of a city other than the city to which the annexation is directed must be approved by resolution of the council which receives the application. Upon receiving approval of the council, the city clerk shall file a copy of the resolution, map, and legal description of the territory involved with the state department of transportation. The city clerk shall also file a copy of the map and resolution with the county recorder, ~~and secretary of state, and the board.~~ The annexation is completed upon acknowledgment by the ~~board~~ secretary of state that ~~it the secretary of state has received the map and resolution and a certification by the city clerk that copies of the map and resolution have been filed with the county recorder and secretary of state and that copies of the resolution, map, and legal description of the territory involved have been filed with the state department of transportation.~~

Sec. 846. Section 368.8, Code 1985, is amended to read as follows:

368.8 VOLUNTARY SEVERING OF TERRITORY.

Any territory may be severed upon the unanimous consent of all owners of the territory and approval by resolution of the council of the city in which the territory is located. The council shall provide in the resolution for the equitable distribution of assets and equitable distribution and assumption of liabilities of the territory as between the city and the severed territory. The city clerk shall file a copy of the resolution, map, and a legal description of the territory involved with the state department of transportation. The city clerk shall also file a copy of the map and resolution with the county recorder, ~~and secretary of state, and the board.~~ The severance is completed upon acknowledgment by the ~~board~~ secretary of state that ~~it the secretary of state has received the map and resolution and a certification by the city clerk that copies of the map and resolution have been filed with the county recorder and secretary of state and that copies of the resolution, map, and a legal description of the territory involved have been filed with the state department of transportation.~~

Sec. 847. Section 368.9, Code 1985, is amended to read as follows:

368.9 BOARD CREATED.

A city development board is created. ~~The office for planning and programming department of economic development shall provide office space, and staff assistance, and shall budget funds to cover expenses and compensation of the board and committees.~~ The board consists of three members appointed by the governor subject to confirmation by the senate. The appointments must be for six-year staggered terms beginning and ending as provided by section 69.19, or to fill an unexpired term in case of a vacancy. Members are eligible for reappointment, but no member shall serve more than two complete six-year terms.

Each member is entitled to receive from the state actual and necessary expenses ~~and forty dollars compensation for each day spent in performance of board duties and may also be eligible to receive compensation as provided in section 7E.3.~~

Sec. 848. Section 404.2, subsection 3, Code 1985, is amended by striking the subsection.

Sec. 849. Section 404.2, subsection 6, paragraph a, Code 1985, is amended by striking the paragraph.

Sec. 850. NEW SECTION. ORGANIZATIONAL STRUCTURE.

For organizational purposes only, the following apply:

1. The Iowa finance authority and the Iowa economic protective and investment authority shall be considered parts of the Iowa department of economic development. The Iowa department of economic development may provide staff assistance and administrative support to the authorities.
2. The agricultural development authority shall be considered part of the department of agriculture. The department of agriculture may provide staff assistance and administrative support to the authority.
3. The Iowa higher education loan authority shall be attached to the college aid commission.
4. The Iowa railway finance authority shall be considered part of the department of transportation. The department of transportation may provide staff assistance and administrative support to the authority.
5. The Iowa advance funding authority shall be considered part of the department of education. The department of education may provide staff assistance and administrative support to the authority.

Sec. 851. NEW SECTION. UNDERWRITERS DOING BUSINESS IN IOWA.

An underwriter employed to assist in the issuance of obligations by an authority, as defined in section 12.30, state board of regents, or other political subdivision, instrumentality, or agency of the state, shall meet the requirements for doing business in Iowa sufficient to be subject to tax under rules of the department of revenue.

Sec. 852. Chapter 387 and sections 7A.11 through 7A.13, 28.1 through 28.6, 28.8 through 28.10, 28.41 through 28.46, 28.61 through 28.66, 159.21, and 159.25 through 159.27, Code 1985, and sections 28.7 and 18.175 through 18.180, Code Supplement 1985, are repealed.

DEPARTMENT OF EMPLOYMENT SERVICES**Sec. 901. NEW SECTION. 84A.1 DEPARTMENT OF EMPLOYMENT SERVICES — DIRECTOR — DIVISIONS — CREATED.**

1. The department of employment services is created to administer the laws of this state relating to unemployment compensation insurance, job placement and training, employment safety, labor standards, and workers' compensation.
2. The chief executive officer of the department is the director who shall be appointed by the governor, subject to confirmation by the senate. The director shall serve at the pleasure of the governor. The director shall be subject to reconfirmation by the senate, under the confirmation procedures of section 2.32, during the regular session of the general assembly convening in January if the director will complete the director's fourth year in office on or before the following April 30. The governor shall set the salary of the director within the applicable salary range established by the general assembly. The director shall be selected solely on the ability to administer the duties and functions granted to the director and the department and shall devote full time to the duties of the director. If the office of director becomes vacant, the vacancy shall be filled in the same manner as the original appointment was made.

The director of the department of employment services shall prepare, administer, and control the budget of the department and its divisions and shall approve the employment of all personnel of the department and its divisions.

3. The department shall include the division of job service, the division of labor services, and the division of industrial services.

Sec. 902. NEW SECTION. 84A.2 DEPARTMENT AND DIVISION RESPONSIBILITIES.

1. The division of job service is responsible for the administration of unemployment compensation benefits and for the collection of employer contributions under chapter 96. The division is responsible for the administration of the free public employment offices established

pursuant to chapter 96, other job placement and training programs established pursuant to section 84A.3, and the administration of the offices of the division located throughout the state and for the personnel attached to those offices. The executive head of the division is the job service commissioner, appointed pursuant to section 96.10.

2. The division of labor services is responsible for the administration of the laws of this state relating to occupational health and safety, the inspection of amusement rides, the removal and encapsulation of asbestos, the inspection of boilers, wage payment collection, child labor, employment agency licensing, boxing and wrestling, inspection of elevators, and hazardous chemical risks under chapters 88, 88A, 88B, 89, 91, 91A, 91B, 92, 94, 95, 99C, 104, and 455D, and section 327F.37. The executive head of the division is the labor commissioner, appointed pursuant to section 91.2.

3. The division of industrial services is responsible for the administration of the laws of this state relating to workers' compensation under chapters 85, 85A, 85B, 86, and 87. The executive head of the division is the industrial commissioner, appointed pursuant to section 86.1.

4. The director shall form a coordinating committee composed of the job service commissioner, the labor commissioner, and the industrial commissioner. The committee shall monitor federal compliance issues relating to coordination of functions among the divisions.

Sec. 903. NEW SECTION. 84A.3 JOB PLACEMENT AND TRAINING PROGRAMS.

1. The job service commissioner, in coordination with the department of economic development, may provide, with or without reimbursement, intake, client eligibility, and a significant portion of job placement services to individuals participating in the job training partnership program established under chapter 7B. The department of employment services and the department of economic development shall work together to develop policies encouraging coordination between job training, labor exchange, and economic development activities.

2. The job service commissioner, in cooperation with the department of elder affairs, shall establish an experimental retired Iowan employment program. The program shall encourage and promote the meaningful employment of retired citizens of the state.

3. The job service commissioner, in cooperation with the department of human rights, shall establish a program to provide job placement and training to persons with disabilities.

Sec. 904. Section 17.3, subsections 8 and 10, Code Supplement 1985, are amended by striking the subsections.

Sec. 905. Section 85A.20, Code 1985, is amended to read as follows:

85A.20 MEDICAL BOARD INVESTIGATION.

~~There is hereby created a medical board for occupational diseases which shall consist of The industrial commissioner may designate the industrial hygiene physician of the state department of health and two physicians selected by the dean of the college of medicine of the state University university of Iowa, from the staff of said the college, who shall be qualified to diagnose and report on occupational diseases. The medical board For the purpose of investigating occupational diseases, the physicians shall have the use, without charge, of all necessary laboratory and other facilities of the college of medicine and of the university hospital at the state University university of Iowa, and of the state department of health in performing its duties prescribed herein.~~

Sec. 906. Section 85A.21, Code 1985, is amended to read as follows:

85A.21 CONTROVERTED MEDICAL QUESTIONS.

~~Controversial medical questions may be referred by the industrial commissioner to the medical board physicians designated in section 85A.20 for investigation and report to the industrial commissioner when agreed to by the parties or on the commissioner's own motion. No award shall be made in any case where controversial medical questions have been referred to the board physicians until the board shall physicians have duly investigated the case and made its a report with respect to all such medical questions. The date of disablement, if in dispute, shall be deemed a medical question.~~

Sec. 907. Section 85A.22, Code 1985, is amended to read as follows:

85A.22 EXAMINATION OF EMPLOYEE BY MEDICAL BOARD PHYSICIANS.

The ~~medical board~~ physicians designated in section 85A.20, upon reference to ~~it~~ them by the industrial commissioner of a claim for occupational disease, shall notify the claimant or claimants and the employer or the employer's insurance carrier to appear before the ~~medical board~~ physicians at a time and place stated in the notice. If the employee ~~be living is alive~~, the employee shall appear before the ~~medical board~~ physicians at the time and place specified to submit to such clinical and X-ray examinations as the ~~medical board~~ physicians may require. The claimant and the employer shall each be entitled, at the claimant's or employer's own expense, to have present at all examinations conducted by the ~~medical board~~ physicians, a physician admitted to practice in the state, who shall be given every reasonable facility opportunity for participating in ~~every such examination all examinations~~. If a physician admitted to practice in the state ~~shall certify certifies~~ that the employee is physically unable to appear at the time and place ~~designated by the medical board~~ specified, ~~such board the physicians~~ shall, on notice to the parties, change the time and place of examination to ~~such other~~ another time and place as may reasonably facilitate the examination of the employee. Proceedings shall be suspended and no compensation ~~shall be payable~~ for any period during which the employee ~~may refuse~~ refuses to submit to such examination.

Sec. 908. Section 85A.23, Code 1985, is amended to read as follows:

85A.23 MEDICAL BOARD'S REPORT — DATE OF DISABLEMENT.

The ~~medical board~~ physicians designated in section 85A.20 shall, as soon as practicable after ~~it has~~ the physicians have completed its consideration of the case, report in writing ~~its~~ the findings and conclusions on every medical question in controversy. If the date of disablement is controverted and cannot be fixed exactly, the ~~medical board~~ physicians shall fix the most probable date ~~having regard to in light of~~ all the circumstances of the case. The ~~medical board~~ physicians shall also include in ~~its~~ the report the name and address of the physician or physicians, if any, who appeared before ~~it~~ the physicians and ~~what if any~~ the medical reports and X rays, if any, which were considered by ~~it~~ the physicians.

Sec. 909. Section 85A.24, Code 1985, is amended to read as follows:

85A.24 FINDINGS AND REPORT.

The ~~medical board~~ physicians designated in section 85A.20 shall file ~~its~~ the report in triplicate with the industrial commissioner who shall mail or deliver a certified copy ~~thereof~~ of the report to the claimant and to the employer. The report ~~of the medical board~~ shall become a part of the record of the case. The industrial commissioner shall make the decision or award in the case based upon the entire record. The report of the ~~medical board~~ physicians in any case may be ~~remanded~~ returned by the commissioner to the ~~board~~ physicians for reconsideration and further report. The ~~members of the medical board~~ physicians shall not be prohibited from testifying before the industrial commissioner, board of arbitration, or any other person, commission, or court as to the results of the examination or the condition of any employee examined ~~by the board~~.

Sec. 910. Section 85A.25, unnumbered paragraph 2, Code 1985, is amended to read as follows:

In cases of dispute as to the existence of the disease the controversy may be referred to the industrial commissioner who shall decide the matter and who may, upon the commissioner's own motion or by agreement of the parties, submit the controverted question to the ~~medical board~~ provided herein physicians designated in section 85A.20 for its investigation and report, and ~~said board~~ the physicians shall immediately proceed with the investigation and with the examination of the employee and forthwith make ~~its~~ the report to the industrial commissioner. ~~Said~~ The examination shall be made and the investigation conducted in the same manner as is provided ~~herein~~ in this chapter as to other controverted medical questions. The industrial commissioner shall then make the decision on the matter, and ~~said~~ the decision shall have the same force and effect and be subject to all the other provisions of law applicable ~~the same as any other~~ decision of the industrial commissioner.

Sec. 911. Section 86.8, Code 1985, is amended to read as follows:

86.8 DUTIES.

It shall be the duty of the The commissioner shall:

1. ~~To establish~~ Adopt and enforce all necessary rules ~~not in conflict with the provisions of~~ necessary to implement this chapter and chapters 85, 85A, 85B, and 87 ~~for carrying out the purposes thereof.~~

2. ~~To prepare~~ Prepare and distribute the necessary blanks relating to computation, adjustment, and settlement of compensation ~~arising thereunder.~~

3. ~~To prepare~~ Prepare and publish statistical reports and analyses regarding the cost, occurrence, and sources of employment injuries.

4. ~~To administer~~ Administer oaths, and examine books and records of parties subject to ~~such provisions the workers' compensation laws.~~

5. ~~In general to do all things not inconsistent with law in carrying out said provisions according to their true intent and purpose.~~

6 ~~5~~. ~~To provide~~ Provide a seal for the authentication of orders and records and for ~~such~~ other purposes as required.

~~In carrying out the duties and responsibilities under this chapter, the industrial~~ Subject to the approval of the director of the department of employment services, the commissioner may enter into contracts with any state agency, with or without reimbursement, for the purpose of obtaining the services, facilities, and personnel of such the agency and with the consent of any state agency or any political subdivision of the state, accept and use the services, facilities, and personnel of any the agency of the state or political subdivision, and employ experts and consultants or organizations in order to expeditiously, efficiently, and economically effectuate the purposes of this chapter. The provisions of agreements under this paragraph are subject to approval by the executive council where if approval is required by law.

Sec. 912. Section 86.9, Code 1985, is amended to read as follows:

86.9 REPORTS.

~~The director of the department of employment services, in consultation with the commissioner, shall, at the time provided by law, make a biennial an annual report to the governor setting forth in appropriate form the business and expense of the office division of industrial services for the two preceding years year, the number of claims before processed by the agency division and the disposition of the claims, and other matters pertaining to the office division which are of public interest, together with recommendations for change or amendment of the laws in this chapter and chapters 85, 85A, 85B, and 87, and the recommendations, if any, shall be transmitted by the governor to the first general assembly in session after the report is filed.~~

~~The commissioner, after consultation with the director of the department of employment services, may make compile an annual report setting forth the final decisions, rulings, and orders of the office division for the preceding year and setting forth other matters or information that which the commissioner considers desirable for publication. These annual reports may be distributed by the state on request to public officials as set forth in chapter 17. Members of the public may obtain the annual report upon payment of its cost as set by the commissioner.~~

Sec. 913. Section 86.24, Code 1985, is amended by adding the following new subsection:

NEW SUBSECTION. 5. The decision of the industrial commissioner is final agency action and an appeal of the decision shall be made directly to the district court.

Sec. 914. Section 88.2, subsections 1 and 4, Code 1985, are amended to read as follows:

1. ~~The bureau of labor, established in chapter 91, is designated to labor commissioner, appointed pursuant to section 91.2, and the division of labor services of the department of employment services created in section 84A.1 shall administer this chapter.~~

4. In carrying out responsibilities of the commissioner under this chapter, the Subject to the approval of the director of the department of employment services, the labor commissioner is authorized to may enter into contracts with any state agency, with or without reimbursement, for the purpose of obtaining the services, facilities, and personnel of such the agency, and with the consent of any state agency or any political subdivision of the state, accept and use the services, facilities, and personnel of any the agency of the state or political subdivision, and employ experts and consultants or organizations, in order to expeditiously, efficiently, and economically effectuate the purposes of this chapter. The provisions of agreements under this subsection are subject to approval of the executive council where if approval is required by law.

Sec. 915. Section 88A.1, subsection 2, Code 1985, is amended by striking the subsection and inserting in lieu thereof the following:

2. "Division" means the division of labor services of the department of employment services created under section 84A.1.

Sec. 916. Section 88B.1, subsection 2, Code 1985, is amended by striking the subsection and inserting in lieu thereof the following:

2. "Division" means the division of labor services of the department of employment services created under section 84A.1.

Sec. 917. Section 88B.3, subsections 1 and 4, Code 1985, are amended to read as follows:

1. The bureau of labor commissioner shall administer this chapter.

4. At least once a year, during an actual asbestos project, the bureau division shall conduct an on-site inspection of each licensee's procedures for removing and encapsulating asbestos.

Sec. 918. Section 91.1, Code 1985, is amended to read as follows:

91.1 LABOR COMMISSIONER.

The bureau division of labor shall be services of the department of employment services, created under section 84A.1, is under the control of a labor commissioner, who shall have an office at the seat of government and shall devote the commissioner's entire time to the duties of the office.

Sec. 919. Section 91.2, Code 1985, is amended to read as follows:

91.2 APPOINTMENT.

The governor shall appoint in each odd-numbered year, subject to confirmation by the senate, a labor commissioner who shall serve for a period of two six years beginning and ending as provided in section 69.19.

Sec. 920. Section 91.4, subsection 5, Code 1985, is amended to read as follows:

5. Report to the governor biennially on all matters pertaining to the bureau of labor. The director of the department of employment services, in consultation with the labor commissioner, shall, at the time provided by law, make an annual report to the governor setting forth in appropriate form the business and expense of the division of labor services for the preceding year, the number of disputes or violations processed by the division and the disposition of the disputes or violations, and other matters pertaining to the division which are of public interest, together with recommendations for change or amendment of the laws in this chapter and chapters 88, 88A, 88B, 89, 91A, 91B, 92, 94, 95, 99C, 104, and 455D, and in section 327F.37, and the recommendations, if any, shall be transmitted by the governor to the first general assembly in session after the report is filed.

Sec. 921. Section 91.5, subsection 3, Code 1985, is amended to read as follows:

3. All laws relating to the state free employment bureau and employment agencies.

Sec. 922. Section 92.5, subsection 11, Code 1985, is amended to read as follows:

11. ~~Such other~~ Other work as may be approved by the ~~committee on child labor established by section 92.21~~ rules adopted pursuant to chapter 17A by the labor commissioner.

Sec. 923. Section 92.6, subsection 7, Code 1985, is amended to read as follows:

7. ~~Any occupations found and declared to be hazardous by the committee on child labor~~ Occupations prohibited by rules adopted pursuant to chapter 17A by the labor commissioner.

Sec. 924. Section 92.8, subsection 21, Code 1985, is amended to read as follows:

21. ~~Occupations deemed by the committee on child labor to be hazardous to life or limb prohibited by rules adopted pursuant to chapter 17A by the labor commissioner.~~

Sec. 925. Section 92.16, Code 1985, is amended to read as follows:

92.16 FORMS FOR PERMITS FURNISHED.

The proper forms for the work permit, the employer's agreement, the school record, the certificate of age, and the physician's certificate shall be formulated by the ~~committee on child labor~~ and shall be furnished by the labor commissioner and furnished to the issuing authorities.

Sec. 926. Section 92.21, Code Supplement 1985, is amended to read as follows:

92.21 COMMITTEE ON CHILD LABOR RULES AND ORDERS OF LABOR COMMISSIONER.

There is hereby established a committee on child labor. The committee shall consist of the labor commissioner who shall act as chairperson, the commissioner of public instruction or a designee, director of the Iowa department of job service or a designee, and two persons representing the public and interested in child labor, to be appointed by the governor, without regard to political affiliation. The public representatives shall serve for a term of four years from July 1, 1970, and until their successors are appointed and qualify. The governor shall fill any public member's vacancy for any unexpired term. Public members shall receive a per diem of thirty dollars and actual and necessary expenses incurred in the performance of their official duties.

The committee shall adopt rules of procedure for its meetings and activities.

It shall be the duty of the committee to hold public hearings, to formulate ~~The labor commissioner may adopt rules to more specifically defining~~ define the occupations and equipment permitted or prohibited herein in this chapter, to determine occupations for which work permits shall be are required, and to issue general and special orders prohibiting or allowing the employment of persons under eighteen years of age in any place of employment defined in this chapter as hazardous to the health, safety, and welfare of such the persons as defined in this chapter.

Sec. 927. Section 94.2, unnumbered paragraph 1, Code 1985, is amended to read as follows:

It shall be the duty of the director of the department of ~~The~~ the job service commissioner, through the free employment service ~~to~~, shall:

Sec. 928. Section 94.4, Code 1985, is amended to read as follows:

94.4 SERVICE FREE.

No A fee or compensation shall not be received, either directly or indirectly, from persons applying to the ~~bureau~~ free employment service for employment or help.

Sec. 929. Section 95.1, Code 1985, is amended to read as follows:

95.1 LICENSE.

Every A person, ~~firm, or corporation~~ who shall ~~keep~~ keeps or ~~carry~~ carries on an employment agency for the purpose of procuring or offering to procure help or employment, or the

giving of information as to where help or employment may be procured either directly or through some other person or agency, and ~~where~~ if a fee, privilege, or other thing of value is exacted, charged, or received either directly or indirectly, for procuring, or assisting, or promising to procure employment, work, engagement, or situation of any kind, or for procuring or providing help or promising to provide help for any person, whether ~~such~~ the fee, privilege, or other thing of value is collected from the applicant for employment or the applicant for help, shall before transacting any such business ~~whatsoever~~ procure a license from a ~~commission, consisting of the secretary of state, the industrial commissioner, and the labor commissioner, all of whom shall serve without compensation,~~ appointed pursuant to section 91.2.

Sec. 930. Section 95.2, Code 1985, is amended to read as follows:

95.2 APPLICATION.

Application for a license shall be made in writing to the ~~commission provided in section 95.1 labor commissioner.~~ It shall The application must contain the name of the applicant, and if the applicant is a firm, the names of the members, and if it is a corporation, the names of the officers; and the name, number, and address of the building and place where the employment agency is to be conducted. ~~It shall~~ The application must be accompanied by the affidavits of at least two reputable citizens of the state in no way connected with the applicant, certifying to the good moral character and reliability of the applicant, or, if a firm or corporation, of each of the members or officers, and that the applicant is a citizen of the United States, if a natural person; also a surety company bond in the sum of twenty thousand dollars when an employee is required to contribute to the payment of fees, to be approved by the labor commissioner and conditioned to pay any damages that may accrue to any person because of a wrongful act, or violation of law, on the part of the applicant in the conduct of the business. ~~There shall also be filed with the~~ The application must be accompanied by a schedule of fees to be charged for services rendered to patrons, which schedule shall not be changed during the term of license without consent being first given by the ~~commission~~ labor commissioner.

~~Any~~ A person, firm, or corporation applying for a license, as provided in this chapter, to operate an employment agency for furnishing or procuring of employment shall furnish the ~~commission~~ labor commissioner with its contract form, which form shall distinctly provide that no fee or other thing of value in excess of one dollar shall be collected in advance of the procuring of employment and no license shall be issued unless ~~such~~ the contract form contains ~~such~~ the provision. ~~Thereafter, any~~ If a person, firm, or corporation to whom a license has been issued ~~that licensed under this chapter violates this provision of its contract,~~ the labor commissioner shall have cancel the person's license canceled.

Sec. 931. Section 95.3, Code 1985, is amended to read as follows:

95.3 ISSUANCE OR REFUSAL.

The ~~commission~~ labor commissioner shall fully investigate all applicants for the license required by section 95.1, and shall not issue ~~any~~ a license earlier than one week after the application ~~therefor~~ is filed, ~~provided, however, that the commission.~~ However, the labor commissioner shall either grant or refuse ~~such~~ a license within thirty days from the date of the filing of the application. All licenses issued under the ~~provisions of this chapter shall expire on June 30 next succeeding their issuance.~~

Sec. 932. Section 95.5, Code 1985, is amended to read as follows:

95.5 REVOCATION OF LICENSE.

The ~~commission~~ labor commissioner may revoke at any time ~~any such~~ a license issued by it upon good cause shown and when there has been a substantial violation of ~~any of the provisions of law regulatory of such~~ regulating the business has occurred.

Sec. 933. Section 96.10, Code 1985, is amended to read as follows:

96.10 DEPARTMENT DIVISION OF JOB SERVICE.

There is established an Iowa department of job service. The chief executive officer of the division of job service of the department of employment services is the director of job service commissioner who shall be appointed by the governor subject to confirmation by the senate and shall serve at the pleasure of the governor. The commissioner shall be subject to reconfirmation by the senate, under the confirmation procedures of section 2.32, during the regular session of the general assembly convening in January if the commissioner will complete the commissioner's fourth year in office on or before the following April 30. The director commissioner shall be selected solely on the ability to administer the duties and functions granted to the department division and shall devote full time to the duties of director commissioner. If the office of director commissioner becomes vacant, the vacancy shall be filled in the same manner as the original appointment was made.

The salary of the director commissioner shall be set by the governor within the applicable salary range established by the general assembly.

The director of the department may establish, consolidate, and abolish divisions of the department when necessary for the efficient performance of the department.

Sec. 934. Section 96.11, subsection 4, unnumbered paragraph 1, Code Supplement 1985, is amended by striking the unnumbered paragraph.

Sec. 935. Section 96.19, Code 1985, is amended by adding the following new subsections:
NEW SUBSECTION. 39. "Department" means the department of employment services created in section 84A.1.

NEW SUBSECTION. 40. "Commissioner" means the job service commissioner of the division of job service of the department of employment services appointed pursuant to section 96.10.

Sec. 936. Section 99C.2, Code 1985, is amended to read as follows:

99C.2 STATE COMMISSIONER.

There is hereby created a The labor commissioner, appointed pursuant to section 91.2, shall also serve as the state commissioner of athletics to be appointed by the governor. The commissioner shall serve at the pleasure of the governor, and shall serve until the commissioner's successor is appointed and qualified. The commissioner shall receive such compensation and expenses as may be approved by the governor.

Sec. 937. Section 104.1, subsections 3, 4, 15, 16, and 17, Code 1985, are amended to read as follows:

3. "Division" means the elevator safety division of labor services of the department of employment services created by this chapter as a part of the bureau of labor under section 84A.1.

4. "Commissioner" means the labor commissioner, appointed pursuant to section 91.2, or the labor commissioner's designee.

15. "Inspector" means an inspector employed by the bureau of labor division for the purpose of administering this chapter.

16. "Special inspector" means an inspector licensed by the labor commissioner, and not employed by the bureau of labor division.

17. "Provisions of this chapter" includes rules adopted by the labor commissioner pursuant to this chapter.

Sec. 938. Section 241.3, subsection 2, Code 1985, is amended to read as follows:

2. The department shall consult and co-operate with the department division of job service of the department of employment services, the United States commissioner of social security administration, the commission on division of the status of women of the department of human

rights, the representative of the administrative agency administering the job training partnership Act, the state department of public instruction education and other persons in the executive branch of the state government as the department considers appropriate to facilitate the co-ordination of multipurpose service programs established under this chapter with existing programs of a similar nature.

Sec. 939. Section 455D.3, subsection 1, Code 1985, is amended by striking the subsection and inserting in lieu thereof the following:

1. "Division" means the division of labor services of the department of employment services created under section 84A.1.

Sec. 940. Section 455D.8, subsections 2 and 4, Code 1985, are amended to read as follows:

2. The ~~bureau~~ division of labor services shall administer this division of the chapter. The ~~bureau~~ division may exercise the enforcement powers set out in chapter 88 and the rules adopted pursuant to chapter 88 to enforce this division of the chapter.

4. In addition to the chemical information required to be reported under federal hazard communication standard 29 C.F.R. sec. 1910.1200(d), the ~~bureau~~ labor commissioner may adopt by rule additional hazardous chemical information to be regulated, if the interagency council recommends such action pursuant to section ~~455D.17~~.

Sec. 941. Section 455D.12, subsection 2, Code 1985, is amended to read as follows:

2. The ~~bureau~~ division of labor services shall receive and handle requests for information and complaints under this division of this chapter which involve employer information covered under division II of this chapter. The ~~bureau~~ labor commissioner shall adopt rules pursuant to chapter 17A regarding requests for information and the investigation and adjudication of complaints.

Sec. 942. Section 455D.15, subsection 1, Code 1985, is amended to read as follows:

1. At the same time that an employer provides the information to employees required under division II, the employer shall submit to the local fire department a list of hazardous chemicals which are consistently generated by, used by, stored at, or transported from the employer's facility. The information shall be provided in sufficient specificity that the local fire department is informed of the nature of the hazardous chemicals, the hazards presented by the chemicals, and the appropriate response in dealing with an emergency involving the hazardous chemicals. The information shall conform to guidelines adopted by the ~~bureau~~ ~~from~~ recommendations of the interagency council under section ~~455D.19~~ labor commissioner. The employer shall send the information by certified mail. The ~~bureau~~ labor commissioner shall adopt rules exempting employers from this requirement when buildings or structures do not contain significant amounts of a hazardous chemical.

Sec. 943. Section 601H.5, Code 1985, is repealed.

Sec. 944. CODIFICATION. In the codification of this Act, the Code editor may:

1. Transfer chapters 90 and 93A to chapter numbers less than 85 or greater than 97.

2. Transfer chapters 97C, 99C, 104, and 455D to chapter numbers between 84A and 97.

However, if the Code arrangement required by this section is not feasible or is not satisfactory to the Code editor, the Code editor may rearrange the affected chapters as necessary.

DEPARTMENT OF ELDER AFFAIRS

DIVISION I

FINDINGS, DECLARATIONS, POLICY, AND DEFINITIONS

Sec. 1001. NEW SECTION. 249D.1 SHORT TITLE.

This chapter, entitled the "Elder Iowan's Act", sets forth the state's commitment to its elders, their dignity, independence, and rights.

Sec. 1002. NEW SECTION. 249D.2 LEGISLATIVE FINDINGS AND DECLARATION.

The general assembly finds and declares that:

1. Iowa's elders constitute a fundamental resource which has been undervalued, and the means must be found to recognize and use the competence, wisdom, and experience of our elders for the benefit of all Iowans.
2. The number of persons in this state age sixty and older is increasing rapidly, and of these elders, the number of women, minorities, and persons eighty-five years of age or older is increasing at an even greater rate.
3. The social and health problems of older people are compounded by a lack of access to existing services and by the unavailability of a complete range of services in all areas of the state.
4. The ability of older people to maintain self sufficiency and to live their lives with dignity, productivity, and creativity is a matter of profound importance and concern for this state.

Sec. 1003. NEW SECTION. 249D.3 STATE POLICY AND OBJECTIVES.

The general assembly declares that it is the policy of the state to work toward attainment of the following objectives for Iowa's elders:

1. An adequate income in retirement.
2. Access to physical and mental health care without regard to economic status.
3. Suitable housing, appropriate to the special needs of older people.
4. Full restorative services for those who require institutional care, and a comprehensive array of community-based, long-term care services adequate to sustain older people in their communities and, whenever possible, in their homes.
5. Pursuit of meaningful activity within the widest range of civic, cultural, educational, recreational, and employment opportunities.
6. Suitable community transportation systems to assist in the attainment of independent movement.
7. Freedom, independence, and the free exercise of individual initiative in planning and managing their own lives.

Sec. 1004. NEW SECTION. 249D.4 DEFINITIONS.

For purposes of this chapter, unless the context otherwise requires:

1. "Comprehensive and coordinated system" means a system for providing all necessary supportive services, including nutrition services, in a manner designed to:
 - a. Facilitate accessibility to, and utilization of, all supportive services and nutrition services provided within the geographic area served by the system by any public or private agency or organization.
 - b. Develop and make the most efficient use of supportive services and nutrition services in meeting the needs of elders.
 - c. Use available resources efficiently and with a minimum of duplication.
2. "Information and referral source" means a location where a department of elder affairs or any public or private agency or organization:
 - a. Maintains current information with respect to the opportunities and services available to elders, and develops current lists of elders in need of services and opportunities.
 - b. Employs, where feasible, a specially trained staff to assess the needs and capacities of elders, and to inform elders of the opportunities and services.
3. "Legal assistance" means legal advice and representation by an attorney including, but not limited to, counseling or other appropriate assistance by a paralegal or law student under the supervision of an attorney, and includes counseling or representation by a person who does not possess a juris doctorate, where permitted by law, of elders with economic or social needs.
4. "Elder" means an individual who is sixty years of age or older. "Elderly" means individuals sixty years of age or older.

5. "Multipurpose senior center" means a community facility for the organization and provision of a broad spectrum of services, which shall include, but not be limited to, health, social, nutritional, and educational services and the provision of facilities for recreational activities for elders.

6. "Focal point" means a facility established to encourage the maximum collocation and coordination of services for elders.

7. "Greatest economic need" means the need resulting from an income level at or below the poverty threshold established by the bureau of the census.

8. "Greatest social need" means the need caused by noneconomic factors which include physical and mental disabilities, language barriers, and cultural or social isolation including that caused by racial or ethnic status which restricts an individual's ability to perform normal daily tasks or which threatens the elder's capacity to live independently.

9. "Equivalent support" means in-kind contributions of services, goods, volunteer support time, administrative support, or other support reasonably determined by the commission as equivalent to a dollar amount.

10. "Federal Act" means the Older Americans Act of 1965, 42 U.S.C. §§ 3001 et seq., as amended to and including February 1, 1986.

11. "Commission" means the commission of elder affairs.

12. "Executive director" means the director of the department of elder affairs.

13. "Administrative action" means an action or decision made by an owner, employee, or agent of a long-term care facility, or by a governmental agency, which affects the service provided to residents covered in this chapter.

14. "Long-term care facility" means a long-term care unit of a hospital, a licensed hospice program, a foster group home, a group living arrangement, or a facility licensed under section 135C.1 whether the facility is public or private.

15. "Resident's advocate program" means the state long-term care resident's advocate program operated by the commission of elder affairs and administered by the long-term care resident's advocate.

16. "Department" means the department of elder affairs.

DIVISION II COMMISSION OF ELDER AFFAIRS

Sec. 1005. NEW SECTION. 249D.11 COMMISSION ESTABLISHED.

The commission of elder affairs is established which shall consist of eleven members. Two members shall be appointed by the majority leader of the senate from the members of the senate to serve as ex officio nonvoting members with no more than one member being appointed from the same political party. Two members shall be appointed by the speaker of the house of representatives from the members of the house to serve as ex officio nonvoting members with no more than one member being appointed from the same political party. Seven members shall be appointed by the governor subject to confirmation by the senate. Not more than a simple majority of the governor's appointees shall belong to the same political party. At least four of the seven members appointed by the governor shall be fifty-five years of age or older when appointed.

Sec. 1006. NEW SECTION. 249D.12 TERMS.

All members of the commission shall be appointed for terms of four years, with staggered expiration dates. The terms of office shall commence on the first day of July. Any vacancy on the commission shall be filled for the unexpired term of the vacancy in the same manner as the original appointment. If a legislative member ceases to be a member of the general assembly the legislative member may continue to serve until a successor is appointed.

Sec. 1007. NEW SECTION. 249D.13 MEETINGS — OFFICERS.

Members of the commission shall elect from the commission's membership a chairperson, and other officers as commission members deem necessary, who shall serve for a period of two years. The commission shall meet at regular intervals at least six times each year and may hold special meetings at the call of the chairperson or at the request of a majority of the commission membership. The commission shall meet at the seat of government or such other place as the commission may designate. Members shall be paid forty dollars per diem and shall receive reimbursement for actual expenses for their official duties.

Sec. 1008. NEW SECTION. 249D.14 COMMISSION DUTIES AND AUTHORITY.

The commission is the policymaking body of the sole state agency responsible for administration of the Older Americans Act of 1965, as amended. The commission shall:

1. Approve state and area plans on aging.
2. Adopt policies to coordinate state activities related to the purposes of this chapter.
3. Serve as an effective and visible advocate for elders by establishing policies for reviewing and commenting upon all state plans, budgets, and policies which affect elders and for providing technical assistance to any agency, organization, association, or individual representing the needs of elders.
4. Divide the state into distinct planning and service areas after considering the geographical distribution of elders in the state, the incidence of the need for supportive services, nutrition services, multipurpose senior centers, and legal services, the distribution of elders who have low incomes residing in such areas, the distribution of resources available to provide such services or centers, the boundaries of existing areas within the state which are drawn for the planning or administration of supportive services programs, the location of units of general purpose, local government within the state, and any other relevant factors.
5. Designate for each planning and service area a public or private nonprofit agency or organization as the area agency on aging for that area.
6. Adopt policies to assure that the department will take into account the views of recipients of supportive services or nutrition services, or elders using multipurpose senior centers in the development of policy.
7. Adopt a formula for the distribution of federal Older Americans Act funds taking into account, to the maximum extent feasible, the best available data on the geographic distribution of elders in the state, and publish the formula for review and comment.
8. Adopt policies to assure that preference will be given to providing services to elders with the greatest economic or social needs, with particular attention to low-income minority elders, and include methods of carrying out the preference in the state plan.
9. Adopt policies to administer state programs authorized by this chapter.

The commission shall adopt administrative rules pursuant to chapter 17A to implement the duties specified in this chapter.

DIVISION III
DEPARTMENT OF ELDER AFFAIRS

Sec. 1009. NEW SECTION. 249D.21 DEPARTMENT OF ELDER AFFAIRS.

An Iowa department of elder affairs is established which shall administer this chapter under the policy direction of the commission of elder affairs. The department of elder affairs shall be administered by an executive director.

Sec. 1010. NEW SECTION. 249D.22 EXECUTIVE DIRECTOR.

The governor, subject to confirmation by the senate, shall appoint an executive director of the department of elder affairs who shall, subject to chapter 19A, employ and direct staff as necessary to carry out the powers and duties created by this chapter. The executive director shall serve at the pleasure of the governor. However, the executive director is subject to reconfirmation by the senate as provided in section 2.32, subsection 8. The governor shall set the salary for the executive director within the range set by the general assembly.

The executive director shall have the following qualifications and training:

1. Training in the field of gerontology, social work, public health, public administration, or other related fields.
2. Direct experience or extensive knowledge of programs and services related to elders.
3. Demonstrated understanding and concern for the welfare of elders.
4. Demonstrated competency and recent working experience in an administrative, supervisory, or management position.

Sec. 1011. NEW SECTION. 249D.23 DEPARTMENT OF ELDER AFFAIRS – DUTIES AND AUTHORITY.

The department of elder affairs executive director shall:

1. Develop and administer a state plan on aging.
2. Assist the commission in the review and approval of area plans.
3. Pursuant to commission policy, coordinate state activities related to the purposes of this chapter.
4. Advocate for elders by reviewing and commenting upon all state plans, budgets, and policies which affect elders and by providing technical assistance to any agency, organization, association, or individual representing the needs of the elders.
5. Assist the commission in dividing the state into distinct planning and service areas.
6. Assist the commission in designating for each area a public or private nonprofit agency or organization as the area agency on aging for that area.
7. Pursuant to commission policy, take into account the views of elder Iowans.
8. Assist the commission in adopting a formula for the distribution of funds available from the federal Act.
9. Assist the commission in assuring that preference will be given to providing services to elders with the greatest economic or social needs, with particular attention to low-income minority elders.
10. Assist the commission in developing, adopting, and enforcing administrative rules, by issuing necessary forms and procedures.
11. Apply for, receive, and administer grants and gifts to conduct projects consistent with the purposes of this chapter.
12. Administer state authorized programs.

**DIVISION IV
PLANNING AND SERVICE DELIVERY**

Sec. 1012. NEW SECTION. 249D.31 STATE PLAN ON AGING.

The department of elder affairs shall develop, and submit to the commission of elder affairs for approval, a multiyear state plan on aging. The state plan on aging shall meet all applicable federal requirements and shall:

1. Be based upon area plans developed by area agencies on aging and submitted in a uniform format prepared and distributed by the department.
2. Require that each area agency on aging develop and submit to the commission for approval an area plan which complies with federal law.
3. Evaluate the need for supportive services, including legal assistance, nutrition services, and multipurpose senior centers within the state, and determine the extent to which existing public or private programs meet those needs.
4. Adopt methods for effective and efficient administration of the state and area plans.
5. Adopt methods for periodic evaluation of activities and projects carried out under the state plan.
6. Prohibit the direct provision of supportive services or nutrition services by the department of elder affairs or an area agency on aging unless necessary to assure an adequate supply of such services, or unless the services are directly related to the department of elder affairs or area agency on aging's administrative functions, or unless services of comparable quality can be provided more economically by the department of elder affairs or area agency on aging.

Sec. 1013. NEW SECTION. 249D.32 CRITERIA FOR DESIGNATION OF AREA AGENCIES ON AGING.

1. The commission shall designate thirteen area agencies on aging, the same of which existed on July 1, 1985. The commission shall continue the designation until an area agency's on aging designation is removed for cause as determined by the commission or until the agency voluntarily withdraws as an area agency on aging. In that event, the commission shall then proceed with subsections 2 and 3.

2. The commission shall designate an area agency to serve each planning and service area, after consideration of the views offered by the political subdivisions in the area. An area agency may be:

a. An established office of aging which is operating within a planning and service area designated by the commission.

b. Any office or agency of a unit of a political subdivision, which is designated for the purpose of serving as an area agency by the chief elected official of such unit.

c. Any office or agency designated by the appropriate chief elected officials of any combination of political subdivisions to act on behalf of the combination for such purpose.

d. Any public or nonprofit private agency in a planning and service area which is under the supervision or direction for this purpose of the department of elder affairs and which can engage in the planning or provision of a broad range of supportive services or nutrition services within the planning and service area.

Each area agency shall provide assurance, determined adequate by the commission, that the area agency has the ability to develop an area plan and to carry out, directly or through contractual or other arrangements, a program in accordance with the plan within the planning and service area. In designating an area agency on aging within the planning and service area, the commission shall give preference to an established office of aging, unless the commission finds that no such office within the planning and service area has the capacity to carry out the area plan.

3. When the commission designates a new area agency on aging the commission shall give the right of first refusal to a political subdivision if:

a. Such unit can meet the requirements of subsection 1.

b. The boundaries of such a unit and the boundaries of the area are reasonably contiguous.

Sec. 1014. NEW SECTION. 249D.33 AREA AGENCIES ON AGING DUTIES.

Each area agency on aging shall:

1. Develop and administer an area plan on aging.

2. Assess the types and levels of services needed by older persons in the planning and service area, and the effectiveness of other public or private programs serving those needs.

3. Enter into subgrants or contracts to provide all services under the plan.

4. Provide technical assistance as needed, prepare written monitoring reports at least quarterly, and provide a written report of an annual on-site assessment of all service providers funded by the area agency.

5. Coordinate the administration of its plan with federal programs and with other federal, state, and local resources in order to develop a comprehensive and coordinated service system.

6. Establish an advisory council.

7. Give preference in the delivery of services under the area plan to elders with the greatest economic or social need.

8. Assure that elders in the planning and service area have reasonably convenient access to information and referral services.

9. Provide adequate and effective opportunities for elders to express their views to the area agency on policy development and program implementation under the area plan.

10. Designate community focal points.

11. Contact outreach efforts, with special emphasis on the rural elderly, to identify elders with greatest economic or social needs and inform them of the availability of services under the area plan.
12. Develop and publish the methods that the agency uses to establish preferences and priorities for services.
13. Attempt to involve the area lawyers in legal assistance activities.
14. Submit all fiscal and performance reports in accordance with the policies of the commission.
15. Monitor, evaluate, and comment on policies, programs, hearings, levies, and community actions which significantly affect the lives of elders.
16. Conduct public hearings on the needs of elders.
17. Represent the interests of elders to public officials, public and private agencies, or organizations.
18. Coordinate activities in support of the statewide long-term care resident's advocate program.
19. Coordinate planning with other agencies and organizations to promote new or expanded benefits and opportunities for elders.
20. Coordinate planning with other agencies for assuring the safety of elders in a natural disaster or other safety threatening situation.

DIVISION V
LONG-TERM CARE RESIDENT'S ADVOCATE

Sec. 1015. NEW SECTION. 249D.41 PURPOSE.

The purpose of this division is to establish the long-term care resident's advocate program operated by the Iowa commission of elder affairs in accordance with the requirements of the Older Americans Act of 1965, and to adopt the supporting federal regulations and guidelines for its implementation. In accordance with chapter 17A, the commission of elder affairs shall adopt and enforce rules for the implementation of this division.

Sec. 1016. NEW SECTION. 249D.42 LONG-TERM CARE RESIDENT'S ADVOCATE — DUTIES.

The Iowa commission of elder affairs, in accordance with section 3027(a)(12) of the federal Act, shall establish the office of long-term care resident's advocate within the commission. The long-term care resident's advocate shall:

1. Investigate and resolve complaints about administrative actions that may adversely affect the health, safety, welfare, or rights of elderly in long-term care facilities.
2. Monitor the development and implementation of federal, state, and local laws, regulations, and policies that relate to long-term care facilities in Iowa.
3. Provide information to other agencies and to the public about the problems of elderly in long-term care facilities.
4. Train volunteers and assist in the development of citizens' organizations to participate in the long-term care resident's advocate program.
5. Carry out other activities consistent with the resident's advocate provisions of the federal Act.
6. Administer the care review committee program.
7. Report annually to the general assembly on the activities of the resident's advocate office.

The resident's advocate shall have access to long-term care facilities, private access to residents, access to residents' personal and medical records, and access to other records maintained by the facilities or governmental agencies pertaining only to the person on whose behalf a complaint is being investigated.

Sec. 1017. NEW SECTION. 249D.43 AUTHORITY AND RESPONSIBILITIES OF THE COMMISSION.

To ensure compliance with the federal Act the commission of elder affairs shall establish the following:

1. Procedures to protect the confidentiality of a resident's records and files.
2. A statewide uniform reporting system.
3. Procedures to enable the long-term care resident's advocate to elicit, receive, and process complaints regarding administrative actions which may adversely affect the health, safety, welfare, or rights of elderly in long-term care facilities.

Sec. 1018. NEW SECTION. 249D.44 CARE REVIEW COMMITTEE.

1. The care review committee program is administered by the long-term care resident's advocate program.
2. The responsibilities of the care review committee are in accordance with the rules adopted by the commission pursuant to chapter 17A. When adopting the rules, the commission shall consider the needs of residents of each category of licensed health care facility as defined in chapter 135C.1, subsection 4, and the services each facility may render. The commission shall coordinate the development of rules with the mental health and mental retardation commission to the extent the rules would apply to a facility primarily serving persons who are mentally ill, mentally retarded, or developmentally disabled. The commission shall coordinate the development of appropriate rules with other state agencies.

DIVISION VI
PROGRAMS

Sec. 1019. NEW SECTION. 249D.51 SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM (SCSEP), TITLE V OF THE OLDER AMERICANS ACT.

The department will direct and administer the senior community service employment program (SCSEP) as authorized by the federal Act in coordination with the department of job service and the department of economic development.

The purpose of the senior community service employment program is to foster and promote useful part-time opportunities in community service activities for unemployed, low-income persons who are fifty-five years old or older.

Funds appropriated to the department from the United States department of labor shall be distributed to local projects in accordance with federal requirements.

The department shall require such uniform reporting and financial accounting by area agencies on aging and local projects as may be necessary to fulfill the purposes of this section.

Sec. 1020. NEW SECTION. 249D.52 RETIRED IOWANS COMMUNITY EMPLOYMENT PROGRAM (RICEP).

The department shall establish the retired Iowans community employment program in coordination with the department of job service to encourage and promote the meaningful employment of older citizens in the state.

Funds appropriated to the department for this purpose shall be distributed statewide according to administrative rules by the commission.

The department shall require such uniform reporting and financial accounting by area agencies on aging and local projects as may be necessary to fulfill the purposes of this section.

Sec. 1021. NEW SECTION. 249D.53 COORDINATION WITH JOB TRAINING PARTNERSHIP ACT.

The employment and training program administered by the department shall be coordinated with the training program for older individuals administered by the department of economic development under the job training partnership Act.

A proposed annual plan for coordinating these programs shall be developed jointly by the department of elder affairs, the department of economic development, the department of

education, and the division of job service of the department of employment services for submittal to the state job training coordinating council. The state job training coordinating council shall take the proposed plan under advisement in preparing a final annual plan for coordinating these programs which will be submitted to the governor.

After the end of each annual planning period, the department of elder affairs, the department of economic development, the department of education, and the division of job service of the department of employment services shall submit a joint report to the state job training coordinating council describing the services provided to elderly Iowans, assessing the extent to which coordination of programs was achieved, and making recommendations for improving coordination.

Sec. 1022. NEW SECTION. 249D.54 ELDERLAW EDUCATION PROGRAM.

The department shall establish a program of financial support for law school clinic programs in Iowa to provide legal assistance to elders and to provide training and experience to law students in serving elders. Funds appropriated for this purpose shall be instituted based on administrative rules adopted by the commission. The department shall require such records as needed to implement this section.

Sec. 1023. NEW SECTION. 249D.55 RETIRED SENIOR VOLUNTEER PROGRAMS.

The department shall establish a program of financial support for local retired senior volunteer programs to provide basic administrative support through block grants and to provide for program expansion through discretionary grants. Funds appropriated for this purpose shall be distributed in accordance with administrative rules adopted by the commission. The department shall require such records of local projects as needed to implement this section.

Sec. 1024. NEW SECTION. 249D.56 ELDERLY SERVICES PROGRAM.

The department shall establish an elderly services program to reduce institutionalization and encourage community involvement to help the elderly remain in their own homes. Funds appropriated for this purpose shall be instituted based on administrative rules adopted by the commission. The department shall require such records as needed to implement this section.

Sec. 1025. NEW SECTION. 249D.57 COORDINATION OF ADVOCACY.

The department shall establish a program for the coordination of information and assistance provided within the state to assist elders in obtaining and protecting their rights and benefits. The division of insurance, office of the attorney general, the citizens' aide/ombudsman, and other state and local agencies providing information and assistance to elders in seeking their rights and benefits shall cooperate with the department in developing and implementing this program. The program shall include review of health insurance policies marketed to elders and other health-related written material distributed to elders for marketing purposes.

Sec. 1026. NEW SECTION. 249D.58 LONG-TERM CARE COORDINATING UNIT.

1. A long-term care coordinating unit is created within the department of elder affairs. The membership of the coordinating unit consists of:
 - a. The commissioner of human services.
 - b. The executive director of the department of elder affairs.
 - c. The director of public health.
2. The long-term care coordinating unit shall:
 - a. Develop, for legislative review, the mechanisms and procedures necessary to implement, utilizing current personnel, a case-managed system of long-term care based on a uniform comprehensive assessment tool.

b. Develop common intake and release procedures for the purpose of determining eligibility at one point of intake and determining eligibility for programs administered by the departments of human services, public health, and elder affairs, such as the medical assistance program, federal food stamp program, and homemaker-home health aid programs.

c. Develop common definitions for long-term care services.

d. Develop procedures for coordination at the local and state level among the providers of long-term care, including when possible co-campusing of services. The director of the department of general services shall give particular attention to this section when arranging for office space pursuant to section 18.12 for these three departments.

e. Prepare a long-range plan for the provision of long-term care services within the state.

f. Propose rules and procedures for the development of a comprehensive long-term care and community-based services program.

g. Submit a report of its activities to the governor and general assembly on January 15 of each year.

Sec. 1027. Section 135C.25, subsection 2, Code 1985, is amended to read as follows:

2. Each care review committee shall periodically review the needs of each individual resident of the facility and shall perform the functions pursuant to sections 135C.38 and ~~249B.35~~ 249D.44.

Sec. 1028. Section 145.2, unnumbered paragraph 2, Code 1985, is amended to read as follows:

The commission consists of the executive director of the department of elder affairs, the commissioners of health, insurance, and human services, the director of public health, one state senator and one state representative who shall not be of the same party, shall be non-voting members, and shall be appointed each year by the president of the senate and speaker of the house, respectively, and the chairperson of the board of directors of the corporation or the head of the association or other entity providing staff for the commission as provided by section 145.3 who shall be a nonvoting member. The ~~commissioner~~ commissioners, director, and executive director members shall annually select the chairperson of the commission from among the ~~three~~ four voting ~~commissioner~~ commission members. A majority of the ~~six~~ seven members including at least two voting members constitute a quorum.

Sec. 1029. Section 145.3, subsection 4, Code Supplement 1985, is amended by adding the following new lettered paragraph:

NEW LETTERED PARAGRAPH. f. The commissioner of human services, the director of public health, and the executive director of the department of elder affairs collect and analyze long-term care data.

Sec. 1030. The members of the commission on the aging shall continue in office as members of the commission of elder affairs until their terms expire.

Sec. 1031. Chapter 249B, Code 1985, is repealed.

DEPARTMENT OF PUBLIC HEALTH

Sec. 1101. Section 135.1, subsections 1 and 2, Code 1985, are amended to read as follows:

1. "~~Commissioner~~ Director" shall mean the ~~commissioner~~ director of public health.

2. "State department" or "department" shall mean the ~~state~~ Iowa department of public health.

Sec. 1102. Section 135.2, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

135.2 APPOINTMENT OF DIRECTOR.

The governor shall appoint the director of the department, subject to confirmation by the senate. The director shall serve at the pleasure of the governor. The director is exempt from chapter 19A. The governor shall set the salary of the director within the range established by the general assembly.

The director shall possess education and experience in public health.

Sec. 1103. Section 135.6, Code 1985, is amended to read as follows:

135.6 ASSISTANTS AND EMPLOYEES.

The ~~commissioner~~ director shall employ such assistants and employees as may be authorized by law, and the persons thus appointed shall perform such duties as may be assigned to them by the commissioner, but the head of the division of examinations and licenses shall not be a person who has been licensed to practice any of the professions for which a license must be obtained from the department to practice the same in this state director.

Sec. 1104. Section 135.11, Code 1985, is amended to read as follows:

135.11 POWERS AND DUTIES.

The ~~commissioner~~ director of public health shall be the head of the "State Iowa Department of Public Health", which shall:

1. Exercise general supervision over the public health, promote public hygiene and sanitation, prevent substance abuse and unless otherwise provided, enforce the laws relating to the same.

2. Conduct campaigns for the education of the people in hygiene and sanitation.

3. Issue monthly health bulletins containing fundamental health principles and other health data deemed of public interest.

4. Make investigations and surveys in respect to the causes of disease and epidemics, and the effect of locality, employment, and living conditions upon the public health. For this purpose the department may use the services of the experts connected with the state hygienic laboratory at the state University of Iowa.

5. Make inspections of the sanitary conditions in the educational, charitable, correctional, and penal institutions in the state. However, the secretary of agriculture shall make inspections for sanitation of the areas where food is prepared or served in the adult penal and correctional facilities and the juvenile facilities as provided in section 159.5, subsection 14.

6. Make inspections of the sanitary conditions in any locality of the state upon written petition of five or more citizens from said locality, and issue directions for the improvement of the same, which shall be executed by the local board.

7. Establish, publish, and enforce a code of rules governing the installation of plumbing in cities and amend the same when deemed necessary in the manner prescribed in section 135.12.

8. Exercise general supervision over the administration of the housing law and give aid to the local authorities in the enforcement of the same, and it shall institute in the name of the state such legal proceedings as may be necessary in the enforcement of said law.

9. Establish stations throughout the state for the distribution of antitoxins and vaccines to physicians, druggists, and other persons, at cost. All antitoxin and vaccine thus distributed shall be labeled "Iowa State Department of Public Health."

10. Exercise general supervision over the administration and enforcement of the venereal disease law, chapter 140.

11. Exercise sole jurisdiction over the disposal and transportation of the dead bodies of human beings and prescribe the methods to be used in preparing such bodies for disposal and transportation.

12. Exercise general supervision over the administration and enforcement of the vital statistics law, chapter 144.

13. Enforce the law relative to the "Practice of Certain Professions Affecting the Public Health," Title VIII.

14. Establish and maintain such divisions in the department as are necessary for the proper enforcement of the laws administered by it, including a division of contagious and infectious diseases, a division of venereal diseases, a division of housing, a division of sanitary engineering, and a division of vital statistics, and a division of examinations and licenses; but the various services of the department shall be so consolidated as to eliminate unnecessary personnel and make possible the carrying on of the functions of the department under the most economical methods.

15 13. Establish, publish, and enforce rules not inconsistent with law for the enforcement of the provisions of this title and chapter 125 and for the enforcement of the various laws, the administration and supervision of which are imposed upon the department.

16 14. Establish standards for, issue permits, and exercise control over the distribution of venereal disease prophylactics distributed by methods not under the direct supervision of a physician licensed under chapter 148, 150 or 150A, or a pharmacist licensed under chapter 147. Any person selling, offering for sale, or giving away any venereal disease prophylactics in violation of the standards established by the department shall be fined not exceeding five hundred dollars, and the department shall revoke their permit.

17 15. Administer the statewide public health nursing and homemaker-home health aide programs by approving grants of state funds to the local boards of health and the county boards of supervisors and by providing guidelines for the approval of the grants and allocation of the state funds.

18 16. Establish, publish, and enforce rules not inconsistent with the law as necessary to obtain from persons licensed or regulated by the department the data required pursuant to section 145.3 by the state health data commission.

17. Administer chapters 125, 135A, 135B, 135C, 135D, 136A, 136C, 139, 140, 142, 144, and 147A.

18. Issue an annual report to the governor by October 1 of each year.

19. Administer the statewide maternal and child health program and the crippled children's program by conducting mobile and regional child health specialty clinics and conducting other activities to improve the health of low-income women and children and to promote the welfare of children with actual or potential handicapping conditions and chronic illnesses in accordance with the requirements of Title V of the Social Security Act.

Sec. 1105. NEW SECTION. 135.11A PROFESSIONAL LICENSURE DIVISION.

There shall be a professional licensure division within the department of public health. Each board of examiners specified under chapter 147 or under the administrative authority of the department, except the state board of nursing, state board of medical examiners, state board of dental examiners, and state board of pharmacy examiners, shall receive administrative and clerical support from the division and may not employ its own support staff for administrative and clerical duties.

Sec. 1106. Section 135.15, Code 1985, is amended to read as follows:

135.15 PLUMBING CODE FUND.

Cities licensing plumbers shall pay to the treasurer of state one dollar for each license issued and twenty-five cents for each renewal thereof. The fee so received shall be kept by the treasurer of the state in a separate fund to be known as the plumbing code fund. Such fund shall be used in paying the claims arising under section 135.14 and in paying the cost of printing the code of rules governing the installation of plumbing, plumbers' license and application blanks.

Sec. 1107. NEW SECTION. 135.31 LOCATION OF BOARDS.

The offices for the state board of medical examiners, the state board of pharmacy examiners, the state board of nursing examiners, and the state board of dental examiners shall be located within the department of public health. The individual boards shall have policymaking and rulemaking authority.

Sec. 1108. Section 135.39, Code 1985, is amended to read as follows:

135.39 FEDERAL AID.

The state department of public health is hereby authorized to accept financial aid from the government of the United States for the purpose of assisting in carrying on public health work or substance abuse responsibility in the state of Iowa.

Sec. 1109. Section 135.62, subsection 2, paragraph c, Code 1985, is amended to read as follows:

c. MEETINGS. The council shall hold an organizational meeting in July of each odd-numbered year, or as soon thereafter as the new appointee or appointees are confirmed and have qualified. Other meetings shall be held at least once each month, and may be held more frequently if necessary to enable the council to expeditiously discharge its duties. Meeting dates shall be set upon adjournment or by call of the chairperson upon five days' notice to the other members. Each member of the council shall receive a salary as fixed by the general assembly and an annual salary of three thousand dollars and reimbursement for necessary travel and actual expenses while engaged in official duties.

Sec. 1110. Section 135.63, Code 1985, is amended by adding the following new subsection:

NEW SUBSECTION. 3. This division shall not be construed to be applicable to a health care facility operated by and for the exclusive use of members of a religious order, which does not admit more than two individuals to the facility from the general public, and which was in operation prior to the effective date of this Act. However, this division is applicable to such a facility if the facility is involved in the offering or developing of a new or changed institutional health service on or after the effective date of this Act.

Sec. 1111. Section 135.91, unnumbered paragraph 2, Code 1985, is amended to read as follows:

The hospice program shall meet the criteria pursuant to section 135.95 before a license is issued. The department of inspections and appeals is responsible to provide the necessary personnel to inspect the hospice program, the home care and inpatient care provided and the hospital or facility used by the hospice to determine if the hospice complies with necessary standards before a license is issued. Hospices that are certified as medicare hospice providers by the department of inspections and appeals or are accredited as hospices by the joint commission for accreditation of hospitals, shall be licensed without inspection by the department of inspections and appeals.

Sec. 1112. Section 135.94, Code 1985, is amended to read as follows:

135.94 INSPECTION.

The department of audits and appeals shall make or be responsible for inspections of the hospice program, the home care and the inpatient care provided in the hospice program, and the hospital or facility before a license is issued. The department of audits and appeals shall inspect the hospice program periodically after initial inspection.

Sec. 1113. Section 135C.6, Code Supplement 1985, is amended by adding the following new subsection:

NEW SUBSECTION. 6. A health care facility operated by and for the exclusive use of members of a religious order, which does not admit more than two individuals to the facility from the general public, may be operated without obtaining a license under this chapter and shall not be deemed to be licensed by the state.

Sec. 1114. Section 135D.1, subsection 2, unnumbered paragraph 3, Code 1985, is amended to read as follows:

A mobile home park must be classified as to whether it is a residential mobile home park or a recreational mobile park or both. Sections 135D.14 and 135D.15 shall apply only to recreational mobile home parks. The mobile home park residential landlord tenant Act shall only apply applies to residential mobile home parks.

Sec. 1115. Section 135D.24, subsection 3, Code Supplement 1985, is amended to read as follows:

3. Each mobile home park licensee owner shall notify monthly the county treasurer concerning any mobile home or manufactured home arriving in or departing from the park

without a tax clearance statement. The records of the licensee owner shall be open to inspection by a duly authorized representative of any law enforcement agency. Any property owner, manager or tenant shall report to the county treasurer mobile homes parked upon any property owned, managed, or rented by that person.

Sec. 1116. Section 331.304, Code 1985, is amended by adding the following new subsection:

NEW SUBSECTION. 10. A county shall not adopt or enforce any ordinance imposing any registration or licensing system or registration or license fees for owner-occupied mobile homes including the lots or lands upon which they are located. A county shall not adopt or enforce any ordinance imposing any registration or licensing system, or registration or license fees, or safety or sanitary standards for rental mobile homes unless similar registration or licensing system, or registration or license fees, or safety or sanitary standards are required for other rental properties intended for human habitation. This subsection does not preclude the investigation and abatement of a nuisance or the enforcement of a tiedown system, or the enforcement of any regulations of the state or local board of health if those regulations apply to other rental properties or to owner-occupied housing intended for human habitation.

Sec. 1117. Section 331.756, subsection 28, Code 1985, is amended by striking the subsection.

Sec. 1118. Section 364.3, Code Supplement 1985, is amended by adding the following new subsection:

NEW SUBSECTION. 5. A city shall not adopt or enforce any ordinance imposing any registration or licensing system or registration or license fees for owner-occupied mobile homes including the lots or lands upon which they are located. A city shall not adopt or enforce any ordinance imposing any registration or licensing system, or registration or license fees, or safety or sanitary standards for rental mobile homes unless similar registration or licensing system, or registration or license fees, or safety or sanitary standards are required for other rental properties intended for human habitation. This subsection does not preclude the investigation and abatement of a nuisance or the enforcement of a tiedown system, or the enforcement of any regulations of the state or local board of health if those regulations apply to other rental properties or to owner-occupied housing intended for human habitation.

Sec. 1119. Section 136.1, Code 1985, is amended to read as follows:

136.1 COMPOSITION OF BOARD.

The state board of health shall consist of the following members: Nine ~~Five~~ members learned in health-related disciplines and four ~~members representing the general public~~.

The ~~commissioner~~ director of public health shall serve as secretary of the board.

Sec. 1120. Section 136.3, subsection 7, Code 1985, is amended to read as follows:

7. Adopt, promulgate, amend, and repeal rules and regulations consistent with law for the protection of the public health and prevention of substance abuse, and for the guidance of the department. All rules which have been or are hereafter adopted by the department shall be subject to approval by the board. However, rules adopted by the commission on substance abuse for section 125.7, subsections 1 and 7 are not subject to approval by the board of health.

Sec. 1121. Section 136.9, Code 1985, is amended to read as follows:

136.9 COMPENSATION AND EXPENSES.

The members of the board shall be ~~paid a forty-dollar per diem and shall be reimbursed for actual and necessary~~ expenses for each day employed in the discharge of their duties. All ~~per diem and~~ expense moneys paid to the members shall be paid from funds appropriated to the state department of public health. Each member of the board may also be eligible to receive compensation as provided in section 7E.3.

Sec. 1122. Section 125.2, subsections 4 and 6, Code 1985, are amended to read as follows:

4. "Department" means the Iowa department of substance abuse public health.

6. "Director" means the director of the Iowa department of substance abuse public health.

Sec. 1123. Section 125.3, Code 1985, is amended to read as follows:

125.3 ESTABLISHED.

There is established the The Iowa department of substance abuse public health shall include a program which shall develop, implement and administer a comprehensive substance abuse program pursuant to sections 125.1 to 125.43. There is established within the department a A commission on substance abuse is created to establish certain policies governing the performance of the department in the discharge of duties imposed on it by this chapter and advise the department on other policies. The commission shall consist of nine members appointed by the governor. Appointments shall be made on the basis of interest in and knowledge of substance abuse, however two of the members shall be persons who, in their regular work, have direct contact with substance abuse clients. Only eligible electors of the state of Iowa shall be appointed.

Sec. 1124. Section 125.5, Code 1985, is amended to read as follows:

125.5 MEETINGS.

The commission shall organize annually and shall select from its membership a chairperson and a vice chairperson. The commission shall meet at least ~~six~~ four times a year. Other meetings shall be called by the chairperson or upon written request of a majority of the members of the commission. The chairperson shall preside at all meetings or in the chairperson's absence the vice chairperson shall preside. Five members of the commission shall constitute a quorum but the concurrence of a majority of the commission shall be required to determine any matter relating to its duties.

Sec. 1125. Section 125.6, Code 1985, is amended to read as follows:

125.6 COMPENSATION.

Each member of the commission on substance abuse shall receive forty dollars per day for each day spent in performance of the duties of the commission. Each member shall also receive actual necessary expenses incurred in the performance of the member's duties. Each member of the commission may also be eligible to receive compensation as provided in section 7E.3.

Sec. 1126. Section 125.7, Code 1985, is amended to read as follows:

125.7 DUTIES OF THE COMMISSION.

The commission shall:

~~1. Act as the sole agency to allocate state, federal, and private funds which are appropriated or granted to, or solicited by the department.~~

~~2 1. Approve the comprehensive substance abuse program, and the funding therefor, developed by the department pursuant to sections 125.1 to 125.43.~~

~~3 2. Establish Advise the department on policies governing the performance of the department in the discharge of any duties imposed on it by law.~~

~~4 3. Establish policies governing the performance of the director in the discharge of the director's duties regarding subsections 1 and 7.~~

~~5 4. Advise or make recommendations to the governor and the general assembly relative to substance abuse treatment, intervention and education and prevention programs in this state.~~

~~6 5. Promulgate rules for subsections 1 and 7 and review other rules necessary to carry out the provisions of this chapter, subject to review in accordance with the provisions of chapter 17A.~~

~~7 6. Investigate the work of the department relating to substance abuse, and for this purpose it shall have access at any time to all books, papers, documents and records of the department.~~

~~8. Submit to the governor and the general assembly an annual report covering the activities of the department.~~

9 7. Consider and approve or disapprove all applications for a license and all cases involving the renewal, denial, suspension or revocation of a license.

8. Act as the appeal board regarding funding decisions made by the department.

Sec. 1127. Section 125.8, Code 1985, is amended to read as follows:

125.8 DEPUTY DIRECTOR APPOINTED DUTY.

The director of the department shall be appointed by the governor for a four-year term beginning and ending as provided in section 69.19 subject to confirmation by the senate. The director shall be a qualified person who has training or experience in handling substance abuse problems and the ability to organize and otherwise supervise delivery systems providing treatment, intervention and education and prevention services to persons suffering from substance abuse problems. The deputy director shall serve as secretary to the commission.

Sec. 1128. Section 125.9, subsection 3, Code 1985, is amended to read as follows:

3. Solicit and accept for use any gift of money or property made by will or otherwise, and any grant of money, services or property from the federal government, the state, or any political subdivision thereof or any private source, and do all things necessary to co-operate with the federal government or any of its agencies and the commission department in making an application for any grant.

Sec. 1129. Section 125.12, subsections 1, 4, and 7, Code 1985, are amended to read as follows:

1. The commission shall establish review a comprehensive and co-ordinated program for the treatment of substance abusers and intoxicated persons. Subject to the approval review of the commission, the director shall divide the state into appropriate regions for the conduct of the program and establish standards for the development of the program on the regional level. In establishing the regions, consideration shall be given to city and county lines, population concentrations and existing substance abuse treatment services. In determining the regions, the director shall not be required to follow the regional map as prepared by the former office for planning and programming.

4. The director shall maintain, supervise and control all facilities operated by the director pursuant to this chapter. The administrator of each facility shall make a report of the activities of the facility to the commission in the form and manner the commission specifies.

7. The director may contract for the use of a facility if the director, subject to the policies of the commission and pursuant to section 125.44, considers this to be an effective and economical course to follow.

Sec. 1130. Section 125.15, Code 1985, is amended to read as follows:

125.15 INSPECTION OF LICENSEES.

The department shall at least annually inspect the facilities and review the procedures utilized by each licensed program. The examination and review may include case record audits and interviews with staff and patients, consistent with the confidentiality safeguards of state and federal law.

Sec. 1131. Section 125.18, Code 1985, is amended to read as follows:

125.18 HEARING BEFORE COMMISSION.

If a licensee under this chapter makes a written request for a hearing within thirty days of suspension, revocation or refusal to renew a license, a hearing before the commission shall be expeditiously arranged by the department of audits and appeals whose decision is subject to review by the commission. If the role of a commission member is inconsistent with the member's job role or function, or if any commission member feels unable for any reason to disinterestedly weigh the merits of the case before the commission, the member shall not participate in the hearing and shall not be entitled to vote on the case. The commission shall issue a written statement of its findings within thirty days after conclusion of the hearing upholding

or reversing the proposed suspension, revocation or refusal to renew a license. ~~No action~~ Action involving suspension, revocation or refusal to renew a license shall not be taken by the commission unless a quorum of five of the nine members are is present at the meeting. A copy of the decision shall be promptly transmitted to the affected licensee who may, if aggrieved by the decision, seek judicial review of the actions of the commission in accordance with the terms of the Iowa administrative procedure Act chapter 17A.

Sec. 1132. Section 125.20, Code 1985, is amended to read as follows:
125.20 RULES.

The ~~commission~~ department shall establish rules pursuant to chapter 17A requiring facilities to use reasonable accounting and reimbursement systems which recognize relevant cost-related factors for substance abuse patients. A facility shall not be licensed nor shall any payment be made under this chapter to a facility which fails to comply with those rules or which does not permit inspection by the department or examination of all records, including financial records, methods of administration, general and special dietary programs, the disbursement of drugs and methods of supply, and any other records the ~~commission~~ department deems relevant to the establishment of such a system. However, rules issued pursuant to this paragraph shall not apply to any facility referred to in section 125.13, subsection 2 or section 125.43.

Sec. 1133. Section 125.25, Code 1985, is amended to read as follows:
125.25 APPROVAL OF FACILITY BUDGET.

1. Before making any allocation of funds to a local substance abuse program, the ~~commission on substance abuse~~ department shall require the following to be submitted for each program:

a. A detailed line item budget clearly indicating the funds received from each revenue source for the fiscal year for which the funds are requested on forms provided by the department of substance abuse.

b. A certified statement from the auditor of each county participating in the program as to the amount of county resources committed to the program for the fiscal year for which the funds are requested.

2. The ~~commission~~ department shall adopt rules governing the approval of line item budgets for the operation of facilities. The rules shall include provisions for the approval of a facility's budget by the counties funding the facility and by the department. The rules shall also include provisions for appeal to the commission by any county which disagrees with the amount of a facility's budget approved by the department.

Sec. 1134. Section 125.32, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The ~~commission~~ department shall adopt and may amend and repeal rules for acceptance of persons into the treatment program, subject to ~~the provisions of~~ chapter 17A, considering available treatment resources and facilities, for the purpose of early and effective treatment of substance abusers and intoxicated persons. In establishing the rules the ~~commission~~ department shall be guided by the following standards:

Sec. 1135. Section 125.33, subsection 2, Code 1985, is amended to read as follows:

2. Subject to rules adopted by the ~~commission~~ department, the administrator in charge of a facility may determine who shall be admitted for treatment or rehabilitation. If a person is refused admission, the administrator, subject to rules adopted by the ~~commission~~ department, shall refer the person to another facility for treatment if possible and appropriate.

Sec. 1136. Section 125.38, subsections 1 and 2, Code 1985, are amended to read as follows:

1. Subject to reasonable rules regarding hours of visitation which the ~~commission~~ department may adopt, a patient in a facility shall be granted an opportunity for adequate consultation with counsel, and for continuing contact with family and friends consistent with an effective treatment program.

2. Neither mail nor other communication to or from a patient in a facility may be intercepted, read or censored, except that the ~~commission~~ department may adopt reasonable rules regarding the use of telephones by patients in facilities and the delivery of chemical substances.

Sec. 1137. Section 125.44, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The director may, consistent with the comprehensive substance abuse program, enter into written agreements with a facility as defined in section 125.2 to pay for seventy-five percent of the cost of the care, maintenance and treatment of a substance abuser, except that the state's liability shall be one hundred percent of the total cost of care, maintenance and treatment when a substance abuser is a state patient. All payments for state patients shall be made in accordance with the limitations of this section. Such contracts shall be for a period of no more than one year. ~~The commission shall review and evaluate at least once each year all such agreements and determine whether or not they shall be continued.~~

Sec. 1138. Section 125.45, subsection 1, Code 1985, is amended to read as follows:

1. Except as provided in section 125.43, each county shall pay for the remaining twenty-five percent of the cost of the care, maintenance, and treatment under this chapter of residents of that county. ~~The commission department shall establish guidelines for use by the counties in estimating the amount of expense which the county will incur each year. The facility shall certify to the county of residence once each month twenty-five percent of the unpaid cost of the care, maintenance, and treatment of a substance abuser. However, the approval of the board of supervisors is required before payment is made by a county for costs incurred which exceed a total of five hundred dollars for one year for treatment provided to any one substance abuser, except that approval is not required for the cost of treatment provided to a substance abuser who is detained pursuant to section 125.91. A facility may, upon approval of the board of supervisors, submit to a county a billing for the aggregate amount of all care, maintenance, and treatment of substance abusers who are residents of that county for each month. The board of supervisors may demand an itemization of billings at any time or may audit them.~~

Sec. 1139. Section 135E.7, Code 1985, is amended to read as follows:

135E.7 ORGANIZATION OF BOARD.

The board shall elect from its membership a chairperson, vice chairperson, and secretary-treasurer, and shall adopt rules to govern its proceedings. ~~Members of the board shall set their own per diem compensation at a rate not exceeding forty dollars per day for each day actually engaged in the discharge of their duties receive reimbursement for actual expenses incurred in carrying out their duties. Each member of the board may also be eligible to receive compensation as provided in section 7E.3. The board shall hold at least one meeting per year at the seat of government. All members shall be allowed necessary travel expenses, as may be approved by the board, which shall be payable in the same manner as travel expenses of other state officials.~~

Sec. 1140. Section 135F.13, Code Supplement 1985, is amended to read as follows:

135F.13 ADVISORY COMMITTEE.

A respiratory care advisory committee is established to provide advice to the department regarding approval of continuing education programs and drafting of rules pursuant to section 135F.6.

The members of the advisory committee shall include two licensed physicians with recognized training and experience in respiratory care, two respiratory care practitioners, and one public member. Not more than a simple majority of the advisory committee shall be of one gender. Members shall be appointed by the governor, subject to confirmation by the senate, and shall serve three-year terms beginning and ending in accordance with section 69.19. ~~Members shall also be compensated for their actual and necessary expenses incurred in the performance of their duties. All per diem and expense Expense moneys paid to the members shall be paid from funds appropriated to the department. Each member of the committee may also be eligible to receive compensation as provided in section 7E.3.~~

Sec. 1141. Section 147.24, Code 1985, is amended to read as follows:

147.24 COMPENSATION.

Members of an examining board shall, in addition to necessary traveling and receive actual expenses, set their own per diem compensation at a rate not exceeding forty dollars per day for each day actually engaged in the discharge of their duties and for a reasonable number of days for the preparation of examination questions and the reading of papers, as a member of the examining board. Each member of each board may also be eligible to receive compensation as provided in section 7E.3. The funds shall be appropriated to the department and allocated to each examining board or funds appropriated to an examining board within the limits of funds.

Sec. 1142. Section 147A.1, subsections 6, 7, and 8, Code 1985, are amended to read as follows:

6. "Council" means the advanced emergency medical care council established by this chapter.

7 6. "Commissioner" "Director" means the commissioner director of the Iowa department of public health.

8 7. "Department" means the state Iowa department of public health.

Sec. 1143. Section 147A.4, Code 1985, is amended to read as follows:

147A.4 RULEMAKING AUTHORITY.

1. The department, with the advice and assistance of the council, shall promulgate adopt rules required or authorized by this chapter pertaining to the operation of ambulance services and rescue squad services which have received authorization under section 147A.5 to utilize the services of certified advanced EMTs or paramedics. These rules shall include, but need not be limited to, requirements concerning physician supervision, necessary equipment and staffing, and reporting by ambulance services and rescue squad services which have received the authorization pursuant to section 147A.5.

2. The board, with the advice and assistance of the council, shall promulgate adopt rules required or authorized by this chapter pertaining to the examination and certification of advanced EMTs and paramedics. These rules shall include, but need not be limited to, requirements concerning prerequisites, training, and experience for advanced EMTs and paramedics and procedures for determining when individuals have met these requirements.

The board shall establish the fee for the examination of the advanced EMTs and paramedics to cover the administrative costs of the examination program.

Sec. 1144. Section 147A.5, subsections 2 and 3, Code 1985, are amended to read as follows:

2. The department, with the advice and consent of the council, shall approve an application submitted in accordance with subsection 1 when the council department is satisfied that the program proposed by the application will be operated in compliance with this chapter and the rules adopted pursuant to this chapter.

3. The department may deny an application for authorization to establish a program utilizing the services of certified advanced EMTs or paramedics, or may place on probation, or suspend, or revoke existing authorization if the council department finds reason to believe the program has not been or will not be operated in compliance with this chapter and the rules adopted pursuant to this chapter, or that there is insufficient assurance of adequate protection for the public. The denial, or period of probation, suspension, or revocation shall be effected, and may be appealed as provided by section 17A.12.

Sec. 1145. Section 148C.5, Code Supplement 1985, is amended to read as follows:

148C.5 ADVISORY COMMITTEE CREATED.

There is established an An advisory committee on physicians' assistant programs is created which shall be advisory to the board on matters pertaining to the education of physicians' assistants and approval of applicants to supervise a physician's assistant. The committee shall

consist of eight members appointed by the governor. The members of the committee shall include one representative of the medical board who shall be chairperson of the committee, a representative of an Iowa medical school, an educator with experience in the development of health personnel programming, one physician, and one registered nurse. Each member of the committee shall receive a per diem and actual expenses within the limits prescribed by section 147.24. Each member of the committee may also be eligible to receive compensation as provided in section 7E.3. Per diem and expense Expense payments shall be made from the state board of medical examiners fund.

Sec. 1146. Section 154A.7, Code 1985, is amended to read as follows:

154A.7 MEETINGS AND EXPENSES.

The members of the board shall set their own per diem compensation at a rate not exceeding forty dollars per day for the time actually spent in traveling to and from, and attending duly authorized functions of the board and its committees, and shall receive all necessary traveling and incidental actual expenses incurred in the discharge of their duties within the limits of funds appropriated to the board. Each member of the board may also be eligible to receive compensation as provided in section 7E.3. The board shall meet at least one time per year at the seat of government and may hold additional meetings as deemed necessary. Additional meetings shall be held at the call of the chairperson or a majority of the members of the board. At any meeting of the board, a majority of the members shall constitute a quorum.

Sec. 1147. Section 154A.17, subsection 1, Code 1985, is amended to read as follows:

1. Per diem, Actual expenses, and travel and compensation of members of the board.

Sec. 1148. Sections 135.12, 135.13, 135.14, 135.37, 135D.2 through 135D.8, 135D.11 through 135D.17, 135D.19 through 135D.21, 147A.2, 147A.3, Code 1985, are repealed.

Sec. 1149. Notwithstanding section 136.1, the governor shall appoint one member to the state board of health representing the general public in 1987, two members representing the general public in 1988, and one member representing the general public in 1989.

Sec. 1150. Chapter 136B, Code 1985, is repealed.

**DEPARTMENT OF HUMAN RIGHTS
PART 1
ADMINISTRATION**

Sec. 1201. NEW SECTION. 601K.1 DEPARTMENT OF HUMAN RIGHTS.

A department of human rights is created, with the following divisions:

1. Division of Spanish-speaking people.
2. Division of children, youth, and families.
3. Division of the status of women.
4. Division of persons with disabilities.
5. Division of community action agencies.
6. Division of deaf services.
7. Division for the blind.

Sec. 1202. NEW SECTION. 601K.2 APPOINTMENT OF DEPARTMENT COORDINATOR AND ADMINISTRATORS.

The governor shall appoint a department coordinator of the department of human rights, subject to confirmation by the senate. The department coordinator shall serve at the pleasure of the governor. The department coordinator shall:

1. Approve personnel decisions for the department, as submitted by the commissions.
2. Receive budgets submitted by each commission and reconcile the budgets among the divisions. The department coordinator shall submit a budget for the department, subject to the budget requirements pursuant to chapter 8.

The governor shall appoint the administrators of each of the divisions subject to confirmation by the senate. Each administrator shall serve at the pleasure of the governor and is exempt from chapter 19A. The governor shall set the salary of the division directors within the ranges set by the general assembly.

Sec. 1203. NEW SECTION. 601K.3 HUMAN RIGHTS COUNCIL.

1. A human rights policy-coordinating council composed of seven members is created within the department of human rights. The council is composed of the administrators within the department.

2. The council shall meet periodically to:

a. Identify areas where the divisions within the department might coordinate efforts or share administrative or other support functions to provide greater efficiencies in operation including, but not limited to, accounting, recordkeeping, and administrative support functions.

b. Develop cooperative arrangements and shared services between the divisions to achieve greater efficiencies, and may establish contracts and agreements between or among the divisions to provide for shared services.

c. Transfer funds within the divisions agreeing to shared services for the implementation of the contracts or agreements between divisions.

d. Make recommendations to the governor and general assembly regarding additional consolidation and coordination that would require legislative action.

e. Advise the department coordinator regarding actions by and for the department.

Sec. 1204. NEW SECTION. 601K.4 DEFINITIONS.

For purposes of this chapter, unless the context otherwise requires:

1. "Department" means the department of human rights.

2. "Department coordinator" means the department coordinator of the department of human rights.

PART 2

DIVISION OF SPANISH-SPEAKING PEOPLE

Sec. 1205. NEW SECTION. 601K.20 DEFINITIONS.

For purposes of this part, unless the context otherwise requires:

1. "Commission" means the commission of Spanish-speaking people.

2. "Division" means the division of Spanish-speaking people of the department of human rights.

3. "Administrator" means the administrator of the division of Spanish-speaking people of the department of human rights.

Sec. 1206. NEW SECTION. 601K.21 COMMISSION CREATED — TERMS — COMPENSATION.

A commission of Spanish-speaking people which shall consist of nine members, appointed by the governor from a list of nominees submitted by the governor's Spanish-speaking peoples task force. The members of the commission shall be appointed during the month of June and shall serve for terms of two years commencing July 1 of each odd-numbered year. Members appointed shall continue to serve until their respective successors are appointed. Vacancies in the membership of the commission shall be filled by the original appointing authority and in the manner of the original appointments. Members shall receive actual expenses incurred while serving in their official capacity. Members may also be eligible to receive compensation as provided in section 7E.3.

Sec. 1207. NEW SECTION. 601K.22 ORGANIZATION.

The commission shall select from its membership a chairperson and other officers as it deems necessary and shall meet not less than six times a year. A majority of the members of the commission shall constitute a quorum.

Sec. 1208. NEW SECTION. 601K.23 COMMISSION EMPLOYEES.

The commission may employ personnel who shall be qualified by experience to assume the responsibilities of their several offices. The administrator shall be the administrative officer of the commission and shall serve the commission by gathering and disseminating information, forwarding proposals and evaluations to the governor, the general assembly, and state agencies, carrying out public education programs, conducting hearings and conferences, and performing other duties necessary for the proper operation of the commission. The administrator shall carry out programs and policies as determined by the commission.

Sec. 1209. NEW SECTION. 601K.24 DUTIES.

The commission shall:

1. Coordinate, assist, and cooperate with the efforts of state departments and agencies to serve the needs of Spanish-speaking persons in the fields of education, employment, health, housing, welfare, and recreation.
2. Develop, coordinate, and assist other public organizations which serve Spanish-speaking persons.
3. Evaluate existing programs and proposed legislation affecting Spanish-speaking persons, and propose new programs.
4. Stimulate public awareness of the problems of Spanish-speaking persons by conducting a program of public education and encouraging the governor and the general assembly to develop programs to deal with these problems.
5. Conduct training programs for Spanish-speaking persons to enable them to assume leadership positions on the community level.
6. Conduct a survey of the Spanish-speaking people in Iowa in order to ascertain their needs.
7. Work to establish a Spanish-speaking information center in the state of Iowa.
8. Pursuant to section 601K.2, be responsible for budgetary and personnel decisions for the commission and division.
9. Maintain information on the qualifications of Spanish language interpreters and maintain and provide a list of those deemed qualified to Iowa courts or administrative agencies, as requested.

Sec. 1210. NEW SECTION. 601K.25 POWERS.

The commission shall have all powers necessary to carry out the functions and duties specified in this division, including, but not limited to the power to establish advisory committees on special studies, to solicit and accept gifts and grants, adopt rules according to chapter 17A for the commission and division, and to contract with public and private groups to conduct its business. All departments, divisions, agencies and offices of the state shall make available upon request of the commission information which is pertinent to the subject matter of the study and which is not by law confidential.

Sec. 1211. NEW SECTION. 601K.26 REPORT.

The commission shall make a detailed report of its activities, studies, findings, conclusions and recommendations to the general assembly not later than February 15 of each odd-numbered year.

PART 3

DIVISION OF CHILDREN, YOUTH, AND FAMILIES

Sec. 1212. NEW SECTION. 601K.30 DEFINITIONS.

For purposes of this part, unless the context otherwise requires:

1. "Commission" means the commission on children, youth, and families.
2. "Division" means the division of children, youth, and families of the department of human rights.
3. "Administrator" means the administrator of the division of children, youth, and families of the department of human rights.

Sec. 1213. NEW SECTION. 601K.31 POLICY FOR CHILDREN, YOUTH, AND FAMILIES.

It is the policy of the state of Iowa to promote the best interests of children, youth, and families. To further this policy there is created a division of children, youth, and families and the commission on children, youth, and their families. The division of children, youth, and families shall:

1. Promote coordination of federal, state and local services by developing a plan to streamline delivery of services and making recommendations to the governor and general assembly by December 1 of each year.
2. Work with state agencies in an advisory capacity to help plan needed services for children, youth, and their families.
3. Provide the administrator, general assembly and governor with recommendations and information to improve services for children, youth, and their families by December 1 of each year.
4. Identify state and federal resources that can be used in local areas; and
5. Provide information to parents to assist and support them in their parenting roles.

The commission shall examine the following issues related to the cycle of dependency which some families have on services, including, but not limited to, child care, chemical dependency, child welfare, youth employment, parent education, health, and education.

Sec. 1214. NEW SECTION. 601K.32 COMMISSION ON CHILDREN, YOUTH, AND FAMILIES.

1. The commission on children, youth, and families is established.
2. The following persons or a designee are members of the commission:
 - a. The commissioner of the department of human services.
 - b. The director of the department of public health.
 - c. The commissioner of the department of education.
 - d. The director of the department of corrections.
3. The following members of the commission shall be appointed by the governor:
 - a. A member of a county board of supervisors.
 - b. A member of the board of directors of a school corporation.
 - c. One citizen, who shall be a professional family counselor.
 - d. Seven citizens who have expertise in the areas of child care, child welfare, youth employment, maternal and child health, chemical dependency, education, or law.
 - e. A person sixteen through eighteen years of age at the time of appointment.
4. The following shall be nonvoting members of the commission:
 - a. Two members of the senate, not more than one from any political party, appointed by the president of the senate.
 - b. Two members of the house of representatives, not more than one from any political party, appointed by the speaker of the house.
 - c. A district court judge appointed by the governor.
5. The members of the commission appointed by the governor shall be appointed to terms of four years beginning July 1. Legislative members shall be appointed to terms of two years beginning January 1 of odd-numbered years. However, members appointed under subsections 3 and 4 shall cease to be members if they no longer hold the office from which they were appointed. Not more than seven of the members appointed under subsection 3 shall belong to the same political party at the time of appointment. A person designated under subsection 2 is appointed for a term of four years beginning July 1 and must be an assistant director, or head of a division, section, or bureau of that agency whose function relates to children, youth, or families while serving on the commission. Vacancies shall be filled in the same manner as the original appointment. Not more than nine of the voting members of the commission shall be of the same gender.

Sec. 1215. NEW SECTION. 601K.33 MEETINGS AND OFFICERS.

The members of the commission shall appoint from the commission's voting membership a chairperson of the commission. The commission shall meet at regular intervals at least six times each year and may hold special meetings at the call of the chairperson or at the request of a majority of the voting members.

Sec. 1216. NEW SECTION. 601K.34 PURPOSE.

The purpose of the commission is to promote coordination of state, local and private programs, resources and services to meet the needs of children, youth, and families. The commission shall work to identify unmet needs and to develop a plan to meet those needs and to improve coordination of efforts. It shall serve as an advocate for Iowa's children, youth, and families to decision-making bodies and to the public. The commission shall make an annual report to the governor and general assembly by December 1 of its activities and legislative recommendations. The commission shall adopt rules pursuant to chapter 17A for the division and commission.

Sec. 1217. NEW SECTION. 601K.35 ADMINISTRATOR.

The administrator shall serve as executive officer of the commission and be exempt from chapter 19A. The administrator shall be responsible to the commission and, pursuant to section 601K.2, with the approval of the commission shall employ and supervise the commission's staff and be responsible for implementing policy set by the commission. The administrator shall carry out programs and policies as determined by the commission.

Sec. 1218. NEW SECTION. 601K.36 EXPENSES.

Members of the commission, while engaged in their official duties, shall be reimbursed for their actual expenses. Members may also be eligible to receive compensation as provided in section 7E.3.

Sec. 1219. NEW SECTION. 601K.37 GRANTS AND GIFTS RECEIVED.

The commission may receive federal funds or any grants or gifts on behalf of the state for the purposes within its jurisdiction. All federal funds, grants, and gifts shall be deposited with the state treasurer and used only for the purposes agreed upon as conditions for receipt of the funds, grants, or gifts.

Sec. 1220. NEW SECTION. 601K.38 RESPONSIBILITY.

Pursuant to section 601K.2, the commission shall have the responsibility of budgetary decisions for the commission and division.

PART 4

DIVISION OF THE STATUS OF WOMEN

Sec. 1221. NEW SECTION. 601K.40 DEFINITIONS.

For purposes of this part, unless the context otherwise requires:

1. "Commission" means the commission on the status of women.
2. "Division" means the division of the status of women of the department of human rights.
3. "Administrator" means the administrator of the division of the status of women of the department of human rights.

Sec. 1222. NEW SECTION. 601K.41 ESTABLISHMENT.

There is established a commission on the status of women to consist of twenty-four members, appointed by the governor and representing a cross section of the citizens of Iowa. No more than a simple majority of the commission shall be of the same political party. The members of the commission shall appoint one of the members to serve as chairperson of the commission.

Sec. 1223. NEW SECTION. 601K.42 TERM OF OFFICE.

One-half of the members appointed to the initial commission shall be designated by the governor to serve two-year terms, and one-half shall be designated by the governor to serve four-year terms. Succeeding appointments shall be for a term of four years. Vacancies in the membership shall be filled for the unexpired term in the same manner as the original appointment.

Sec. 1224. NEW SECTION. 601K.43 MEETINGS OF THE COMMISSION.

The commission shall meet at least four times each year, and shall hold special meetings on the call of the chairperson. The commission shall adopt rules pursuant to chapter 17A as it deems necessary for the commission and division. The members of the commission shall be reimbursed for actual expenses while engaged in their official duties. Members may also be eligible to receive compensation as provided in section 7E.3.

Sec. 1225. NEW SECTION. 601K.44 OBJECTIVES OF COMMISSION.

The commission shall study the changing needs and problems of the women of this state, and develop and recommend new programs and constructive action to the governor and the general assembly, including but not limited to, the following areas:

1. Public and private employment policies and practices.
2. Iowa labor laws.
3. Legal treatment relating to political and civil rights.
4. The family and the employed woman.
5. Expanded programs to help women as wives, mothers, and workers.
6. Women as citizen volunteers.
7. Education.

Sec. 1226. NEW SECTION. 601K.45 EMPLOYEES AND RESPONSIBILITY.

The commission shall employ other necessary employees. Pursuant to section 601K.2, the commission shall have responsibility for budgetary and personnel decisions for the commission and division. The administrator shall carry out programs and policies as determined by the commission.

Sec. 1227. NEW SECTION. 601K.46 DUTIES.

The commission shall:

1. Serve as a clearinghouse on programs and agencies operating to assist women.
2. Conduct conferences.
3. Cooperate with governmental agencies to assist them in equalizing opportunities between men and women in employment and in expanding women's rights and opportunities.
4. Serve as the central permanent agency for the development of services for women.
5. Cooperate with public and private agencies in joint efforts to study and resolve problems relating to the status of women.
6. Publish and disseminate information relating to women and develop other educational programs.
7. Provide assistance to organized efforts by communities, organizations, associations, and other groups working toward the improvement of women's status.

Sec. 1228. NEW SECTION. 601K.47 ADDITIONAL AUTHORITY.

The commission may:

1. Do all things necessary, proper, and expedient in accomplishing the duties listed in section 601K.46 and this section.

2. Hold hearings.

3. Enter into contracts, within the limit of funds made available, with individuals, organizations, and institutions for services furthering the objectives of the commission as listed in section 601K.44.

4. Seek advice and counsel of informed individuals, or any agricultural, industrial, professional, labor or trade association, or civic group in the accomplishment of the objectives of the commission.

5. Accept grants of money or property from the federal government or any other source, and may upon its own order use this money, property, or other resources to accomplish the objectives of the commission.

Sec. 1229. NEW SECTION. 601K.48 ACCESS TO INFORMATION.

The commission shall have access to all nonconfidential records, data, information, and statistics of all departments, boards, commissions, agencies, and institutions of this state, and upon terms which may be mutually agreed upon, have studies and research conducted.

Sec. 1230. NEW SECTION. 601K.49 ANNUAL REPORT.

Not later than February 1 of each year the commission shall file a report with the governor and the general assembly of its proceedings for the previous calendar year, and may submit with the report such recommendations pertaining to its affairs as it deems desirable, including recommendations for legislative consideration and other action it deems necessary.

PART 5

DIVISION OF PERSONS WITH DISABILITIES

Sec. 1231. NEW SECTION. 601K.70 DEFINITIONS.

For purposes of this part, unless the context otherwise requires:

1. "Commission" means the commission of persons with disabilities.
2. "Division" means the division of persons with disabilities of the department of human rights.
3. "Administrator" means the administrator of the division of persons with disabilities of the department of human rights.

Sec. 1232. NEW SECTION. 601K.71 COMMISSION ESTABLISHED.

There is hereby established a commission to be known as the "Commission of persons with disabilities".

Sec. 1233. NEW SECTION. 601K.72 EX OFFICIO MEMBERS.

The following or designee shall serve as ex officio members of the commission:

1. The director of public health.
2. The director of the department of human services and any directors of that department so assigned by the commissioner.
3. The director of the department of education.
4. The director of vocational rehabilitation.
5. The administrator of the division for the blind of the department of human rights.
6. The labor commissioner.
7. The industrial commissioner.
8. The job service commissioner.
9. The director of the department of personnel.

Sec. 1234. NEW SECTION. 601K.73 MEMBERSHIP.

The commission shall be composed of a minimum of twenty-four members appointed by the governor and additional members as the governor may appoint. Insofar as practicable, the commission shall consist of persons with disabilities, family members of persons with disabilities, representatives of industry, labor, business, agriculture, federal, state, and local government, and representatives of religious, charitable, fraternal, civic, educational, medical,

legal, veteran, welfare, and other professional groups and organizations. Members shall be appointed representing every geographic center and employment area of the state and shall include members of both sexes.

Sec. 1235. NEW SECTION. 601K.74 TERM.

Members of the commission appointed by the governor shall serve for a term of two years. Vacancies on the commission shall be filled for the remainder of the term of the original appointment. Members whose terms expire may be reappointed.

Sec. 1236. NEW SECTION. 601K.75 OFFICERS.

The members of the commission shall appoint a commission chairperson and a vice chairperson and such other officers as the commission deems necessary. Such officers shall serve until their successors are appointed and qualified. Members of the commission shall receive actual expenses for their services. Members may also be eligible to receive compensation as provided in section 7E.3. The commission shall adopt rules pursuant to chapter 17A for the commission and division.

Sec. 1237. NEW SECTION. 601K.76 DUTIES.

The commission shall:

1. Carry on a continuing program to promote the employment of persons with disabilities.
2. Cooperate with all public and private agencies interested in the employment of persons with disabilities.
3. Cooperate with all agencies responsible for or interested in the rehabilitation and placement of persons with disabilities.
4. Encourage the organization of committees at the community level and work closely with such committees in promoting the employment of persons with disabilities.
5. Assist in developing employer acceptance of qualified workers who are persons with disabilities.
6. Inform persons with disabilities of specific facilities available in seeking employment.
7. Conduct such educational programs as members deem necessary.
8. Report annually to the governor and general assembly on commission activities and submit any recommendations believed necessary in promoting the employment of persons with disabilities.
9. Pursuant to section 601K.2, be responsible for budgetary and personnel decisions for the commission and division.

Sec. 1238. NEW SECTION. 601K.77 ADMINISTRATOR.

The commission officers may designate the duties and obligations of the position of administrator. Any person so employed may be the employee of another agency of state government appointed with the consent of the executive officer of such agency. The officers may appoint such other personnel as may be necessary for the efficient performance of the duties prescribed by this part. The administrator shall carry out programs and policies as determined by the commission.

Sec. 1239. NEW SECTION. 601K.78 GIFTS, GRANTS, OR DONATIONS.

The commission may receive any gifts, grants, or donations made for any of the purposes of its program and to disburse and administer the same in accordance with the terms thereof.

PART 6
DIVISION OF COMMUNITY ACTION AGENCIES

Sec. 1240. NEW SECTION. 601K.80 DEFINITIONS.

For purposes of this part, unless the context otherwise requires:

1. "Community action agency" means a public agency or a private nonprofit agency which is authorized under its charter or bylaws to receive funds to administer community action programs and is designated by the governor to receive and administer the funds.

2. "Community action program" means a program conducted by a community action agency which includes projects to provide a range of services to improve the conditions of poverty in the area served by the community action agency.

3. "Administrator" means the administrator of the division of community action agencies of the department of human rights.

4. "Delegate agency" means a subgrantee or contractor selected by the community action agency.

5. "Division" means the division of community action agencies of the department of human rights.

Sec. 1241. NEW SECTION. 601K.81 DIRECTOR DUTIES.

The administrator shall:

1. Administer the division.
2. Implement programs required in the division.
3. Adopt rules pursuant to chapter 17A to administer the division.
4. Issue an annual report to the governor and general assembly on January 15 of each year.

Sec. 1242. NEW SECTION. 601K.82 ESTABLISHMENT OF COMMUNITY ACTION AGENCIES.

The division shall recognize and assist in the designation of certain community action agencies to assist in the delivery of community action programs. These programs shall include, but not be limited to, outreach, low-income energy assistance, and weatherization programs. If a community action agency is in effect and currently serving an area, that community action agency shall become the designated community action agency for that area. If there is not a designated community action agency in the area a city council or county board of supervisors or any combination of one or more councils or boards may establish a community action agency and may apply to the division for recognition. The council or board or the combination may adopt an ordinance or resolution establishing a community action agency if a community action agency has not been designated. It is the purpose of the division of economic opportunity to strengthen, supplement, and coordinate efforts to develop the full potential of each citizen by recognizing certain community action agencies and the continuation of certain community-based programs delivered by community action agencies.

Sec. 1243. NEW SECTION. 601K.83 COMMUNITY ACTION AGENCY BOARD.

1. A recognized community action agency shall be governed by a board of directors composed of at least fifteen members but not more than thirty-three members. The board membership shall be as follows:

a. One-third shall be persons who are currently on a city council or board of supervisors or designees of such persons.

b. One-third shall be persons who according to federal guidelines have incomes at or below poverty level and are elected by such persons, or are representatives elected by such persons.

c. One-third shall be persons who are members or representatives of businesses, industry, labor, religious, welfare, and educational organizations, or other major interest groups. The term of such person shall be not more than three years. Such person shall not serve more than two consecutive terms and shall be elected by a majority of the board members serving pursuant to paragraphs "a" and "b".

2. Notwithstanding subsection 1, a public agency shall establish an advisory board or may contract with a delegate agency to assist the governing board. The advisory board or delegate agency board shall be composed of the same type of membership as a board of directors for community action agencies under section 601K.84. However, the public agency acting as the community action agency shall determine annual program budget requests.

Sec. 1244. NEW SECTION. 601K.84 DUTIES OF BOARD.

1. The governing board, delegate agency board, or advisory board shall:

a. Provide for:

- (1) Comprehensive planning of the community action agency.

(2) Local needs assessment surveys conducted by the community action agency.

b. Approve overall program plans and priorities developed by the community action agency.

2. The governing board may:

a. Own, purchase, and dispose of property necessary for the operation of the community action agency.

b. Receive and administer funds and contributions from private or public sources which may be used to support community action programs.

c. Receive and administer funds from a federal or state assistance program pursuant to which a community action agency could serve as a grantee, a contractor, or a sponsor of a project appropriate for inclusion in a community action program.

Sec. 1245. NEW SECTION. 601K.85 DUTIES OF COMMUNITY ACTION AGENCY.

A community action agency or delegate agency shall:

1. Plan for a community action program by establishing priorities among projects, activities, and areas to provide for the most efficient use of possible resources.

2. Obtain and administer assistance from available sources on a common or cooperative basis, in an attempt to provide additional opportunities to low-income persons.

3. Establish effective procedures by which the concerned low-income persons and area residents may influence the community action programs affecting them by providing for methods of participation in the implementation of the community action programs and by providing technical support to assist persons to secure assistance available from public and private sources.

4. Encourage and support self-help, volunteer, business, labor, and other groups and organizations to assist public officials and agencies in supporting a community action program which results in the additional use of private resources while developing new employment opportunities, encouraging investments which have an impact on reducing poverty among the poor in areas of concentrated poverty, and providing methods by which low-income persons can work with private organizations, businesses, and institutions in seeking solutions to problems of common concern.

Sec. 1246. NEW SECTION. 601K.86 ADMINISTRATION.

A community action agency or a delegate agency may administer the components of a community action program when the program is consistent with plans and purposes and applicable law. The community action programs may be projects which are eligible for assistance from any source. The programs shall be developed to meet local needs and may be designed to meet eligibility standards of a federal or state program providing assistance to a plan to meet local needs.

Sec. 1247. NEW SECTION. 601K.87 AUDIT.

Each community action agency shall be audited annually but shall in no case be required to obtain a duplicate audit to meet the requirements of this section. In lieu of an audit by the auditor of state, the community action agency may contract with or employ a certified public accountant to conduct the audit, pursuant to the applicable terms and conditions prescribed by sections 11.18 and 11.19 and an audit format prescribed by the auditor of state. Copies of each audit shall be furnished to the division within three months following the annual audit.

Sec. 1248. NEW SECTION. 601K.88 ALLOCATION OF FINANCIAL ASSISTANCE.

The administrator shall provide financial assistance for community action agencies to implement community action programs, as permitted by the community service block grant, administer the low-income energy assistance block grants, department of energy funds for weatherization received in Iowa, and other possible funding sources.

If a political subdivision is the agency, the financial assistance shall be allocated to the political subdivision.

Sec. 1249. **NEW SECTION. 601K.89 REPORT TO GENERAL ASSEMBLY.**

The administrator shall report annually to the general assembly regarding the community action programs conducted within the state.

PART 7

DIVISION OF DEAF SERVICES

Sec. 1250. **NEW SECTION. 601K.90 DEFINITIONS.**

For purposes of this part, unless the context otherwise requires:

1. "Commission" means the commission on the deaf.
2. "Division" means the division of deaf services of the department of human rights.
3. "Administrator" means the administrator of the division of deaf services of the department of human rights.

Sec. 1251. **NEW SECTION. 601K.91 COMMISSION CREATED.**

A commission on the deaf is established, consisting of seven members appointed by the governor, subject to confirmation by the senate. Lists of nominees for appointment to membership on the commission shall be submitted by the Iowa association for the deaf, the Iowa school for the deaf, and the commission of persons with disabilities. At least four members shall be persons who cannot hear human speech with or without use of amplification. All members shall reside in Iowa. The members of the commission shall appoint the chairperson of the commission. A majority of the members of the commission shall constitute a quorum.

Terms of office are three years and shall begin and end pursuant to section 69.19. The commission shall adopt rules concerning programs and services for deaf persons.

Commission members shall be reimbursed for actual expenses incurred in performance of their duties. Members may also be eligible to receive compensation as provided in section 7E.3.

Sec. 1252. **NEW SECTION. 601K.92 COMMISSION EMPLOYEES.**

The commission may employ clerical staff who shall be qualified by experience to assume the responsibilities of the offices. The administrator shall be the administrative officer of the commission and shall be responsible for implementing policy set by the commission. The administrator shall carry out programs and policies as determined by the commission.

Sec. 1253. **NEW SECTION. 601K.93 DUTIES OF COMMISSION.**

The commission shall:

1. Interpret to communities and to interested persons the needs of the deaf and how their needs may be met through the use of resource workers.
2. Obtain without additional cost to the state available office space in public and private agencies which resource workers may utilize in carrying out service projects for deaf persons.
3. Establish service projects for deaf persons throughout the state. Projects shall not be undertaken by resource workers for compensation which would duplicate existing services when those services are available to deaf people through paid interpreters or other persons able to communicate with deaf people.

As used in this section, "service projects" includes interpretation services for persons who are deaf, referral and counseling services for deaf people in the areas of adult education, legal aid, employment, medical, finance, housing, recreation, and other personal assistance and social programs.

"Resource workers" are persons who, on a volunteer basis or for compensation, carry out service projects.

4. Identify agencies, both public and private, which provide community services, evaluate the extent to which they make services available to deaf people, and cooperate with the agencies in coordinating and extending these services.

5. Collect information concerning deafness and provide for the dissemination of the information.

6. Provide for the mutual exchange of ideas and information on services for deaf people between federal, state, and local governmental agencies and private organizations and individuals.

7. Pursuant to section 601K.2, be responsible for budgeting and personnel decisions for the commission and division.

Sec. 1254. NEW SECTION. 601K.94 POWERS.

The commission shall have all powers necessary to carry out the functions and duties specified in this division, including, but not limited to the power to establish advisory committees on special studies, to solicit and accept gifts and grants, to adopt rules according to chapter 17A for the commission and division, and to contract with public and private groups to conduct its business. All departments, divisions, agencies, and offices of the state shall make available upon request of the commission information which is pertinent to the subject matter of the study and which is not by law confidential.

Sec. 1255. NEW SECTION. 601K.95 REPORT.

The commission shall make a detailed report of its activities, studies, conclusions, and recommendations to the general assembly not later than February 15 of each odd-numbered year.

**PART 8
DIVISION FOR THE BLIND**

Sec. 1256. NEW SECTION. 601K.100 DEFINITIONS.

For purposes of this part, unless the context otherwise requires:

1. "Commission" means the commission for the blind.
2. "Division" means the division for the blind of the department of human rights.
3. "Administrator" means the administrator of the division for the blind of the department of human rights.

Sec. 1257. NEW SECTION. 601K.101 COMMISSION CREATED.

The commission for the blind is established consisting of three members appointed by the governor, subject to confirmation by the senate. Members of the commission shall serve three-year terms beginning and ending as provided in section 69.19. The commission shall adopt rules concerning programs and services for blind persons provided under this division.

Commission members shall be reimbursed for actual expenses incurred in performance of their duties. Members may also be eligible to receive compensation as provided in section 7E.3. The members of the commission shall appoint officers for the commission. A majority of the members of the commission shall constitute a quorum.

Sec. 1258. NEW SECTION. 601K.103 FEDERAL AID.

The administrator may accept financial aid from the government of the United States for carrying out rehabilitation and physical restoration of the blind and for providing library services to the blind and physically handicapped.

A contribution or grant shall not be accepted if a condition is attached to it for its use or administration other than that it be used for assistance to the blind.

Sec. 1259. NEW SECTION. 601K.104 COMMISSION EMPLOYEES.

The commission may employ staff who shall be qualified by experience to assume the responsibilities of the offices. The administrator shall be the administrative officer of the commission and shall be responsible for implementing policy set by the commission. The administrator shall carry out programs and policies as determined by the commission.

Sec. 1260. NEW SECTION. 601K.105 POWERS.

The commission shall have all powers necessary to carry out the functions and duties specified in this division, including, but not limited to the power to establish advisory committees on special studies, to solicit and accept gifts and grants, to adopt rules according to chapter 17A for the commission and division, and to contract with public and private groups to conduct its business. All departments, divisions, agencies, and offices of the state shall make available upon request of the commission information which is pertinent to the subject matter of the study and which is not by law confidential.

Sec. 1261. NEW SECTION. 601K.106 REPORT.

The commission shall make a detailed report of its activities, studies, conclusions and recommendations to the general assembly not later than February 15 of each odd-numbered year.

Sec. 1262. NEW SECTION. 601K.107 REPEAL.

This chapter is repealed effective July 1, 1987.

Sec. 1263. NEW SECTION. 601D.10 USE OF HEARING DOG.

A deaf person has the right to be accompanied by a hearing dog, under control and especially trained at a recognized training facility to assist the deaf by responding to sound, in any place listed in sections 601D.3 and 601D.4 without being required to make additional payment for the hearing dog. A landlord shall waive lease restrictions on the keeping of dogs for a deaf person with a hearing dog. The deaf person is liable for damage done to any premise or facility by a hearing dog.

A person who denies or interferes with the right of a deaf person under this section is, upon conviction, guilty of a simple misdemeanor.

Sec. 1264. Sections 7A.21 through 7A.28, Code 1985, are repealed.

Sec. 1265. Chapters 16, 601, 601F, 237B, 601B, and 601I, Code 1985 and Code Supplement 1985, are repealed.

DEPARTMENT OF CULTURAL AFFAIRS

Sec. 1301. NEW SECTION. 303.1A DEPARTMENT OF CULTURAL AFFAIRS.

1. The department of cultural affairs is created. The department is under the control of a director who shall be appointed by the governor, subject to confirmation by the senate, and shall serve at the pleasure of the governor. The salary of the director shall be set by the governor within a range set by the general assembly.

2. The department has primary responsibility for development of the state's interest in the areas of the arts, history, libraries, and other cultural matters. In fulfilling this responsibility, the department will be advised and assisted by the state library commission, the state historical society and its board of trustees, the Iowa arts council, the Terrace Hill commission, and the Iowa public broadcasting board.

The department shall:

a. Develop a comprehensive, co-ordinated, and efficient policy to preserve, research, interpret, and promote to the public an awareness and understanding of local, state, and regional history.

b. Stimulate and encourage educational radio and television and other educational communications services as necessary to aid in accomplishing the educational objectives of the state.

c. Stimulate and encourage throughout the state the study and presentation of the performing and fine arts and public interest and participation in them.

d. Implement tourism-related art and history projects as directed by the general assembly.

e. Design a comprehensive, statewide, long-range plan with the assistance of the Iowa arts council to develop the arts in Iowa. The department is designated as the state agency for carrying out the plan.

- f. Meet the informational needs of the three branches of state government.
- g. Provide for the improvement of library services to all Iowa citizens and foster development and cooperation among libraries.
- h. Establish a program of grants to cities and community groups for the development of community programs that provide local jobs for Iowa residents and at the same time promote a city's historical, ethnic, and cultural heritages through the development of festivals, music, drama, or cultural programs, or tourist attractions.

At least twenty-five percent of the funds appropriated for this program shall be used for the purpose of developing community programs eligible for grants under this subsection which were not in existence prior to the due date of grant applications each year.

A city or community group may submit applications to the administrator. Applications shall be reviewed by the arts council, the state historical society board, and the department of economic development, acting as an advisory committee to the department. The advisory committee shall submit recommendations to the director or designee regarding possible recipients and grant amounts.

The amount of a grant shall not exceed fifty percent of the cost of the community program and the application must demonstrate that the city or community group will provide the required matching money. In lieu of providing the entire match in money, a city or community group may substitute in-kind services for up to fifty percent of the matching requirement.

- 3. The department shall consist of the following:
 - a. Historical division.
 - b. Library division.
 - c. Arts division.
 - d. Public broadcasting division.
 - e. Other divisions created by rule.
 - f. Administrative section.
- 4. The director may create, combine, eliminate, alter or reorganize the organization of the department by rule except for those matters prescribed by sections 303.75 through 303.83.
- 5. The department by rule may establish advisory groups necessary for the receipt of federal funds or grants or the administration of any of the department's programs.
- 6. The divisions shall be administered by administrators who shall be appointed by the director and serve at the director's pleasure. However, the administrator of the public broadcasting division shall be appointed by and serve at the pleasure of the public broadcasting board and the administrator of the library division shall be appointed by and serve at the pleasure of the library commission. The administrators shall:
 - a. Organize the activities of the division.
 - b. Submit a biennial report to the governor on the activities and an evaluation of the division and its programs and policies.
 - c. Control all property of the division.
 - d. Perform other duties imposed by law.

Sec. 1302. NEW SECTION. 303.1B DIRECTOR'S DUTIES.

Except for those matters prescribed by sections 303.75 through 303.83, the director shall:

- 1. Adopt rules that are necessary for the effective administration of the department.
- 2. Direct and administer the programs and services of the department.
- 3. Prepare the departmental budget request by September first of each year on the forms furnished, and including the information required by the office of management.
- 4. Accept, receive, and administer grants or other funds or gifts from public or private agencies including the federal government for the various divisions and the department.
- 5. Appoint and approve the technical, professional, secretarial, and clerical staff necessary to accomplish the purposes of the department subject to chapter 19A.

The director may appoint a member of the staff to be acting director who shall have the powers delegated by the director, in the director's absence.

The director may delegate the powers and duties of that office to the administrators. The director is not liable for the activities of the division of public broadcasting.

Sec. 1303. NEW SECTION. 303.1C DIVISION RESPONSIBILITIES.

1. The administrative services section shall provide administrative, accounting, public relations and clerical services for the department, report to the director and perform other duties assigned to it by the director, except for those matters prescribed by sections 303.75 through 303.83. The administrative services section may provide services to the public broadcasting division.

2. The historical division shall:

a. Administer and care for historical sites under the authority of the division, and maintain collections within these buildings.

Except for the state board of regents, a state agency which owns, manages, or administers a historical site must enter into an agreement with the department of cultural affairs under chapter 28E to insure the proper management, maintenance, and development of the site. For the purposes of this section, "historical site" is defined as any district, site, building, or structure listed on the national register of historic sites or identified as eligible for such status by the state historic preservation officer or that is identified according to established criteria by the state historic preservation officer as significant in national, state, and local history, architecture, engineering, archaeology, or culture.

b. Encourage and assist local county and state organizations and museums devoted to historical purposes.

c. Develop standards and criteria for the acquisition of historic properties and for the preservation, restoration, maintenance, operation, and interpretation of properties under the jurisdiction of the division. The administrator of the division shall serve as the state historic preservation officer, certified by the governor, pursuant to federal requirements.

d. Administer the archives of the state as defined in section 303.12.

e. Identify and document historic properties.

f. Prepare and maintain a state register of historic places, including those listed on the national register of historic places.

g. Conduct historic preservation activities pursuant to federal and state requirements.

h. Publish matters of historical value to the public, and pursue historical, architectural, and archaeological research and development which may include but are not limited to continuing surveys, excavation, scientific recording, interpretation, and publication of the historical, architectural, archaeological, and cultural sites, buildings, and structures in the state.

3. The library division:

a. May enter into interstate library compacts on behalf of the state of Iowa with any state which legally joins in the compacts as provided in section 303A.8.

b. Shall determine policy for providing information service to the three branches of state government and to the legal and medical communities in this state.

c. Shall coordinate a statewide interregional interlibrary loan and information network among libraries in this state and support activities which increase cooperation among all types of libraries.

d. Shall establish and administer a program for the collection and distribution of state publications to depository libraries.

e. Shall develop and adopt, in conjunction with the Iowa regional library system, long-range plans for the continued improvement of library services in the state. To insure that the concerns of all types of libraries are addressed, the division shall establish a long-range planning committee to review and evaluate progress and report findings and recommendations to the division and to the trustees of the Iowa regional library system at an annual meeting.

f. Shall develop in cooperation with the Iowa regional library system an annual plan of service for the Iowa regional library system and its individual members to insure consistency with the state long-range plan.

g. Shall establish and administer a statewide continuing education program for librarians and trustees.

h. Shall give to libraries advice and counsel in specialized areas which may include, but are not limited to, building construction and space utilization, children's services, and technological developments.

i. Shall obtain from libraries reports showing the condition, growth, and development of services provided and disseminate this information in a timely manner to the citizens of Iowa.

j. Shall establish and administer certification guidelines for librarians not covered by other accrediting agencies.

4. The arts division shall:

a. Make surveys as deemed advisable of existing artistic and cultural programs and activities within the state, including but not limited to music, theatre, dance, painting, sculpture, architecture, and allied arts and crafts.

b. Administer the program of agreements for indemnification by the state in the event of loss of or damage to special exhibit items established by sections 304A.21 through 304A.30.

c. Submit a report to the governor and to the general assembly not later than ten calendar days following the commencement of each first session of the general assembly concerning the studies undertaken during the biennium and recommending legislation and other action as necessary for the implementation and enforcement of this article.

Sec. 1304. **NEW SECTION. 303.1D INTRADEPARTMENTAL ADVISORY COUNCIL.**

1. The cultural affairs department intradepartmental advisory council is created. The council shall consist of the following:

a. The chairpersons of the historical society board of trustees, the library commission, arts council and public broadcasting board.

b. Two members of the public and a professional historian, professional librarian, and professional artist appointed by the governor.

2. The appointments made under paragraph "b" of subsection 1 shall be for terms of four years, except that two of the initial terms shall be for two years. Not more than three of the members appointed under paragraph "b" of subsection 1 shall be of the same political party.

3. The council shall advise the director of the department on its operations.

Sec. 1305. Section 303.1, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

303.1 STATE HISTORICAL SOCIETY OF IOWA — BOARD OF TRUSTEES.

A state historical society board of trustees is established consisting of seven members selected as follows:

1. Three members shall be elected by the members of the state historical society according to rules established by the board of trustees.

2. Four members shall be appointed by the governor, two of whom shall be professional historians or archaeologists on the faculty of a college or university in the state.

The term of office of members of the board of trustees is three years commencing and ending as provided in section 69.19.

Sec. 1306. Section 303.2, Code 1985, is amended to read as follows:

303.2 OFFICERS — MEETINGS.

The state historical society board of trustees shall annually elect a chairperson and vice chairperson from its membership, ~~and the executive director shall serve as secretary to the board.~~ The board shall meet as often as deemed necessary, upon the call of the chairperson, or at the request of a majority of the members of the board.

Members of the board ~~shall be entitled to be paid a forty-dollar per diem and shall be reimbursed for actual and necessary expenses while engaged in their official duties.~~ Members may also be eligible for compensation as provided in section 7E.3.

Sec. 1307. Section 303.4, Code 1985, is amended to read as follows:

303.4 MEMBERSHIP IN STATE HISTORICAL SOCIETY.

1. The state historical society board of trustees shall establish recommend to the director rules for membership of the general public in the state historical society, including rules relating to membership fees. Members shall be persons who indicate an interest in the history, progress, and development of the state and who pay the prescribed fee. The members of the state historical society may meet at least one time per year to further the understanding of the history of this state. The society may elect officers, and the executive director of the state historical department, or the executive director's designee, shall serve as secretary to the society. The officers members of the society shall not determine policy for the state historical department of cultural affairs but may advise the director and perform functions to stimulate interest in the history of this state among the general public. The society may perform other activities related to history which are not contrary to this chapter, subject to the approval of the state historical board.

2. As used in this chapter, "state historical society" means the Iowa state historical society of Iowa, an agency of the state located in Iowa City which is part of the department of cultural affairs. It does not mean or include any private entity.

3. Unless designated otherwise, a gift, bequest, devise, endowment, or grant to or application for membership in the state historical society shall be presumed to be to or in the state historical society of the Iowa state historical department.

Sec. 1308. Section 303.5, subsection 2, Code 1985, is amended by adding the following new lettered paragraph:

NEW LETTERED PARAGRAPH. c. Buy or receive by other means historical materials including, but not limited to, artifacts, art, books, manuscripts and images. Such materials are not personal property under section 18.12 and shall be received and cared for under the rules of the department. The historical division may sell or otherwise dispose of those materials according to the rules of the department and be credited for any revenues credited by the disposal less the costs incurred.

Sec. 1309. Section 303.6, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

303.6 POWERS AND DUTIES OF BOARD AND DIVISION.

1. The state historical board shall:

a. Recommend to the department a comprehensive, coordinated, and efficient policy to preserve, research, interpret, and promote to the public an awareness and understanding of local, state, and regional history.

b. Make recommendations to the director on historically related matters.

c. Review and recommend to the director policy decisions regarding the division.

d. Recommend to the director for approval the state preservation plan submitted by the state historic preservation officer.

e. Perform other functions prescribed by law to further historically related matters in the state.

2. The department shall:

a. Have authority to acquire by fee simple title historic properties by gift, purchase, devise, or bequest; preserve, restore, transfer, and administer historic properties; and charge reasonable admission to historic properties.

b. Maintain research centers in Des Moines and Iowa City.

Sec. 1310. Section 303.12, Code 1985, is amended to read as follows:

303.12 ARCHIVES.

Archives "Archives" means these documents, books, papers, photographs, sound recordings, or similar material produced or received pursuant to law in connection with official

government business, which no longer have administrative, legal, or fiscal value to the office having present custody of them, and which have been appraised by the executive director of the state historical department as having sufficient historical, research, or informational value to warrant permanent preservation. The executive director of the state historical department is the trustee and custodian of the archives of Iowa, except that archives do not include county or municipal archives are not included unless they are voluntarily deposited with the executive director with the written consent of the executive director. The executive director shall prescribe rules for the systematic arrangement of archives as to the proper labeling to indicate the contents and order of filing and the archives must be labeled before the archives may be transferred to the executive director's custody.

Sec. 1311. Section 303.13, Code 1985, is amended to read as follows:

303.13 TRANSFER OF ARCHIVES.

The state, executive, and administrative departments, officers or offices, councils, boards, bureaus, and commissions, may shall transfer and deliver to the state historical department archives as defined in section 303.12 and as prescribed in the records management manual. Before transferring archives, the office of present custody shall file with the executive director a classified list of the archives being transferred in detail as the executive director prescribes. If the executive director, on receipt of the list, and after consultation with the chief executive of the office filing the classified list or with a representative designated by the executive, finds that, according to the records management manual, certain classifications of the archives listed are not of sufficient historical, legal, or administrative value to justify permanent preservation, the executive director shall not accept the material for deposit in the state archives.

Sec. 1312. Section 303.14, Code 1985, is amended to read as follows:

303.14 REMOVAL OF ORIGINAL.

After archives have been received by the executive director, they shall not be removed from the executive director's custody without the executive director's consent except in obedience to a subpoena of a court of record or a written order of the state executive council.

The executive director is not required to preserve permanently vouchers, claims, canceled or redeemed state warrants, or duplicate warrant registers of the state comptroller and the treasurer of state, but may, after microfilming, destroy by burning or shredding any warrants having no historical value, that have been in the executive director's custody for a period of one year, and may destroy by burning or shredding any vouchers, claims, and duplicate warrant registers which have been in the director's custody for a period of one year. A properly authenticated reproduction of a microfilmed record is admissible in evidence in a court in this state.

Sec. 1313. Section 303.15, Code 1985, is amended to read as follows:

303.15 CERTIFIED COPIES - FEES.

Upon request of a person, the executive director of the state historical department shall make a certified copy of any document, manuscript, or record contained in the archives or in the custody of the state historical department except where if reproduction is inappropriate because of legal, curatorial, or physical considerations. When If a copy is properly authenticated it has the same legal effect as though certified by the officer from whose office it was obtained or by the secretary of state. The copy may be made in writing, or by a suitable photographic process. The executive director shall charge and collect for copies the fees allowed by law to the official in whose office the document originates for certified copies. The executive director shall charge a person requesting a search of census records for the purpose of determining genealogy the actual cost of performing the search.

Sec. 1314. NEW SECTION. 303.16 HISTORICAL RESOURCE DEVELOPMENT PROGRAM.

1. The department shall administer a program of grants and loans for historical resource development throughout the state, subject to funds for such grants and loans being made available through the appropriations process or otherwise provided by law.

2. The purpose of the historical resource development program is to preserve, conserve, interpret, and enhance historical resources that will encourage and support the economic health and development of the state and the communities in which the resources are located. For this purpose, the department may make grants and loans as otherwise provided by law with funds as may be made available by applicable law.

Sec. 1315. Section 303.20, subsection 4, Code 1985, is amended to read as follows:

4. "Department" means the Iowa state historical department of cultural affairs.

Sec. 1316. NEW SECTION. 303.70 TERRACE HILL COMMISSION.

1. The Terrace Hill commission is created within the historical division of the department of cultural affairs. The commission consists of nine persons appointed by the governor who are knowledgeable in business management, and historic preservation and renovation. The governor shall appoint the chairperson. The terms of the committee members are for three years beginning on July 1 and ending on June 30.

2. The Terrace Hill commission may consult with the Terrace Hill society, Terrace Hill foundation, the executive and legislative branches of this state and other persons interested in the property and advise the director.

3. The Terrace Hill commission may enter into contracts, subject to chapter 18, to execute its purposes.

4. Notwithstanding section 303.1B, the commission may adopt rules to administer and implement the programs of the commission. The decision of the commission is final agency action under chapter 17A.

Sec. 1317. NEW SECTION. 303.75 DEFINITIONS.

As used in sections 303.75 through 303.83 unless the context otherwise requires:

1. "Board" means the Iowa public broadcasting board.

2. "Administrator" means the administrator of the public broadcasting division of the department of cultural affairs.

3. "Radio and television facility" means transmitters, towers, studios, and all necessary associated equipment for broadcasting, including closed circuit television.

Sec. 1318. NEW SECTION. 303.76 PUBLIC BROADCASTING DIVISION CREATED.

The public broadcasting division of the department of cultural affairs is created. The chief administrative officer of the division is the administrator who shall be appointed by and serve at the pleasure of the Iowa public broadcasting board. The governor shall set the division director's salary unless otherwise provided by law. Educational programming shall be the highest priority of the division.

Sec. 1319. NEW SECTION. 303.77 BOARD.

1. The Iowa public broadcasting board is created to plan, establish, and operate an educational radio and television facility and other educational communications services as necessary to aid in accomplishing the educational objectives of the state. The board shall be composed of nine members selected in the following manner:

a. Three members shall be appointed by the state board of public instruction from its own membership or from the personnel of the state department of education.

b. Three members shall be appointed by the state board of regents from its own membership or from among its employees or employees of institutions under the jurisdiction of the board.

c. Three members shall be appointed by the governor, at least one of whom shall be from a regionally accredited private four-year college or university.

2. Board members shall serve a three-year term commencing on July 1 of the year of appointment. A vacancy shall be filled in the same manner as the original appointment for the remainder of the term.

Membership on the board does not constitute holding a public office and members shall not be required to take and file oaths of office before serving. A member shall not be disqualified from holding any public office or employment by reason of appointment to the board nor shall a member forfeit an office or employment by reason of appointment to the board.

3. The board shall appoint at least two advisory committees as follows:

a. Advisory committee on general operations and policy.

b. Advisory committee on curricula and educational matters.

Duties of the advisory committees, and of additional advisory committees the board may from time to time appoint, shall be specified in rules of internal management adopted by the board.

Sec. 1320. NEW SECTION. 303.78 MEETINGS.

1. The board shall elect from among its members a president and a vice president to serve a one-year term. The board shall meet at least four times annually and shall hold special meetings at the call of the president or in the absence of the president by the vice president or by the president upon written request of four members. The board shall establish procedures and requirements relating to quorum, place, and conduct of meetings.

2. Board members shall receive actual expenses incurred in performing their official duties. Members may also be eligible for compensation as provided in section 7E.3.

Sec. 1321. NEW SECTION. 303.79 FACILITIES AND PERMITS.

1. The board may purchase, lease, and improve property, equipment, and services for proper educational communications uses, and may dispose of property and equipment when not necessary for its purposes. The board and division director may arrange for joint use of available services and facilities.

2. The board shall apply for channels, frequencies, licenses, and permits as required for broadcasting.

3. This section does not prohibit institutions under the state board of regents and merged area schools under the department of education from owning, operating, improving, and maintaining educational radio and television stations and transmitters now in existence and operation. The institutions and schools may enter into agreements with the board for the lease or purchase of equipment and facilities.

4. The board may locate its administrative offices and production facilities outside the city of Des Moines.

5. The board may adopt rules to implement and administer the programs of the division.

6. The decision of the board is final agency action under chapter 17A.

Sec. 1322. NEW SECTION. 303.80 COMPETITION WITH PRIVATE SECTOR.

It is the intent of the general assembly that the division shall not compete with the private sector by actively seeking revenue from its operations. It is not the intent of the general assembly to prohibit the receipt of charitable contributions as defined by section 170 of the Internal Revenue Code. The board, the governor, or the administrator may apply for and accept federal or nonfederal gifts, loans, or grants of funds and may use the funds for projects under this chapter.

Sec. 1323. NEW SECTION. 303.82 TRUSTS.

Notwithstanding section 633.63, the board may accept and administer trusts and may authorize nonprofit foundations acting solely for the support of the educational radio and television facility to accept and administer trusts deemed by the board to be beneficial to the

operation of the educational radio and television facility. The board and the foundations may act as trustees in such instances.

Sec. 1324. NEW SECTION. 303.83 REVENUE FROM CONTRACTS.

The board shall retain for its use revenues generated through contracts with nonprofit organizations or their affiliated organizations from the use of the educational radio and television facility and other educational communications services. The administrator may receive services from other divisions and state agencies.

Sec. 1325. NEW SECTION. 303.86 ARTS COUNCIL.

The Iowa state arts council is created as an advisory council, consisting of fifteen members, appointed by the governor from among citizens of Iowa who are recognized for their interest or experience in connection with the performing and fine arts. In making appointments, due consideration shall be given to the recommendations made by representative civic, educational, and professional associations and groups concerned with or engaged in the production or presentation of the performing and fine arts.

The term of office of each member of the Iowa state arts council is three years. The governor shall designate a chairperson and a vice chairperson from the members of the council to serve at the pleasure of the governor. All vacancies shall be filled for the balance of any unexpired term in the same manner as original appointments. The members of the council shall not receive compensation for their services, but shall be reimbursed for their actual and necessary expenses incurred in the performance of their duties as members of the council. Members may also be eligible for compensation as provided in section 7E.3.

Sec. 1326. NEW SECTION. 303.87 DUTIES OF COUNCIL.

The arts council shall:

1. Advise the director with respect to policies, programs, and procedures for carrying out the administrator's functions, duties, or responsibilities.
2. Review programs to be supported and make recommendations on the programs to the director.

Sec. 1327. NEW SECTION. 303.89 ADMINISTRATOR'S POWERS AND AUTHORITY.

The arts division administrator may:

1. Make and sign any agreements and perform any acts which are necessary, desirable, or proper to carry out the purpose of the division.
2. Request and obtain assistance and data from any department, division, board, bureau, commission, or agency of the state.
3. Accept any federal funds granted, by Act of Congress or by executive order, for all or any purposes of this chapter, and receive and disburse as the official agent of the state any funds made available by the national endowment for the arts.
4. Accept gifts, contributions, bequests or other funds available for all or any of the purposes of the division.

Sec. 1328. NEW SECTION. 303.95 DIVISION OF LIBRARIES - DEFINITIONS.

As used in sections 303.95 through 303.100, unless the context otherwise requires:

1. "Commission" means the state library commission.
2. "State agency" means a legislative, executive, or judicial office of the state and all of its respective officers, departments, divisions, bureaus, boards, commissions, and committees, except the state institutions of higher education governed by the state board of regents.
3. "State publications" means all multiple-produced publications regardless of format, which are issued by a state agency and supported by public funds, but it does not include:
 - a. Correspondence and memoranda intended solely for internal use within the agency or between agencies.

b. Materials excluded from this definition by the department through the adoption and enforcement of rules.

Sec. 1329. NEW SECTION. 303.97 STATE LIBRARY COMMISSION ESTABLISHED.

1. The state library commission consists of one member appointed by the state supreme court and six members appointed by the governor to serve four-year terms beginning and ending as provided in section 69.19. Of the governor's appointees, one member shall be from the medical profession and five members selected at large. Not more than three of the members appointed by the governor shall be of the same gender. The members shall be reimbursed for their actual expenditures necessitated by their official duties. Members may also be eligible for compensation as provided in section 7E.3.

2. The commission shall elect one of its members as chairperson. The commission shall meet at the time and place specified by call of the chairperson. Four members are a quorum for the transaction of business.

3. The department:

a. May receive and expend money for providing programs and services. The department may receive, accept, and administer any moneys appropriated or granted to it, separate from the general library fund, by the federal government or by any other public or private agency.

b. Shall foster public awareness of the condition of libraries in Iowa and of methods to improve library services to the citizens of the state.

c. Shall establish and administer standards for state agency libraries, the Iowa regional library system, and public libraries.

Sec. 1330. NEW SECTION. 303.99 STATE PUBLICATIONS.

Upon issuance of a state publication, a state agency shall deposit with the department at no cost to the department, seventy-five copies of the publication or a lesser number if specified by the department.

Sec. 1331. NEW SECTION. 303.100 MEDICAL AND LAW LIBRARY.

The state library includes, but is not limited to, a medical library and a law library.

1. The medical library shall be headed by a medical librarian, appointed by the director, subject to chapter 19A. The medical librarian shall:

a. Operate the medical library which shall always be available for free use by the residents of Iowa under rules the department adopts.

b. Give no preference to any school of medicine and shall secure books, periodicals, and pamphlets for every legally recognized school of medicine without discrimination.

c. Perform other duties imposed by law or prescribed by the rules of the division.

2. The law library shall be headed by a law librarian, appointed by the director with the approval of the Iowa supreme court, subject to chapter 19A. The law librarian shall:

a. Operate the law library department which shall be maintained in the state capitol or in rooms convenient to the state supreme court and which shall be available for free use by the residents of Iowa under rules the department adopts.

b. Maintain, as an integral part of the law library, reports of various boards and agencies and copies of bills, journals, and other information relating to current or proposed legislation.

c. Arrange to make exchanges of all printed material published by the states and the government of the United States.

d. Perform other duties imposed by law or by the rules of the department.

Sec. 1332. Section 303B.6, subsections 2, 9, 10, and 11, Code Supplement 1985, are amended to read as follows:

2. Subject to the approval of the annual plan of service by the ~~state library commission~~ director of the department of cultural affairs, may receive and expend state appropriated funds.

9. Shall develop and adopt, in cooperation with other members of the regional library system and the ~~state library of Iowa~~ director of the department of cultural affairs, a long-range plan for the region.

10. Shall prepare, in cooperation with all members of the regional library system and the state library commission director of the department of cultural affairs, an annual plan of service.

11. Shall provide data and prepare reports as directed by the state library commission director of the department of cultural affairs.

Sec. 1333. Section 304A.8, subsections 1 and 2, Code 1985, are amended to read as follows:

1. "State building" means any permanent structure, wholly or partially enclosed, which is intended to provide offices, laboratories, workshops, courtrooms, hearing and meeting rooms, storage space and other facilities for carrying on the functions of a state agency, including the board of regents; or auditoriums, meeting rooms, classrooms and other educational facilities; eating or sleeping facilities, medical or dental facilities, libraries and museums which are intended for the use or accommodation of the general public or state employees; together with all grounds and appurtenant structures and facilities; provided, however, it shall not mean maintenance sheds, separate garages, cellhouses or other secure sleeping facilities for prisoners, or buildings used solely as storage or warehouse facilities.

2. "Fine arts" means sculpture, fountains, bas-reliefs, mosaics, frescoes, wall hangings, crafts, photography, pictures or other enhancements to be integrated into the total environment of the building or complex of buildings. Fine arts does not include the incidental ornamental detail of functional structural elements, or hardware and other accessories.

Sec. 1334. Section 304A.9, Code 1985, is amended to read as follows:

304A.9 CONSULTATION.

Whenever a state building is to be constructed, the contracting officer or principal user shall, at the time of engaging or directing an architect to prepare plans and specifications for the building, co-ordinate with contact the Iowa state arts council division of the department of cultural affairs, which shall provide for consultation have authority to ensure that the fine arts elements will be integrated within, on, or about the total environment of such construction. Notwithstanding this section and sections 304A.11 and 304A.12, if the state building is under the control of the state board of regents the work on the fine arts element shall be administered by the state board of regents in consultation with the arts division.

Sec. 1335. Section 304A.10, Code 1985, is amended to read as follows:

304A.10 COST OF FINE ARTS — PERCENTAGE.

The total estimated cost of the fine arts elements included in a plan and specifications for a state building or group of state buildings in accordance with the purposes of this division shall in no case be less than one-half of one percent of the total estimated cost of such building or group of buildings. This percentage allocation shall not be diminished by professional fees. If deemed in the best interests of the citizens funds allocated for the acquisition of fine arts may be accumulated over more than one appropriation or fiscal period or combined to complete significant projects, however, this sentence does not authorize interproject transfers.

Sec. 1336. Section 304A.11, Code 1985, is amended to read as follows:

304A.11 CO-OPERATING COOPERATING PARTIES.

The arts division shall administer, in consultation with the contracting officer, the principal user and the building architect, shall co-ordinate with the Iowa state arts council all matters relating to the selection of the fine arts elements to be included or purchased for a state building as authorized by section 304A.10.

Sec. 1337. Section 304A.12, Code 1985, is amended to read as follows:

304A.12 SEPARATE CONTRACT.

Contracts for the fine arts elements shall be executed within the limits of the estimated actual costs as determined by section 304A.10. Funds shall be transferred to the arts division for administration of the program. All expenses related to the acquisition of the fine arts

elements shall be contracted for separately by the arts division with the funds allocated for these purposes.

Sec. 1338. Section 304A.14, Code 1985, is amended to read as follows:

304A.14 TITLE IN STATE.

Title to all works of art acquired rests with the principal user or contracting agency in the name of the state. The principal user or contracting agency and the Iowa state arts council division upon agreement may loan works of art between state-owned buildings whenever in their judgment the loan will be to the benefit of the citizens of this state. However, all such works shall be returned to the principal user or the contracting agency at its request.

Sec. 1339. Section 103A.45, unnumbered paragraph 1 and subsection 4, Code 1985, are amended to read as follows:

The state historic building code advisory historical society board shall:

4. Consult with state agencies, including the state fire marshal and the Iowa state historical department of cultural affairs, governmental subdivisions, architects, engineers, and others who have knowledge of or interest in the rehabilitation, preservation, restoration, and relocation of historic buildings, with respect to matters relating to the state historic building code.

Sec. 1340. Sections 7.18, 103A.44, 303.3, 303.5, and 304A.1 through 304A.7, and chapter 18B, Code 1985, and sections 7A.51 through 7A.54, 18B.13 and 303A.1 through 303A.7, Code Supplement 1985, are repealed.

DEPARTMENT OF EDUCATION

Sec. 1401. **NEW SECTION. 256.1 DEPARTMENT ESTABLISHED.**

The department of education is established to act in a policymaking and advisory capacity and to exercise general supervision over the state system of education including:

1. Public elementary and secondary schools.
2. Merged area schools.
3. Area education agencies.
4. Vocational rehabilitation.
5. Educational supervision over the elementary and secondary schools under the control of a director of a division of the department of human services.
6. Nonpublic schools to the extent necessary for compliance with Iowa school laws.

The department shall act as an administrative, supervisory, and consultative state agency.

Sec. 1402. **NEW SECTION. 256.2 DEFINITIONS.**

As used in this chapter:

1. "Department" means the department of education.
2. "State board" means the state board of education.
3. "Director" means the director of the department of education.

Sec. 1403. **NEW SECTION. 256.3 STATE BOARD ESTABLISHED.**

The state board of education is established for the department. The state board consists of nine members appointed by the governor subject to senate confirmation. The members shall be qualified electors of the state and hold no other elective or appointive state office. A member shall not be engaged in professional education for a major portion of the member's time nor shall the member derive a major portion of income from any business or activity connected with education. One member shall have substantial knowledge related to vocational and technical training, and one member shall have substantial knowledge related to area community colleges. Not more than five members shall be of the same political party.

The terms of office are for six years beginning and ending as provided in section 69.19.

Sec. 1404. NEW SECTION. 256.4 OATH — VACANCIES.

The members of the state board shall qualify by taking the regular oath of office as prescribed by law for state officers. Vacancies shall be filled in the same manner in which regular appointments are required to be made.

Sec. 1405. NEW SECTION. 256.5 COMPENSATION AND EXPENSES.

The members of the state board shall be reimbursed for actual and necessary expenses incurred while engaged in their official duties. Members of the state board may also be eligible to receive compensation as provided in section 7E.3. All expense moneys paid to the members shall be paid from funds appropriated to the department.

Sec. 1406. NEW SECTION. 256.6 REGULAR AND SPECIAL MEETINGS.

The state board shall hold at least six regular meetings each year. The first regular meeting shall be held on the second Thursday in January for purposes of organization. Special meetings of the state board may be called by the president or by any five members of the board on five days' notice given to each member.

Sec. 1407. NEW SECTION. 256.7 DUTIES OF STATE BOARD.

Except for the college aid commission, the state board shall:

1. Adopt and establish policy for programs and services of the department pursuant to law.
2. Constitute the state board for vocational education under chapters 258 and 259.
3. Constitute the board of educational examiners for the certification of administrative, supervisory, and instructional personnel for the public school systems of the state. The state board shall adopt rules prescribing the types and classes of certificates; requirements for certificates; standards for acceptance of degrees, credits, courses, and other evidences of training from public and private institutions of higher learning and other training institutions in this state and outside this state; and standards for the approval of programs of teacher education. The state board shall perform duties imposed upon the board of educational examiners under chapter 260.
4. Adopt, and update annually, a five-year plan for the achievement of educational goals in Iowa.
5. Adopt rules under chapter 17A for carrying out the responsibilities of the department.
6. Hear appeals of persons aggrieved by decisions of boards of directors of school corporations under chapter 290 and other appeals prescribed by law. The state board shall review the record and decision of the director of the department of education in appeals heard and decided by the director under chapter 290, and may affirm, modify, or vacate the decision, or may direct a rehearing before the director.
7. Develop plans for the restructuring of school districts, area education agencies, and merged area schools, with specific emphasis on combining the area education agencies and merged area schools. The plans shall be reported to the general assembly not later than October 1, 1987. The focus of the plans shall be to assure more productive and efficient use of limited resources, equity of geographical access to facilities, equity of educational opportunity within the state, and improved student achievement.

The state board shall consult with representatives from the local school districts, area education agencies, and merged area schools in developing the plans. The representatives shall include board members, school administrators, teachers, parents, students, associations interested in education, and representatives of communities of various sizes.

Sec. 1408. NEW SECTION. 256.8 COMMISSIONER OF EDUCATION.

The governor shall appoint a commissioner of education subject to confirmation by the senate. The commissioner shall possess a background in education and administrative experience and shall serve at the pleasure of the governor.

Sec. 1409. NEW SECTION. 256.9 DUTIES OF DIRECTOR.

Except for the college aid commission, the director shall:

1. Carry out programs and policies as determined by the state board.
2. Recommend to the state board rules necessary to implement programs and services of the department.
3. Establish divisions of the department as necessary or desirable in addition to divisions required by law. The organization of the department shall promote coordination of functions and services relating to administration, supervision, and improvement of instruction.
4. Employ personnel and assign duties and responsibilities of the department. The director shall appoint a deputy director and division administrators deemed necessary. They shall be appointed on the basis of their professional qualifications, administration, and background. Members of the professional staff are not subject to chapter 19A and shall be employed pursuant to section 256.10.
5. Transmit to the state comptroller information about the distribution of state and federal funds pursuant to state law and rules of the department.
6. Develop a budget and transmit to the state comptroller estimates of expenditure requirements for all functions and services of the department.
7. Accept and administer federal funds apportioned to the state for educational and rehabilitation purposes and accept surplus commodities for distribution when made available by a governmental agency. The director may also accept grants and gifts on behalf of the department.
8. Cooperate with other governmental agencies and political subdivisions in the development of rules and enforcement of laws relating to education.
9. Conduct research on education matters.
10. Submit to each regular session of the general assembly recommendations relating to revisions or amendments to the school laws.
11. Approve, coordinate, and supervise the use of electronic data processing by school districts, area education agencies, and merged areas.
12. Act as the executive officer of the state board.
13. Act as custodian of a seal for the director's office and authenticate all true copies of decisions or documents.
14. Appoint advisory committees, in addition to those required by law, to advise in carrying out the programs, services, and functions of the department.
15. Provide the same educational supervision for the schools maintained by the commissioner of human services as is provided for the public schools of the state and make recommendations to the commissioner of human services for the improvement of the educational program in those institutions.
16. Interpret the school laws and rules relating to the school laws.
17. Hear and decide appeals arising from the school laws not otherwise specifically granted to the state board.
18. Prepare forms and procedures as necessary to be used by area education agency boards, district boards, school officials, principals, teachers, and other employees, and to insure uniformity, accuracy, and efficiency in keeping records in both pupil and cost accounting, the execution of contracts, and the submission of reports, and notify the area education agency board, district board, or school authorities when a report has not been filed in the manner or on the dates prescribed by law or by rule that the school will not be accredited until the report has been properly filed.
19. Determine by inspection, supervision, or otherwise, the condition, needs, and progress of the schools under the supervision of the department, make recommendations to the proper authorities for the correction of deficiencies and the educational and physical improvement of the schools, and request a state audit of the accounts of a school district, area education agency, school official, or school employee handling school funds when it is apparent that an audit should be made.

20. Preserve reports, documents, and correspondence that may be of a permanent value, which shall be open for inspection under reasonable conditions.

21. Keep a record of the business transacted by the commissioner.

22. Endeavor to promote among the people of the state an interest in education.

23. Classify and define the various schools under the supervision of the department, formulate suitable courses of study, and publish and distribute the classifications and courses of study and promote their use.

24. Report biennially to the governor, at the time provided by law, the condition of the schools under the director's supervision, including the number and kinds of school districts, the number of schools of each kind, the number and value of schoolhouses, the enrollment and attendance in each county for the previous year, any measures proposed for the improvement of the public schools, financial and statistical information of public importance, and general information relating to educational affairs and conditions within the state or elsewhere. The report shall also review the programs and services of the department.

25. Direct area education agency administrators to arrange for professional teachers' meetings, demonstration teaching, or other field work for the improvement of instruction as best fits the needs of the public schools in each area.

26. Cause to be printed in book form, during the months of June and July in the year 1987 and every four years thereafter, if deemed necessary, all school laws then in force with forms, rulings, decisions, notes, and suggestions which may aid school officers in the proper discharge of their duties. A sufficient number shall be furnished to school officers, directors, superintendents, area administrators, members of the general assembly, and others as reasonably requested.

27. Cause to be printed in pamphlet form after each session of the general assembly any amendments or changes in the school laws with necessary notes and suggestions to be distributed as prescribed in subsection 25.

28. Prepare and submit to each regular session of the general assembly a report containing the recommendations of the state board as to revisions, amendments, and new provisions of school laws.

29. Provide administrative services for the independent nonprofit quasi-public first in the nation in education foundation.

30. Approve the salaries of area education agency administrators.

Sec. 1410. NEW SECTION. 256.10 EMPLOYMENT OF PROFESSIONAL STAFF.

The salary of the director shall be fixed by the governor within a range established by the general assembly. Appointments to the professional staff of the department shall be without reference to political party affiliation, religious affiliation, sex, or marital status, but shall be based solely upon fitness, ability, and proper qualifications for the particular position. The professional staff shall serve at the discretion of the director. A member of the professional staff shall not be dismissed for cause without at least ninety days' notice, except in cases of conviction of a felony or cases involving moral turpitude. In cases of procedure for dismissal, the accused has the same right to notice and hearing as teachers in the public school systems as provided in section 279.27 to the extent that it is applicable.

Sec. 1411. NEW SECTION. 256.11 EDUCATIONAL STANDARDS.

The state board shall, except as otherwise provided in this section, adopt rules establishing standards and a procedure for accrediting all public and nonpublic schools in Iowa offering instruction at any or all levels from the prekindergarten level through grade twelve. A nonpublic school which offers only a prekindergarten program may, but is not required to, seek and obtain accreditation under this chapter. A list of accredited schools shall be maintained by the department. The state board shall adopt rules to require that a multicultural, nonsexist approach is used by school districts. The educational program shall be taught from a multicultural, nonsexist approach. The rules adopted by the state board that establish standards shall delineate and be based upon the educational program as follows:

1. If a school offers a prekindergarten program, the program shall be designed to help children to work and play with others, to express themselves, to learn to use and manage their bodies, and to extend their interests and understanding of the world about them. The prekindergarten program shall relate the role of the family to the child's developing sense of self and perception of others. Planning and carrying out prekindergarten activities designed to encourage cooperative efforts between home and school shall focus on community resources. A prekindergarten teacher employed by a school corporation or county or joint county school system, or its successor agency, and receiving a salary from state and local funds, shall hold a certificate certifying that the holder is qualified to teach in prekindergarten.

2. The kindergarten program shall include experiences designed to develop healthy emotional and social habits and growth in the language arts and communication skills, as well as a capacity for the completion of individual tasks, and protection and development of physical well-being. A kindergarten teacher shall hold a certificate providing that the holder is qualified to teach in kindergarten. An accredited nonpublic school must meet the requirements of this subsection only if the nonpublic school offers a kindergarten program.

3. The following areas shall be taught in the grades one through six: English-language arts, including reading, handwriting, spelling, oral and written English, and literature; social studies, including geography, history of the United States and Iowa, cultures of other peoples and nations, and American citizenship, including the study of national, state, and local government in the United States; mathematics; science, including environmental awareness and conservation of natural resources; health and physical education, including the effects of alcohol, tobacco, drugs, and poisons on the human body; the characteristics of communicable diseases; traffic safety, including pedestrian and bicycle safety procedures; music; and art.

4. The following shall be taught in grades seven and eight as a minimum program: science, including environmental awareness and conservation of natural resources; mathematics; social studies; cultures of other peoples and nations, and American citizenship; English-language arts which shall include reading, spelling, grammar, oral and written composition, and may include other communication subjects; health and physical education, including the effects of alcohol, tobacco, drugs, and poisons on the human body, the characteristics of communicable diseases, including venereal diseases and current crucial health issues; music; and art.

5. Provision for special education services and programs shall be made for children requiring special education.

6. In grades nine through twelve, a unit of credit consists of a course or equivalent related components or partial units taught throughout the academic year. The minimum program for grades nine through twelve is:

a. Four units of science including physics and chemistry; the units of physics and chemistry may be taught in alternate years. The units of science shall include instruction in environmental awareness and conservation of natural resources.

b. Four units of the social studies. American history, American government, government and cultures of other peoples and nations, and general consumer education, family law, and economics, including comparative and consumer economics, shall be taught in the units but need not be required as full units. All students are required to take one unit of American history and one-half unit of the governments of Iowa and the United States, including instruction in voting statutes and procedures, voter registration requirements, the use of paper ballots and voting machines in the election process, and the method of acquiring and casting an absentee ballot.

The county auditor, upon request and at a site chosen by the county auditor, shall make available to schools within the county voting machines or sample ballots that are generally used within the county, at times when these machines or sample ballots are not in use for their recognized purpose.

c. Four units of English-language arts.

- d. Four units of a sequential program in mathematics.
 - e. One unit of general mathematics.
 - f. Two units of one foreign language; the units of foreign language may be taught in alternate years, provided there is no break in the progression of instruction from one year to the next. However, the department may waive the foreign language requirement on an annual basis upon the request of the board of directors of a school district or the authorities in charge of a nonpublic school if the board or authorities are able to prove that a certificated teacher was employed and assigned a schedule that would have allowed students to enroll in a foreign language class, the foreign language class was properly scheduled, students were aware that a foreign language class was scheduled, and no students enrolled in the class.
 - g. All students physically able shall be required to participate in physical education activities during each semester they are enrolled in school except as otherwise provided in this paragraph. A minimum of one-eighth unit each semester shall be required, except that any student participating in an organized and supervised high school athletic program which requires at least as much time of participation per week as one-eighth unit may be excused from the physical education course during the time of the student's participation in the athletic program. A twelfth grade student who meets the requirements of this paragraph may be excused from the physical education requirement by the principal of the school in which the student is enrolled if the parent or guardian of the student requests in writing that the student be excused from the physical education requirement. A student who wishes to be excused from the physical education requirement must be enrolled in a cooperative or work-study program or other educational program authorized by the school which requires the student to leave the school premises for specified periods of time during the school day. The student must seek to be excused from the physical education requirement in order to enroll in academic courses not otherwise available to the student. The principal of the school shall inform the superintendent of the school district or nonpublic school that the student has been excused. Physical education activities shall emphasize leisure time activities which will benefit the student outside the school environment and after graduation from high school.
 - h. Five units of occupational education subjects, which may include, but are not limited to, programs, services, and activities which prepare students for employment in office and clerical, trade and industrial, consumer and homemaking, agriculture, distributive, and health occupations.
 - i. Units or partial units in the fine arts which may include art, music and dramatics.
 - j. Health education, including an awareness of physical and mental health needs, the effects of alcohol, tobacco, drugs, and poisons on the human body, the characteristics of communicable diseases, including venereal diseases, and current crucial health issues.
7. A pupil shall not be required to enroll in either physical education or health courses if the pupil's parent or guardian files a written statement with the school principal that the course conflicts with the pupil's religious belief.
8. Upon request of the board of directors of a public school district or the authorities in charge of a nonpublic school, the director may, for a number of years to be specified by the director, grant the district board or the authorities in charge of the nonpublic school exemption from one or more of the requirements of the educational program specified in subsection 6. The exemption may be renewed. Exemptions shall be granted only if the director deems that the request made is an essential part of a planned innovative curriculum project which the director determines will adequately meet the educational needs and interests of the pupils and be broadly consistent with the intent of the educational program as defined in subsection 6.
- The request for exemption shall include all of the following:
- a. Rationale of the project to include supportive research evidence.
 - b. Objectives of the project.

c. Provisions for administration and conduct of the project, including the use of personnel, facilities, time, techniques, and activities.

d. Plans for evaluation of the project by testing and observational measures of pupil progress in reaching the objectives.

e. Plans for revisions of the project based on evaluation measures.

f. Plans for periodic reports to the department.

g. The estimated cost of the project.

9. To facilitate the implementation and economical operation of the educational program defined in subsections 4 and 6, each school offering any of grades seven through twelve, except a school which offers grades one through eight as an elementary school, shall have:

a. A qualified school media specialist who shall meet the certification and approval standards prescribed by the department and adequate media center facilities.

(1) SCHOOL MEDIA SPECIALIST. The media specialist may be employed on a part-time or full-time basis, or may devote only part time to media service activities, according to the needs of the school and the availability of media personnel, as determined by the local board. The director shall recommend standards based upon the number of students in attendance, the nature of the academic curriculum and other appropriate factors.

(2) ORGANIZATION AND ADEQUACY OF COLLECTION. The media center shall be organized as a resource center of instructional material for the entire educational program. The number and kind of library and reference books, periodicals, newspapers, pamphlets, information files, audiovisual materials, and other learning aids shall be adequate for the number of pupils and the needs of instruction in all courses.

b. A qualified school guidance counselor who shall meet the certification and approval standards prescribed by the department. The guidance counselor may be employed on a part-time or full-time basis, or may devote only part time to counseling services, according to the needs of the school and the availability of guidance personnel, as determined by the local board. The director shall recommend standards based upon the number of students in attendance and other appropriate factors. Other members of the noninstructional professional staff, including but not limited to physicians, dentists, nurses, school psychologists, speech therapists, and other specialists, may also be employed or shared by one or more schools. The guidance counselor shall meet the certification and approval standards of the department and noninstructional staff members shall meet the professional practice requirements of this state relating to their special services.

c. Arrangement for special education services.

d. Adequate instructional materials for classrooms.

10. The state board shall establish an accreditation process for school districts pursuant to this subsection and subsections 11 and 12. The accreditation process shall take effect for one-fifth of the school districts during the school year commencing July 1, 1989 and an additional one-fifth during each of the next following four school years. A school district not subject to the accreditation process is subject to the approval process as provided in section 257.25, Code 1985. Accreditation is valid for a five-year period. In addition to employees of the department of education, the commissioner shall appoint a committee of not more than five individuals one of whom is a member of a local school district board of directors; three of whom possess certificates under chapter 260 and are employed in a nonpublic school, school district, merged area school, area education agency, or institution of higher education; and one of whom is not a board member or certificate holder, to serve as an accreditation committee for a school district or nonpublic school. If the accreditation committee is for a nonpublic school, the board member may be either a board member or administrator of a nonpublic school. The members of the accreditation committee shall be broadly representative of the educational profession and shall not have a direct interest in the school district or nonpublic school.

Rules adopted by the state board may include provisions for coordination of the accreditation process under this section with activities of accreditation associations.

Prior to a visit to the school district or nonpublic school, the board of directors of the school district, or authorities in charge of the nonpublic school, shall provide the accreditation committee with written evidence that the school district or nonpublic school has met accreditation standards prescribed in this section and by rule. The evidence shall be provided on forms prescribed by the commissioner.

After visiting the school district or nonpublic school, the accreditation committee shall determine whether the accreditation standards have been met and shall make a report to the commissioner, together with a recommendation whether the school district or nonpublic school has met the accreditation standards. The accreditation committee shall report strengths and weaknesses, if any, for each standard. A school district or nonpublic school may respond to the accreditation committee's report.

11. The commissioner shall review the accreditation committee's report, and the response of the school district or nonpublic school and provide a report and recommendation to state board along with the other reports that have been filed. The state board shall determine whether the school district or nonpublic school shall receive accreditation. If a district or a school is accredited, the accreditation must be renewed every three years thereafter using the procedure prescribed in this section. If the state board determines that a school district or nonpublic school should not receive accreditation, the commissioner, in cooperation with the board of directors of the school district, or authorities in charge of the nonpublic school, shall establish a plan prescribing the procedures that must be taken to correct deficiencies in meeting the standards. The plan is subject to the approval of the state board.

12. After the period of time specified in the plan for its implementation by a school district or nonpublic school, the accreditation committee shall revisit the school district or nonpublic school and shall determine whether the deficiencies in the standards have been corrected and shall make a report and recommendation to the commissioner and the state board. The state board shall determine whether the deficiencies have been corrected. If the deficiencies have not been corrected, the state board may determine that the school district or nonpublic school is not accredited or may grant additional time for implementation of the plan. If the state board does not grant accreditation, the state board shall merge the territory of the school district with one or more contiguous school districts. Division of assets and liabilities of the school district shall be as provided in sections 275.29 through 275.31. Until the merger is completed, the school district shall pay tuition for its resident students to an accredited school district under section 282.24.

13. Notwithstanding subsections 1 through 12 and as an exception to their requirements, a private high school or private combined junior-senior high school operated for the express purpose of teaching a program designed to qualify its graduates for matriculation at accredited four-year or equivalent liberal arts, scientific, or technological colleges or universities shall be placed on a special accredited list of college preparatory schools, which list shall signify accreditation of the school for that express purpose only, if:

a. The school complies with minimum standards established by the Code other than this section, and rules adopted under the Code, applicable to:

- (1) Courses comprising the limited program.
- (2) Health requirements for personnel.
- (3) Plant facilities.
- (4) Other environmental factors affecting the programs.

b. At least eighty percent of those graduating from the school within the four most recent calendar years, other than those graduating who are aliens, graduates entering military or alternative civilian service, or graduates deceased or incapacitated before college acceptance, have been accepted by accredited four-year or equivalent liberal arts, scientific, or technological colleges or universities.

c. A school claiming to be a private college preparatory school which fails to comply with the requirement of paragraph "b" of this subsection shall be placed on the special accredited list of college preparatory schools probationally if the school complies with the requirements of paragraph "a" of this subsection, but a probational accreditation shall not continue for more than four successive years.

14. Notwithstanding subsections 1 through 13 and as an exception to their requirements, a nonpublic grade school which is reopening is accredited even if it does not have a complete grade one through grade six program. However, the nonpublic grade school must comply with other minimum standards established by law and administrative rules adopted pursuant to the law and the nonpublic grade school must show progress toward reaching a grade one through grade six program.

Sec. 1412. NEW SECTION. 256.12 SHARING INSTRUCTORS AND SERVICES.

1. The director, when necessary to realize the purposes of this chapter, shall approve the enrollment in public schools for specified courses of students who also are enrolled in private schools, when the courses in which they seek enrollment are not available to them in their private schools, provided the students have satisfactorily completed prerequisite courses, if any, or have otherwise shown equivalent competence through testing. Courses made available to students in this manner shall be considered as compliance by the private schools in which the students are enrolled with any standards or laws requiring private schools to offer or teach the courses.

2. This section does not deprive the respective boards of public school districts of any of their legal powers, statutory or otherwise, and in accepting the specially enrolled students, each of the boards shall prescribe the terms of the special enrollment, including but not limited to scheduling of courses and the length of class periods. In addition, the board of the affected public school district shall be given notice by the department of its decision to permit the special enrollment not later than six months prior to the opening of the affected public school district's school year, except that the board of the public school district may waive the notice requirement. School districts and area education agency boards, may make public school services, which may include health services; special education services; diagnostic services for speech, hearing, and psychological purposes; services for remedial education programs, guidance services, and school testing services, available to children attending nonpublic schools in the same manner and to the same extent that they are provided to public school students. However, services that are made available shall be provided on neutral sites, or in mobile units located off the nonpublic school premises as determined by the boards of the school districts and area education agencies providing the services, and not on nonpublic school property, except for health services and diagnostic services for speech, hearing, and psychological purposes, which may be provided on nonpublic school premises, with the permission of the lawful custodian.

Sec. 1413. NEW SECTION. 256.13 NONRESIDENT PUPILS.

The boards of directors of two or more school districts may by agreement provide for attendance of pupils residing in one district in the schools of another district for the purpose of taking courses not offered in the district of their residence. The boards may also provide by agreement that the districts will combine their enrollments for one or more grades. Courses and grades made available to students in this manner shall be considered as complying with any standards or laws requiring the offering of such courses and grades. The boards of directors of districts entering into such agreements may provide for sharing the costs and expenses of the courses.

Sec. 1414. NEW SECTION. 256.14 PERMANENT REVOLVING FUND.

A permanent revolving fund is established for the department. Expenses incurred by the department from this fund shall be paid subject to reimbursement by the federal government.

Sec. 1415. NEW SECTION. 256.15 NONPUBLIC SCHOOL ADVISORY COMMITTEE.

A nonpublic school advisory committee is established which consists of five members, to be appointed by the governor, each of them to be a citizen of the United States and a resident of the state of Iowa. The term of the members is four years. The duties of the committee are to advise the state board and the director on matters affecting nonpublic schools, including but not limited to the establishment of standards for teacher certification and the establishment of standards for, and approval of, all nonpublic schools. Notice of meetings of the state board shall be sent by the director to members of the committee.

Committee members shall be reimbursed for actual and necessary expenses incurred in performance of their duties. Members may also be eligible to receive compensation as provided in section 7E.3. The expense money shall be paid from the appropriations to the department of education.

Sec. 1416. NEW SECTION. 256.16 SPECIFIC CRITERIA FOR TEACHER PREPARATION AND CERTAIN EDUCATORS.

Pursuant to section 256.7, subsection 5, the state board shall adopt rules requiring all approved teacher training institutions to include in the professional education program, preparation that contributes to education of the handicapped and the gifted and talented, which must be successfully completed before graduation from the teacher training program.

A person initially applying for a certificate, endorsement, or approval shall successfully complete a professional education program containing the subject matter specified in this section, before the initial action by the department takes place.

Sec. 1417. NEW SECTION. 256.17 STANDARDS FOR APPROVED SCHOOLS.

The state board shall review the standards contained in section 256.11, shall review current literature relating to effective schools and learning environments, and shall consult with representatives from the higher education institutions, area education agencies, school board members, school administrators, teachers, parents, students, members of business, industry, and labor, other governmental agencies, associations interested in education, and representatives of communities of various sizes to develop standards for accredited schools and school districts that encompass, but are not limited to the following general areas:

1. Objectives and assessment procedures for teaching specific competencies related to higher order thinking skills, learning skills, and communications skills.
2. Integration of the applications of current technologies into the general curriculum.
3. Procedures for curriculum development and refinement.
4. Staff development processes.
5. A performance evaluation process for its certificated staff using staff members who possess evaluator approval under section 260.33.
6. Use of support staff.
7. A specific number of hours per year for students to be engaged in formal academic instruction.
8. Learning opportunities for students whose needs are not met in the conventional classroom.
9. Career exploration activities and specific vocational education programs.
10. Curriculum standards that include the coordination of extracurricular and academic education goals.
11. Student responsibility and discipline policies.
12. Needs assessments and development of long-range plans as provided for in section 280.12.
13. Community and parent involvement in the education process.
14. Communication with business, industry, labor, and higher education regarding their expectations for adequate student preparation.

Notwithstanding the standards included in section 256.11, not later than July 1, 1987, the state board shall adopt rules establishing new standards for accredited schools. The rules shall be adopted under chapter 17A and shall require that schools and school districts meet the standards adopted by the state board not later than July 1, 1989.

Following adoption of the standards, the department of education shall assist schools and school districts to comply with the standards.

The director, in consultation with the boards of directors and the administration of the school districts, shall recommend to the state board not later than July 1, 1989, on the basis of evidence submitted by the school districts, which school districts meet the accreditation standards adopted by the state board.

Thereafter the state board shall require that once every three years schools and school districts submit evidence that they meet the accreditation standards. One-third of the schools and school districts shall be reviewed each year.

Section 256.11, subsections 10, 11, and 12, apply to schools and school districts obtaining accreditation.

Sec. 1418. Section 237.1, subsection 3, paragraph c, Code 1985, is amended to read as follows:

c. Care furnished by a private boarding school subject to approval by the state board of ~~public instruction~~ education pursuant to section ~~257.25~~ 256.11.

Sec. 1419. Section 234.1, subsection 4, paragraph a, Code 1985, is amended to read as follows:

a. Is in full-time attendance at an ~~approved~~ accredited school pursuing a course of study leading to a high school diploma.

Sec. 1420. Section 244.10, Code 1985, is amended to read as follows:
244.10 PLACING CHILD UNDER CONTRACT.

Any A child received in the home, unless adopted, may be placed by the department in foster care with any proper person or family. The foster care arrangement shall provide for the custody, care, education, maintenance, and earnings of the child for a fixed time which shall not extend beyond the age of majority, except that the time may extend beyond the child's eighteenth birthday until the child is twenty-one years of age if the child is regularly attending an ~~approved~~ accredited school in pursuance of a course of study leading to a high school diploma or its equivalent, or regularly attending a course of vocational technical training either as a part of a regular school program or under special arrangements adapted to the individual person's needs.

Sec. 1421. Section 252D.1, subsection 1, Code Supplement 1985, is amended to read as follows:

1. As used in this chapter, unless the context otherwise requires, "support" or "support payments" means any amount which the court may require a person to pay for the benefit of a child under a temporary order or a final judgment or decree, and may include child support, maintenance, and, if contained in a child support order, spousal support, and any other term used to describe these obligations. These obligations may include support for a child who is between the ages of eighteen and twenty-two years and who is regularly attending an ~~approved~~ accredited school in pursuance of a course of study leading to a high school diploma or its equivalent, or regularly attending a course of vocational technical training either as a part of a regular school program or under special arrangements adapted to the individual person's needs, or is, in good faith, a full-time student in a college, university, or area school, or has been accepted for admission to a college, university, or area school and the next regular term has not yet begun; and may include support for a child of any age who is dependent on the parties to the dissolution proceedings because of physical or mental disability.

Sec. 1422. Section 257A.5, subsection 1, Code Supplement 1985, is amended by striking the subsection and inserting in lieu thereof the following:

1. Employ an executive director to direct the activities of the foundation.

Sec. 1423. Section 257A.5, subsection 2, Code Supplement 1985, is amended by striking the subsection.

Sec. 1424. NEW SECTION. 257A.8 ADMINISTRATIVE ACTIVITIES.

The administrative functions of the foundation shall be performed by the department of education. The foundation shall be located in the department of education offices.

Sec. 1425. Section 258.3, Code Supplement 1985, is amended to read as follows:

258.3 PERSONNEL.

The commissioner of public instruction ~~as executive officer of the state board of public instruction shall, with its approval,~~ appoint, and direct the work of such personnel as may be necessary to carry out the provisions of this chapter.

Sec. 1426. NEW SECTION. 258.3A DUTIES OF BOARD.

The board shall:

1. Cooperate with the federal board for vocational education in the administration of the Act of Congress.
2. Adopt rules prescribing standards for teachers of agricultural, industrial, and commercial subjects and home economics in approved schools, departments, and classes.
3. Adopt rules prescribing standards for approval of schools, departments, and classes; area vocational-technical high schools and programs; area vocational schools and programs; and teacher training schools, departments, and classes, applying for federal and state moneys under this chapter.

Sec. 1427. Section 258.4, Code 1985, is amended to read as follows:

258.4 DUTIES OF BOARD COMMISSIONER.

The ~~board~~ commissioner shall:

1. Co-operate with the federal board for vocational education in the administration of ~~said~~ the Act of Congress.
2. Provide for making studies and investigations relating to prevocational and vocational training in agricultural, industrial, and commercial subjects, and home economics.
3. Promote and aid in the establishment in local communities and public schools of departments and classes giving instruction in ~~such~~ subjects listed in subsection 2.
4. Co-operate with local communities in the maintenance of ~~such~~ schools, departments, and classes.
5. ~~Establish~~ Enforce rules prescribing standards for teachers of ~~such~~ subjects listed in subsection 2 in approved schools, departments, and classes.
6. Co-operate in the maintenance of teachers training schools, departments, and classes, supported and controlled by the public, for the training of teachers and supervisors of ~~such~~ subjects listed in subsection 2.
7. ~~Establish standards for, and annually~~ Annually inspect, as a basis of approval, all schools, departments, and classes, area vocational-technical high schools and programs, area vocational schools and programs and all teachers training schools, departments, and classes, applying for federal and state moneys under the provisions of this chapter.

Sec. 1428. Section 258.5, Code 1985, is amended to read as follows:

258.5 FEDERAL AID — CONDITIONS.

Whenever a school corporation maintains an approved vocational school, department, or classes in accordance with the rules ~~and regulations established~~ adopted by the state board and the state plan for vocational education, adopted by that board and approved by the United States ~~office~~ department of education ~~or other federal agency to which its functions are assigned,~~ the state board commissioner shall reimburse ~~such~~ the school corporation at the end of the fiscal year for its expenditures for salaries and authorized travel of vocational teachers

from federal and state funds; ~~Provided, that no.~~ However, a school corporation shall not receive from federal and state funds a larger amount than one-half the sum which has been expended by the school corporation for that particular type of program; ~~further, provided that in the event.~~ If federal and state funds are not sufficient to make ~~such~~ the reimbursement to the extent herein provided in this section, the ~~state board~~ commissioner shall prorate the respective amounts available to the corporations entitled to ~~such~~ reimbursement.

The ~~state board~~ shall have the authority to commissioner may use federal funds to reimburse approved teacher training schools, departments, or classes for the training of teachers of agriculture, home economics, trades and industrial education, distributive education, and for the training of guidance counselors.

Sec. 1429. Section 258.7, unnumbered paragraph 2, Code Supplement 1985, is amended to read as follows:

The council shall advise the state board and the commissioner and shall perform other functions as necessary in order for the state of Iowa to qualify for federal aids and grants to vocational education.

Sec. 1430. NEW SECTION. 258.8 ADMINISTRATION.

The state council on vocational education shall be included in the department of education for administrative purposes.

Sec. 1431. Section 258.9, Code 1985, is amended to read as follows:

258.9 LOCAL ADVISORY COUNCIL.

The board of directors of a school district that maintains a school, department, or class receiving federal or state funds under this chapter shall, as a condition of approval by the state board, appoint a local advisory council for vocational education composed of public members with emphasis on persons representing business, agriculture, industry and labor. The local advisory council shall give advice and assistance to the board of directors in the establishment and maintenance of schools, departments, and classes that receive federal or state funds under this chapter. Local advisory councils may be organized according to program area, school, community, or region. The state board shall adopt rules requiring that the memberships of local advisory councils fairly represent each sex and minorities residing in the school district. Members of an advisory council shall serve without compensation.

Sec. 1432. Section 258.11, Code 1985, is amended to read as follows:

258.11 SALARY AND EXPENSES.

The ~~board is authorized to~~ commissioner may make ~~such~~ expenditures for salaries of assistants, actual expenses of the board and the commissioner and the state advisory committee incurred in the discharge of their duties, and ~~such~~ other expenses as ~~in the judgment of the board~~ are necessary to the proper administration of this chapter.

Sec. 1433. NEW SECTION. 258.15 STATE PLAN CONTINUED.

The state plan for vocational education adopted by the state board of public instruction and approved by the United States office of education prior to July 1, 1986 remains in effect as the state plan for vocational education.

Sec. 1434. Section 259.2, Code 1985, is amended to read as follows:

259.2 CUSTODIAN OF FUNDS.

The treasurer of state is ~~hereby designated and appointed~~ custodian of all moneys received by the state from appropriations made by the Congress of the United States for the vocational rehabilitation of persons disabled in industry or otherwise, and is ~~authorized to~~ may receive and provide for the proper custody of the same moneys and ~~to make disbursement therefrom of them upon the requisition of the state board for vocational education~~ commissioner of education.

The treasurer of state is hereby designated and appointed custodian of all moneys paid by the federal government to the state for the purpose of carrying out the agreement relative to making determinations of disability under Title II and Title XVI of the federal Social Security Act as amended [42 U.S.C. ch 7] and is authorized to may receive the same moneys and make disbursements therefrom of them upon the requisition of the state board for vocational commissioner of education.

Sec. 1435. Section 259.3, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

259.3 BOARD AND DIVISION.

The state board of education is the board for vocational education under this chapter. The division of vocational rehabilitation is established in the department of education. The commissioner of education shall cooperate with the United States secretary of education in carrying out the federal Act providing for the vocational rehabilitation of persons disabled in industry or otherwise. The board for vocational education shall adopt rules under chapter 17A for the administration of this chapter.

Sec. 1436. Section 259.4, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

259.4 DUTIES OF DIVISION.

The division of vocational rehabilitation shall:

1. Cooperate with the secretary of education in the administration of the Act of Congress.
2. Administer legislation pursuant to the Act of Congress enacted by this state, and direct the disbursement and administer the use of funds provided by the federal government and this state for the vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment.
3. Study and make investigations relating to the vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment and formulate plans for the vocational rehabilitation of such persons.
4. Make surveys with the cooperation of the state commissioner of labor and the state industrial commissioner to assist in the vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment.
5. Maintain a record of persons disabled in industry or otherwise together with measures taken for their rehabilitation.
6. Utilize in the rehabilitation of persons disabled in industry or otherwise existing educational and other facilities as are advisable and practicable, including public and private educational institutions, public or private establishments, plants, factories, and the services of individuals specially qualified for the instruction and vocational rehabilitation of handicapped persons.
7. Promote the establishment and assist in the development of training agencies for the vocational rehabilitation of persons disabled in industry or otherwise.
8. Supervise the training of persons disabled in industry or otherwise and confer with their relatives and others concerning their vocational rehabilitation.
9. Attempt to place vocationally rehabilitated persons in suitable remunerative occupations, including supervision for a reasonable time after return to civil employment.
10. Utilize the facilities of public and private agencies as practicable in securing employment for persons disabled in industry or otherwise; and a public agency shall cooperate with the division for the purpose stated.
11. Cooperate with an agency of the federal government or of the state, or of a county or other municipal authority within the state, or any other agency, public or private, in carrying out the purposes of this chapter.

12. Do all things necessary to secure the rehabilitation of those entitled to the benefits of this chapter.

13. Report biennially to the governor the conditions of vocational rehabilitation within the state, designating the educational institutions, establishments, plants, factories, and other agencies in which training is being given, and include a detailed statement of the expenditures of the state and federal funds in the rehabilitation of persons disabled in industry or otherwise.

14. Provide services for the vocational rehabilitation of severely handicapped persons and others entitled to the benefits of this chapter, including the establishment and operation of rehabilitation facilities and workshops.

15. Provide rehabilitation services to homebound and other handicapped individuals who can wholly or substantially achieve an ability of self-help as to dispense or largely dispense with the need of an attendant.

16. Provide financial and other necessary assistance to public, or private agencies in the development, expansion, operation, or maintenance of sheltered workshops or other rehabilitation facilities needed for the rehabilitation of the disabled.

17. Provide vocational rehabilitation services to socially disadvantaged persons who are substantially impaired in their ability to earn a living. This may include but is not limited to recipients of public assistance, inmates of correctional institutions or rejectees of the selective service system, who because of lack of training, experience, skills, or other factors which if corrected would lead to self-support instead of dependency.

Sec. 1437. Section 259.5, Code 1985, is amended to read as follows:

259.5 PLAN OF CO-OPERATION.

~~It shall be the duty of the state board for vocational education and~~ The division shall work with the state labor commissioner and the state industrial commissioner as administrator of the workers' compensation law to formulate a plan of co-operation in accordance with the provisions of this chapter and said the Act of Congress, such. The plan to shall become effective when approved by the governor of the state. A plan approved by the governor under this section prior to July 1, 1986 remains in effect until changed under this section.

Sec. 1438. Section 259.6, Code 1985, is amended to read as follow:*

259.6 GIFTS AND DONATIONS.

~~The state board for vocational education is hereby authorized and empowered to division may receive such gifts and donations from either public or private sources as may be offered unconditionally or under such conditions related to the vocational rehabilitation of persons disabled in industry or otherwise as in the judgment of the said state board that are proper and consistent with the provisions of this chapter.~~

Sec. 1439. Section 259.8, Code 1985, is amended to read as follows:

259.8 REPORT OF GIFTS.

~~A full report of all gifts and donations offered and accepted, together with the names of the donors and the respective amounts contributed by each, and all disbursements therefrom from the fund shall be submitted at call or biennially to the governor of the state by said state board the division.~~

Sec. 1440. NEW SECTION. 259.9 AGREEMENT CONTINUED.

~~The agreement between the board for vocational education and the secretary of the United States department of health and human services relating to making determinations of disability under Title II and Title XVI of the federal Social Security Act as amended [42 U.S.C. ch. 7] completed prior to July 1, 1986 remains in effect.~~

*According to enrolled Act

Sec. 1441. Section 259A.5, Code Supplement 1985, is amended to read as follows:
259A.5 RULES.

The commissioner of public instruction, subject to the approval of the state board of public instruction, is hereby authorized to education shall adopt such rules, tests, definition definitions of terms, and forms as are necessary and proper for the administration of this chapter. The state board shall adopt rules under chapter 17A to carry out this chapter.

Sec. 1442. Section 260.2, Code 1985, is amended to read as follows:
260.2 POWERS.

The board of educational examiners shall have authority to issue certificates to applicants who are eighteen years of age or over, physically competent and morally fit to teach, and who have the qualifications and training hereinafter prescribed in this section and are recommended for certification by the commissioner.

Sec. 1443. Section 260.3, Code Supplement 1985, is amended to read as follows:
260.3 PERSONNEL.

The commissioner shall with the approval of the state board direct the work of such personnel as may be are necessary to carry out the provisions of this chapter.

Sec. 1444. Section 260.6, Code 1985, is amended to read as follows:
260.6 CERTIFICATES REQUIRED.

The board of educational examiners shall issue certificates pursuant to section 257.10, subsection 11 sections 256.7, subsection 3, and 260.2. A person employed as an administrator, supervisor, school service person, or teacher in the public schools shall hold a certificate valid for the type of position in which the person is employed.

Sec. 1445. Section 260.9, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The board of educational examiners shall establish adopt rules establishing a certificate for area education agency administrators. The area education agency administrator's certificate shall be issued to an applicant who has met the requirements in two of the four following subsections:

Sec. 1446. Section 260.10, Code 1985, is amended to read as follows:
260.10 CERTIFICATE TO APPLICANTS FROM OTHER STATES OR COUNTRIES.

The board of educational examiners may, at its discretion, issue any teacher's certificate provided for in this Act to an applicant from another state or country who files with the board commissioner evidence of the possession of the required qualifications or the equivalent thereof. The board of educational examiners is hereby authorized to commissioner of education may enter into reciprocity agreement agreements with any other another state or country for the certification of teachers on an equitable basis of mutual exchange, when such the action is in conformity with law.

Courses, classes, or programs offered in this state by out-of-state institutions must be approved by the board of educational examiners commissioner of education in order to fulfill requirements for certification or renewal of certification of an applicant.

Sec. 1447. Section 260.11, Code 1985, is amended to read as follows:
260.11 EXPIRATION OF CERTIFICATES.

The board shall prescribe adopt rules prescribing the terms of years for which the various types and classes of certificates are valid and shall prescribe requirements for certificate renewal. An original or renewed certificate shall expire on June 30 of the year in which it expires, and the expiration date shall be determined by counting each fraction of a year during the term of a certificate following the date of issuance as one full year.

Sec. 1448. Section 260.19, Code 1985, is amended to read as follows:
260.19 SUBSTITUTE TEACHER'S CERTIFICATE.

The board shall prescribe adopt rules prescribing requirements for the issuance of a substitute teacher's certificate.

Sec. 1449. Section 260.21, Code 1985, is amended to read as follows:

260.21 VALIDITY OF CERTIFICATES.

A certificate is valid throughout the state after issuance by the board. A certificate issued by the board prior to January 1, 1980 is valid until June 30 of the year in which the certificate expires. Certificates issued prior to January 1, 1980, may be renewed in a manner prescribed by the board commissioner of education.

Sec. 1450. Section 260.27, Code 1985, is amended to read as follows:

260.27 STUDENT TEACHING.

Whenever the conditions prescribed rules adopted by the board of educational examiners for issuance of any type or class of certificate provide that the applicant shall have completed complete work in student teaching it shall be is lawful for any an accredited college or university located within the state of Iowa and states conterminous with Iowa and offering a program or programs of teacher education approved by said board of educational examiners of Iowa the commissioner of education or the appropriate authority in states conterminous with Iowa to enter into a written contract with any approved accredited school district or private school, under such terms and conditions as may be agreed upon by such the contracting parties. Students actually engaged teaching under the terms of such the contract, shall be are entitled to the same protection, under the provisions of section 613A.8, as is afforded by said that section to officers and employees of the school district, during the time they are so assigned.

Sec. 1451. Section 260.28, Code Supplement 1985, is amended to read as follows:

260.28 EXPENDITURES.

All expenditures authorized to be made by the board of educational examiners under this chapter shall be certified by the commissioner of public instruction education to the state comptroller, and if found correct, the state comptroller shall approve the same expenditures and draw warrants therefor upon the treasurer of state from the funds appropriated for that purpose.

Sec. 1452. Section 260.31, subsection 2, Code 1985, is amended to read as follows:

2. The board of educational examiners shall adopt rules under chapter 17A for coaching authorizations including, but not limited to, approval of courses, validity and expiration, fees, and suspension and revocation of authorizations. The board of educational examiners commissioner of education shall work with institutions of higher education, private colleges and universities, merged area schools, and area education agencies to insure that the courses required under subsection 1 are offered throughout the state at convenient times and at a reasonable cost.

Sec. 1453. **NEW SECTION. 260.33 EVALUATOR APPROVAL.**

Effective July 1, 1990, in addition to endorsements required under rules adopted pursuant to this chapter, an individual employed as an administrator, supervisor, school service person, or teacher by a school district, area education agency, or area school, who conducts evaluations of the performance of individuals holding certificates under this chapter, shall possess an evaluator approval.

By July 1, 1987, the board of educational examiners shall adopt rules establishing requirements for an evaluator approval including but not limited to approval of courses, renewal requirements, fees, and suspension and revocation of evaluator approvals. An approved program shall include provisions for determining that an applicant for evaluator approval has satisfactorily completed the program. The board of educational examiners shall work with institutions of higher education under the state board of regents, private colleges and universities, merged area schools, and area education agencies to insure that the courses required under subsection 1 are offered throughout the state at convenient times and at reasonable

cost. The requirements shall include completion of a program approved by the board of educational examiners as follows:

1. For evaluation of teachers, the development of skills including but not limited to analysis of lesson plans, classroom observation, analysis of data, performance improvement strategies, and communication skills.

2. For evaluation of certificated employees other than teachers, the development of skills including but not limited to communication skills, analysis of employee performance, analysis of data, and performance improvement strategies.

An evaluator approval is valid for a period of five years from its issuance.

Sec. 1454. Section 261.3, Code 1985, is amended to read as follows:

261.3 ORGANIZATION — BYLAWS.

The commission is an autonomous state agency which is attached to the department of education for organizational purposes only.

The commission shall determine its own organization, draw up its own bylaws, adopt rules under chapter 17A, and do such other things as may be necessary and incidental in the administration of this chapter, including the housing, employment, and fixing the compensation and bond of such persons as are required to carry out its functions and responsibilities. A decision of the commission is final agency action under chapter 17A.

The commission shall function at the seat of government or such other place as it might designate.

Sec. 1455. Section 261A.5, Code 1985, is amended to read as follows:

261A.5 CREATION AS PUBLIC INSTRUMENTALITY.

The Iowa higher education loan authority is created as a body politic and corporate. The authority is a public instrumentality and the exercise by the authority of the powers conferred by this chapter is the performance of an essential public function. The authority is attached to the college aid commission for administrative purposes.

Sec. 1456. Section 272A.4, Code 1985, is amended to read as follows:

272A.4 PER DIEM AND EXPENSES.

The members of the commission shall be allowed a per diem of thirty dollars and paid their necessary travel and expense while engaged in their official duties. Members may also be eligible to receive compensation as provided in section 7E.3.

Sec. 1457. Section 273.2, unnumbered paragraphs 1 and 2, Code Supplement 1985, are amended to read as follows:

There are established throughout the state fifteen area education agencies, each of which is governed by an area education agency board of directors. The boundaries of an area education agency shall not divide a school district. The state board of public instruction commissioner of education shall change boundaries of area education agencies to take into account mergers of local school districts and changes in boundaries of local school districts, when necessary to maintain the policy of this chapter that a local school district shall not be a part of more than one area education agency.

An area education agency established under this chapter is a body politic as a school corporation for the purpose of exercising powers granted under this chapter, and may sue and be sued. An area education agency may hold property and execute lease-purchase agreements pursuant to section 273.3, subsection 7, and if the lease exceeds ten years or the purchase price of the property to be acquired pursuant to a lease-purchase agreement exceeds twenty-five thousand dollars, the area education agency shall conduct a public hearing on the proposed lease-purchase agreement and receive approval from the area education agency board of directors and the state board of public instruction commissioner of education before entering into the agreement.

Sec. 1458. Section 273.3, subsections 3, 7, 8, and 9, Code Supplement 1985, are amended to read as follows:

3. Provide data and prepare reports as directed by the commissioner of ~~public instruction and the state board~~ education.

7. Be authorized to lease, subject to the approval of the ~~state board of public instruction commissioner of education~~ and to receive by gift and operate and maintain facilities and buildings necessary to provide authorized programs and services. However, a lease for less than ten years and with an annual cost of less than twenty-five thousand dollars does not require the approval of the ~~state board commissioner~~. If a lease requires approval, the ~~state board commissioner~~ shall not approve the lease until the ~~state board commissioner~~ is satisfied by investigation that public school corporations within the area do not have suitable facilities available.

8. Be authorized, subject to the approval of the ~~state board of public instruction commissioner~~, to enter into agreements for the joint use of personnel, buildings, facilities, supplies, and equipment with school corporations as deemed necessary to provide authorized programs and services.

9. Be authorized to make application for, accept, and expend state and federal funds that are available for programs of educational benefit approved by the ~~state board of public instruction commissioner of education~~, and ~~co-operate~~ cooperate with the department and the ~~state board~~ in the manner provided in federal-state plans or department rules in the effectuation and administration of programs approved by the ~~department commissioner~~, or approved by other educational agencies, which agencies have been approved as a state educational ~~authority~~ authorities.

Sec. 1459. Section 273.4, subsection 3, Code 1985, is amended to read as follows:

3. Submit program plans each year to the department of ~~public instruction education~~, for approval by the ~~state board of public instruction commissioner~~, to reflect the needs of the area education agency for media services as provided in section 273.6.

Sec. 1460. Section 273.9, subsections 3, 4, and 5, Code 1985, are amended to read as follows:

3. The costs of special education support services provided through the area education agency shall be funded by an increase in the allowable growth of each school district, determined as provided in section 442.7. Special education support services shall not be funded until the program plans submitted by the special education directors of each area education agency as required by section 273.5 are modified as necessary and approved by the ~~state board of public instruction commissioner of education~~ according to the criteria and limitations of chapter 281 and section 442.7.

4. The costs of media services provided through the area education agency shall be funded as provided in section 442.27. Media services shall not be funded until the program plans submitted by the administrators of each area education agency as required by section 273.4 are modified as necessary and approved by the ~~state board of public instruction commissioner of education~~ according to the criteria and limitations of section 273.6 and of section 442.27.

5. The costs of educational services provided through the area education agency shall be funded within the limitations in section 442.27.

PARAGRAPH DIVIDED. The state board of ~~public instruction education~~ shall ~~promulgate adopt rules under chapter 17A, as necessary to implement performance of its approval duties relating to the approval of program plans under this section.~~

Sec. 1461. Section 274.42, Code Supplement 1985, is amended to read as follows:

274.42 ADJUSTING OF DISTRICT BOUNDARIES.

~~Whenever~~ If the federal government, or any agency or department thereof shall have heretofore located or shall hereafter locate any of the federal government locates a project

which may be deemed is desirable for the development of the national defense or for the purpose of flood control, and for the purpose of so locating such the project shall have heretofore determined or shall hereafter determine, determines that certain real property making up a portion of a school district is required, the commissioner of public instruction with the approval of the state board shall have the power education may by resolution to adjust the boundaries of school districts wherein in which the federally owned property is located and the boundaries of adjoining school districts so as to effectively provide for the schooling of children residing within all of said the districts. A copy of such the resolution shall be promptly filed with the board of directors of such the adjoining school district or districts and with the board of directors of such the school district wherein in which the federally owned property is located unless such the board has been reduced below a quorum in the manner contemplated in section 274.40, in which event such the resolution shall be posted in two public places within the altered district.

Sec. 1462. Section 275.8, unnumbered paragraph 1, Code 1985, is amended to read as follows:

Planning of joint districts shall be conducted in the same manner as planning for single districts, except as provided in this section. Studies and surveys relating to the planning of joint districts shall be filed with the area education agency in which one of the districts is located which has the greatest taxable property base. In the case of controversy over the planning of joint districts, the matter shall be submitted to the state board of public instruction commissioner of education. Judicial review of its the commissioner's decision may be sought in accordance with the terms of the Iowa administrative procedure Act, chapter 17A. Notwithstanding the terms of said that Act, petitions for judicial review must be filed within thirty days after the decision of the state board of public instruction commissioner. Joint districts shall mean "Joint districts" means districts that lie in two or more adjacent area education agencies.

Sec. 1463. Section 275.23, Code 1985, is amended to read as follows:

275.23 FREQUENCY OF CHANGE.

A school district which is enlarged, reorganized, or changes its boundaries under the provisions of sections 275.12 to 275.22, shall not be allowed to file a petition under the provisions of section 275.12 for the purpose of reducing the area served or changing the boundaries to exclude areas encompassed by the enlargement, reorganization, or boundary changes for a period of five years following the effective date of the enlargement, reorganization, or boundary change unless such the action is approved by the state board of public instruction commissioner of education.

Sec. 1464. Section 275.39, Code 1985, is amended to read as follows:

275.39 EXCLUDED TERRITORY INCLUDED IN NEW PETITION.

Territory described in the petition of a proposed reorganization which has been set out of the proposed reorganization by the area education agency board or the joint boards, as the case may be, and in the event of an appeal, after the decision of the state department of public instruction commissioner of education or the courts as by law provided, may be included in any new petition for reorganization.

Sec. 1465. Section 275.54, unnumbered paragraph 1, Code 1985, is amended to read as follows:

Within ten days following the filing of the dissolution proposal with the board, the board shall fix a date for a hearing on the proposal which shall not be more than sixty days after the dissolution petition was filed with the board. The board shall publish notice of the date, time, and location of the hearing at least ten days prior to the date of the hearing by one publication in a newspaper in general circulation in the district. The notice shall include the content of the dissolution proposal. A person residing or owning land in the school district may present

evidence and arguments at the hearing. The president of the board shall preside at the hearing. The board shall review testimony from the hearing and shall adopt or amend and adopt the dissolution proposal. The board shall notify by registered mail the boards of directors of all school districts to which area of the affected school district will be attached and the ~~state board of public instruction~~ commissioner of education of the contents of the dissolution proposal adopted by the board. If the board of a district to which area of the affected school district will be attached objects to the attachment, that portion of the dissolution proposal will not be included in the proposal voted upon under section 275.55 and the ~~state board of public instruction~~ commissioner of education shall attach the area to a contiguous school district. If the board of a district to which area of the affected school district will be attached objects to the division of assets and liabilities contained in the dissolution proposal, section 275.30 ~~shall apply~~ applies for the division of assets and liabilities to that district.

Sec. 1466. Section 276.3, subsection 6, Code 1985, is amended by striking the subsection.

Sec. 1467. Section 279.10, subsection 4, Code Supplement 1985, is amended to read as follows:

4. The ~~state board of public instruction~~ commissioner of education may grant a request made by a board of directors of a school district stating its desire to commence classes for regularly established elementary and secondary schools before the first day of September. ~~Such~~ A request shall be based upon the determination that a starting date on or after the first day of September would have a significant negative educational impact.

Sec. 1468. Section 280.13, Code Supplement 1985, is amended to read as follows:

280.13 REQUIREMENTS FOR INTERSCHOLASTIC CONTESTS AND COMPETITIONS.

~~No~~ A public school shall not participate in or allow students representing a public school to participate in any extracurricular interscholastic contest or competition which is sponsored or administered by an organization as defined in this section, unless the organization is registered with the department of ~~public instruction~~ education, files financial statements with the department in the form and at the intervals prescribed by the ~~state board of public instruction~~ commissioner of education, and is in compliance with rules ~~and regulations~~ which the state board of ~~public instruction~~ education adopts for the proper administration, supervision, operation, adoption of eligibility requirements, and scheduling of ~~such~~ extracurricular interscholastic contests and competitions and ~~such~~ the organizations. For the purposes of this section "organization" means ~~any~~ a corporation, association, or organization which has as one of its primary purposes the sponsoring or administration of extracurricular interscholastic contests or competitions, but ~~shall~~ does not include an agency of this state, a public or private school or school board, or an athletic conference or other association whose interscholastic contests or competitions do not include more than twenty schools.

Sec. 1469. Section 280A.18, subsections 1, 2, and 5, Code 1985, are amended to read as follows:

1. Federal funds made available and administered by the ~~state board~~ commissioner, for ~~such~~ purposes as may be provided by federal laws, rules, and regulations.

2. Other federal funds for such purposes as may be provided by federal law, subject to the approval of the ~~state board~~ commissioner.

5. State funds for sites and facilities made available and administered by the ~~state board~~ commissioner.

Sec. 1470. Section 280A.25, Code Supplement 1985, is amended by striking the section and inserting in lieu thereof the following:

280A.25 POWER OF COMMISSIONER.

1. Designate a vocational school or community college as an "area vocational education school" within the meaning of, and for the purpose of administering, the Act of Congress

designated the "Vocational Education Act of 1963". A vocational school or community college shall not be so designated by the commissioner for the expenditure of funds under section 35c, subsection "a", paragraph 5, Title 20, U.S.C., which has not been designated and classified as an area vocational school or area community college by the state board.

2. Change boundaries of director districts in a merged area when the board fails to change boundaries as required by law.

3. Make changes in boundaries of merged areas with the approval of the board of directors of each merged area affected by the change. When the boundaries of a merged area are changed, the commissioner may authorize the board of directors of the merged area to levy additional taxes upon the property within the merged area, or any part of the merged area, and distribute the taxes so that all parts of the merged area are paying their share toward the support of the school or college.

4. Administer, allocate, and disburse federal or state funds made available to pay a portion of the cost of acquiring sites for and constructing, acquiring, or remodeling facilities for area vocational schools or area community colleges, and establish priorities for the use of such funds.

5. Administer, allocate, and disburse federal or state funds available to pay a portion of the operating costs of area vocational schools or area community colleges.

6. Approve or disapprove, in a manner as the commissioner may prescribe, sites and buildings to be acquired, erected, or remodeled for use by area vocational schools or area community colleges.

7. Propose administrative rules to carry out this chapter subject to approval of the state board.

8. Enter into contracts with local school boards within the area that have and maintain a technical or vocational high school and with private schools or colleges in the co-operative or merged areas to provide courses or programs of study in addition to or as a part of the curriculum made available in the community college or area vocational schools.

9. Make arrangements with boards of merged areas and local school districts to permit students attending high school to participate in vocational-technical programs and advanced college placement courses and obtain credit for such participation for application toward the completion of a high school diploma. The granting of credit is subject to the approval of the commissioner.

10. Prescribe a uniform system of accounting for area schools.

Sec. 1471. Section 280A.26, unnumbered paragraph 1, Code 1985, is amended to read as follows:

Any A local school district which operated a community or junior college for any period between September 1, 1964, and July 4, 1965, may continue to operate such the college. Existing public community or junior colleges may be converted into area vocational schools or area community colleges in the manner provided in this chapter. ~~In addition, an~~ An existing public community or junior college may be converted into an area vocational school or area community college by agreement between the board of directors of the local school district operating the community or junior college and the board of directors of the merged area. Such ~~The agreement shall be~~ is effective only if approved by the state board of public instruction commissioner. ~~Such~~ The agreement shall provide for reasonable compensation to such the local school district.

Sec. 1472. Section 280A.33, subsections 4, 7, 8, 9, and 10, Code Supplement 1985, are amended to read as follows:

4. Approval standards ~~shall be~~ are subject to the ~~provisions of~~ chapter 17A. In addition, approval standards shall be reported by the ~~state board commissioner~~ to the general assembly within twenty days after the commencement of a regular legislative session. ~~No~~ An area community college or area vocational school shall not be removed from the approved list for

failure to comply with the approval standards until at least one hundred twenty days have elapsed following the reporting of such the standards to the general assembly as provided in this section.

7. The ~~state board~~ commissioner shall maintain a list of approved area community colleges and area vocational schools, and ~~it the commissioner~~ shall remove from the approved list for cause, after due investigation and notice, ~~any an~~ area community college or area vocational school which fails to comply with the approval standards. An area community college or area vocational school which is removed from the approved list pursuant to this section ~~shall be is~~ ineligible to receive state financial aid during the period of such removal. The ~~state board~~ commissioner shall allow a reasonable period of time, which shall be at least one year, for compliance with approval standards if an area community college or area vocational school is making a good faith effort and substantial progress toward full compliance or if failure to comply is due to factors beyond the control of the board of directors of the merged area operating the institution. In allowing time for compliance, the ~~board commissioner~~ shall follow consistent policies, taking into account the circumstances of each case. The reasonable period of time for compliance may be, but need not be, given prior to the one-year notice requirement that is provided in this section.

8. The ~~department of public instruction~~ commissioner shall give ~~any an~~ area community college or area vocational school which is to be removed from the approved list at least one year's notice. The notice shall be given by registered or certified mail addressed to the superintendent of the area community college or area vocational school and shall specify the reasons for removal. The notice shall also be sent by ordinary mail to each member of the board of directors of the area community college or area vocational school, and to the news media which serve the merged area where the school is located; but any good faith error or failure to comply with this sentence shall not affect the validity of any action by the ~~state board commissioner~~. If, during the year, the area community college or area vocational school remedies the reasons for removal and satisfies the ~~state board commissioner~~ that it will thereafter comply with the laws and approval standards, the ~~state board commissioner~~ shall continue the area community college or area vocational school on the approved list and shall transmit to the area community college or area vocational school notice of the action by registered or certified mail.

9. At any time during the year after notice is given, the board of directors of the area community college or area vocational school may request a public hearing before the ~~state board of public instruction commissioner~~, by mailing a written request to the commissioner of public instruction by registered or certified mail. The ~~president of the state board commissioner~~ shall promptly set a time and place for the public hearing, which shall be either in Des Moines or in the affected merged area. At least thirty days' notice of the time and place of the hearing shall be given by registered or certified mail addressed to the superintendent of the area community college or area vocational school. At least ten days before the hearing, notice of the time and place of the hearing and the reasons for removal shall also be published by the department in a newspaper of general circulation in the merged area where the area community college or area vocational school is located.

10. At the hearing the area community college or area vocational school may be represented by counsel and may present evidence. The ~~state board commissioner~~ may provide for the hearing to be recorded or reported. If requested by the area community college or area vocational school at least ten days before the hearing, the ~~state board commissioner~~ shall provide for the hearing to be recorded or reported at the expense of the area community college or area vocational school, using any reasonable method specified by the area community college or area vocational school. Within ten days after the hearing, the ~~state board commissioner~~ shall render its a written decision, signed by a majority of its members, and shall affirm, modify, or vacate the action or proposed action to remove the area community college or

area vocational school from the approved list. The board of directors of the merged area school may request a review of the decision of the commissioner by the state board. The state board may affirm, modify, or vacate the decision, or may direct a rehearing before the commissioner.

Sec. 1473. Section 280A.35, unnumbered paragraph 2, Code 1985, is amended to read as follows:

With the approval of the ~~state board commissioner~~, the board of directors of ~~any~~ a merged area at any time may sell any land in excess of one hundred sixty acres owned by the merged area, and ~~no an election shall be is not necessary in connection with such the sale notwithstanding any other provisions of law.~~ The proceeds of the sale may be used for any of the purposes stated in section 280A.22. This paragraph is in addition to any authority under other provisions of law.

Sec. 1474. Section 280A.38, unnumbered paragraphs 1 and 3, Code 1985, are amended to read as follows:

The board of directors may, with the approval of the ~~state board commissioner~~, enter into lease agreements, with or without purchase options, not to exceed twenty years in duration, for the leasing or rental of buildings for use basically as classrooms, laboratories, shops, libraries, and study halls for vocational school or community college purposes, and pay for the ~~same leasing or rental~~ with funds acquired pursuant to section 280A.17, section 280A.18, and section 280A.22. However, lease agreements extending for less than ten years and for less than twenty-five thousand dollars per year need not be submitted to the ~~state board commissioner~~ for approval.

Before entering into a lease agreement with a purchase option for a building to be constructed, or placed, upon real estate owned by the area school, the board shall first adopt plans and specifications for the proposed building which it considers suitable for the intended use, and the board shall also adopt the proposed terms of the lease agreement and purchase option. Upon obtaining the approval of the ~~state board commissioner~~, if ~~state board approval of the commissioner~~ is required, the board shall invite bids ~~thereon~~, by advertisement published once each week for two consecutive weeks in the county where the building is to be located. The lease agreement shall be awarded to the lowest responsible bidder, or the board may reject all bids and readvertise for new bids.

Sec. 1475. Section 280A.39, unnumbered paragraph 2, Code 1985, is amended to read as follows:

If the vote is favorable in each merged area, the boards of each area shall proceed to transfer the assets, liabilities, and facilities of the areas to the combined merged area, and shall serve as the acting board of the combined merged area until a new board of directors is elected. The acting board shall submit to the ~~state board commissioner~~ a plan for redistricting the combined merged area, and upon receiving approval from the ~~state board commissioner~~, shall provide for the election of a director from each new district at the next regular school election. The directors elected from each new district shall determine their terms by lot as provided in section 280A.11. Election of directors for the combined merged area shall follow the procedures established for election of directors of a merged area. A combined merged area ~~shall be is~~ subject to all provisions of law and regulations governing merged areas.

Sec. 1476. Section 281.1, Code Supplement 1985, is amended to read as follows:

281.1 DIVISION OF SPECIAL EDUCATION CREATED.

There is created within the department of ~~public instruction~~ education a division of special education for the promotion, direction, and supervision of education for children requiring special education in the schools under the supervision and control of the department. The commissioner, ~~subject to the approval of the state board of public instruction~~, is authorized to of education may organize the division and to employ the necessary qualified personnel to ~~carry out the provisions of implement~~ this chapter.

Sec. 1477. Section 281.3, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The division of special education, ~~subject to the approval of the state board, shall have has~~ the following duties and powers:

Sec. 1478. Section 281.3, subsection 2, Code 1985, is amended to read as follows:

2. To ~~adopt~~ administer rules adopted by the state board that are consistent with the provisions of this chapter for the approval of plans for special education programs and services submitted by the director of special education of the area education agency.

Sec. 1479. Section 281.4, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The board of directors of ~~any a~~ school district or area education agency, with the approval of the ~~state board of public instruction commissioner of education~~, may provide special education programs and services as defined in this chapter. ~~If services are provided by the area education agency, with the approval of the state board of public instruction,~~ the board of directors of the area education agency with the co-operation of the local school districts within its jurisdiction may:

Sec. 1480. Section 281.4, unnumbered paragraph 3, Code 1985, is amended to read as follows:

The board of directors of the local district or the area education agency may establish and operate one or more special education centers to provide diagnostic, therapeutic, corrective, and other services, on a more comprehensive, expert, ~~economic~~ economical, and efficient basis than can be reasonably provided by a single school district. ~~Such~~ The services, if offered by the area education agency board, may be provided in the regular schools using personnel and equipment of the area education agency or, ~~whenever~~ if it is impractical or inefficient to provide them on the premises of a regular school, the area education agency may provide services in its own facilities. To the maximum extent feasible, ~~such~~ centers shall be established at and in conjunction with, or in close proximity to one or more elementary and secondary schools. Local districts or the area education agencies may accept diagnostic and evaluation studies conducted by other individuals, hospitals, or centers, if determined to be competent. Children requiring special education services may be identified in any way that the department of ~~public instruction~~, as approved by the state board of public instruction, education determines to be reliable. Centers established pursuant to this section may contain classrooms and other educational facilities and equipment to supplement instruction and other services to handicapped children in the regular schools, and to provide separate instruction to children whose degree or type of educational handicap makes it impractical or inappropriate for them to participate in classes with normal children.

Sec. 1481. Section 281.7, Code 1985, is amended to read as follows:

281.7 EXAMINATIONS OF CHILDREN.

In order to render proper instruction to each child requiring special education, the school districts shall certify children requiring special education for special instruction in accordance with the requirements set up by the division of special education and shall provide examinations for children preliminary to making certification. The examinations necessary for the certification of children requiring special education shall be prescribed by the state division of special education. Final decision in case of disagreement or appeal ~~shall be is~~ the responsibility of the ~~state board of public instruction commissioner of education~~, which who may secure the advice of competent medical and educational authorities including the state department of health, the university hospitals, the state department of social welfare, the superintendent of the state school for the deaf, and the superintendent of the Iowa braille and sight-saving school, and the superintendent of the state tuberculosis sanatorium.

Sec. 1482. Section 281.9, subsections 4 and 7, Code Supplement 1985, are amended to read as follows:

4. On December 1, ~~1975~~ 1987, and no later than December 1 every two years thereafter, for the school year commencing the following July 1, the commissioner of public instruction shall report to the school budget review committee the average costs of providing instruction for children requiring special education in the categories of the weighting plan established under this section, and the ~~state board of public instruction~~ commissioner of education shall make recommendations to the school budget review committee for needed alterations to make the weighting plan suitable for subsequent school years. The school budget review committee shall establish the weighting plan for each school year after the school year commencing July 1, ~~1975~~ 1987, and shall report the plan to the commissioner of ~~public instruction~~ education. The school budget review committee shall not alter the weighting assigned to pupils in a regular curriculum, but it may increase or decrease the weighting assigned to each category of children requiring special education by not more than two-tenths of the weighting assigned to pupils in a regular curriculum. The state board of ~~public instruction~~ education shall ~~promulgate~~ adopt rules under chapter 17A, to implement the weighting plan for each year and to assist in identification and proper indexing of each child in the state who requires special education.

7. ~~Commencing with the school year beginning July 1, 1976, The costs of special education instructional programs include the costs of purchase of transportation equipment to meet the special needs of children requiring special education and for each school year subsequent to the school year beginning July 1, 1977 the inclusion of such costs shall be subject to with the approval of the state board of public instruction commissioner of education. Unenumerated funds generated for special education instructional programs for the school year beginning July 1, 1975 and for the school year beginning July 1, 1976 shall not be expended for such purposes unless approved by the department based upon applications received by the department prior to January 1, 1978 and approved prior to April 1, 1978. The state board of education shall adopt rules under chapter 17A for the purchase of transportation equipment pursuant to this section.~~

Sec. 1483. Section 281.11, unnumbered paragraph 1, Code 1985, is amended to read as follows:

Program plans submitted to the department of ~~public instruction~~ education pursuant to section 273.5 for approval by the ~~state board of public instruction~~ commissioner of education shall establish all of the following:

Sec. 1484. Section 282.7, subsection 1, Code Supplement 1985, is amended to read as follows:

1. The board of directors of a school district by record action may discontinue any or all of grades seven through twelve and negotiate an agreement for attendance of the pupils enrolled in those grades in the schools of one or more contiguous school districts having ~~approved~~ accredited school systems. If the board designates more than one contiguous district for attendance of its pupils, the board shall draw boundary lines within the school district for determining the school districts of attendance of the pupils. The portion of a district so designated shall be contiguous to the ~~approved~~ accredited school district designated for attendance. Only entire grades may be discontinued under this subsection and if a grade is discontinued, all higher grades in that district shall also be discontinued. A school district that has discontinued one or more grades under this subsection has complied with the requirements of section 275.1 relating to the maintenance of kindergarten and twelve grades. A pupil who graduates from another school district under this subsection shall receive a diploma from the receiving district. Tuition shall be paid by the resident district as provided in section 282.24, subsection 2. The agreement shall provide for transportation and authority and liability of the affected boards.

Sec. 1485. Section 282.19, Code Supplement 1985, is amended to read as follows:

282.19 CHILD LIVING IN FOSTER CARE FACILITY.

A child who is living in a licensed child foster care facility as defined in section 237.1 in this state which is located in a school district other than the school district in which the child resided before receiving foster care may enroll in and attend an approved accredited school in the school district in which the child is living. If a child does not require special education and was not counted in the basic enrollment of a school district for a budget year under section 442.4, the tuition and transportation, when required by law, shall be paid by the treasurer of state from funds in the state treasury not otherwise appropriated, and upon warrants drawn by the state comptroller upon requisition of the commissioner of public instruction.

Sec. 1486. Section 282.27, Code Supplement 1985, is amended to read as follows:

282.27 PAYMENT FOR CERTAIN CHILDREN.

When a child requiring special education is living in a state-supported institution, charitable institution, or licensed boarding home as defined in this chapter which does not maintain a school, and the residence of the child requiring special education is in a school district other than the school district in which the state-supported institution, charitable institution, or licensed boarding home is located, the child is eligible for special education programs and services provided for children requiring special education who are residents of the school district in which the institution or boarding home is located. The special education instructional costs shall be computed by means of weighted enrollment for that child under the provisions of chapters 273, 281, and 442 as if that child were a resident of the school district in which the institution or boarding home is located, but the child shall be included in the enrollment count in the district of residence in the manner provided in sections 281.9 and 442.4. The costs as computed shall be paid by the district of residence. ~~No~~ A child requiring special education shall not be denied special education programs and services because of a dispute over determination of residence of that child. If there is a dispute over the residence of the child, the ~~state board of public instruction~~ commissioner of education shall determine the residence of the child. However, if the special education instructional costs incurred on behalf of the child exceed the amount which would be allowed if the child were provided the programs and services in the district of residence, the treasurer of the school district of residence shall make payment at the maximum amount allowed in that district for a child requiring special education who is similarly handicapped. If the child requiring special education is not counted in the weighted enrollment of any district under section 281.9, and payment is not made by any district, the district in which the institution or boarding home is located may certify the special education instructional costs to the commissioner of ~~public instruction~~ education not later than September 1 of each year for the preceding fiscal year. The ~~state board of public instruction~~ commissioner of education shall review the costs and submit a requisition to the state comptroller. The amount due shall be paid by the treasurer of state to the district in which the institution or licensed boarding home is located from any funds in the general fund of the state not otherwise appropriated upon warrants drawn and signed by the state comptroller. For the purposes of this section, the term "district of residence of the child" means the residence of the parent or legal guardian, or the location of the district court if the district court is the legal guardian, of the child.

Sec. 1487. Section 283.1, Code 1985, is amended to read as follows:

283.1 FEDERAL FUNDS ACCEPTED.

The ~~state board of public instruction~~ commissioner of education is the "state educational authority" for the purpose of accepting and administering funds appropriated by congress for educational purposes and the funds shall be deposited with the treasurer of state and disbursed through the office of state comptroller on vouchers audited as provided by law. When state matching funds are required as a condition to the acceptance of federal funds, the ~~state board of public instruction~~ commissioner may make expenditures for matching only from funds provided by the legislature for that purpose. However, when federal funds may be matched with expenditures from funds appropriated for the general operation of the department of ~~public instruction~~ education, this may be done with the approval of the legislative council.

Sec. 1488. Section 285.6, Code Supplement 1985, is amended to read as follows:

285.6 STAFF IN DEPARTMENT.

The commissioner, ~~subject to the approval of the state board of public instruction, is authorized to organize and staff the division and to of education shall~~ employ the necessary qualified personnel to ~~carry out the provisions of~~ implement this chapter. The appropriation provided by this chapter may be expended in part for the direction and supervision provided by the chapter which shall include salaries and all necessary traveling expense incurred by ~~said~~ personnel in the performance of their official duties.

Sec. 1489. Section 297.26, Code 1985, is amended to read as follows:

297.26 SALE BY EXECUTIVE COUNCIL.

~~Any A school building or any school site, the title of which is vested in the state of Iowa by reason of it having been provided by state mining camp funds for schools in mining camps, shall be sold by the state executive council when the state board of public instruction commissioner of education certifies the same to the executive council in writing as being that the building or site is no longer needed for school purposes.~~

Sec. 1490. Section 299.2, subsection 5, Code 1985, is amended to read as follows:

5. Who is attending a private college preparatory school ~~approved accredited or probationally approved accredited under the provisions of section 257.25 256.11, subsection 14 13.~~

Sec. 1491. Section 442.7, subsection 7, paragraph h, Code Supplement 1985, is amended to read as follows:

h. For the school year beginning July 1, ~~1983 1986~~ and succeeding school years, the ~~state board of public instruction commissioner of education~~ may direct the state comptroller to increase or reduce the allowable growth added to district cost per pupil in weighted enrollment for a budget year for special education support services costs in an area education agency in the base year based upon special education support services needs in the area. However, an increase in the allowable growth can only be granted by action of the ~~state board commissioner~~ to restore a previous reduction or portion of a reduction in allowable growth for that year or the previous year.

Sec. 1492. Section 442.12, Code Supplement 1985, is amended to read as follows:

442.12 SCHOOL BUDGET REVIEW COMMITTEE.

A school budget review committee is established; ~~consisting in the department of education and consists of the commissioner of public instruction the department of education, the state comptroller executive director of the office of management,~~ and three members appointed by the governor to represent the public and to serve three-year staggered terms. The committee shall meet and hold hearings each year and shall continue in session until it has reviewed budgets of school districts, as provided in section 442.13. It may call in school board members and employees as necessary for the hearings. Legislators shall be notified of hearings concerning school districts in their constituencies.

The committee shall adopt its own rules of procedure. The commissioner of ~~public instruction the department of education~~ shall serve as chairperson, and the ~~state comptroller executive director of the office of management~~ shall serve as secretary. The committee members representing the public are entitled to receive a ~~per diem equal to the per diem of members of the board of public instruction, and their necessary travel and other expenses while engaged in their official duties. Members may also be eligible to receive compensation as provided in section 7E.3.~~ Expense payments shall be made from appropriations to the department of ~~public instruction education.~~

Sec. 1493. Section 442.13, subsections 1, 9, 11, 12, and 15, Code Supplement 1985, are amended to read as follows:

1. The school budget review committee may recommend the revision of any rules, regulations, directives, or forms relating to school district budgeting and accounting, confer with

local school boards or their representatives and make recommendations relating to any budgeting or accounting matters, and may direct the commissioner of ~~public instruction~~ the department of education or the ~~state comptroller~~ executive director of the office of management to make studies and investigations of school costs in any school district.

9. When the committee makes a decision under subsections 3 to 8, it shall make all necessary changes in the district cost, budget, and tax levy. It shall give written notice of its decision, including all such changes, to the school board through the ~~state comptroller~~ executive director of the office of management.

11. Failure by any school district to provide information or appear before the committee as requested for the accomplishment of review or hearing ~~shall constitute~~ is justification for the committee to instruct the ~~state comptroller~~ executive director of the office of management to withhold any state aid to that district until the committee's inquiries are satisfied completely.

12. The committee shall review the recommendations of the commissioner of ~~public instruction~~ the department of education relating to the special education weighting plan, and shall establish a weighting plan for each school year after the school year commencing July 1, 1975, and report the plan to the commissioner of ~~public instruction~~ the department of education.

15. Annually the school budget review committee shall review the amount of property tax levied by each school district for a cash reserve authorized in section 298.10. If in the committee's judgment, the amount of a district's cash reserve levy is unreasonably high, the committee shall instruct the ~~state comptroller~~ executive director of the office of management to reduce that district's tax levy computed under section 442.9 for the following budget year by the amount the cash reserve levy is deemed excessive. A reduction in a district's property tax levy for a budget year under this subsection does not affect the district's authorized budget.

Sec. 1494. Section 442.27, subsection 12, unnumbered paragraph 3, Code 1985, is amended to read as follows:

Notwithstanding the ~~provisions~~ of this subsection, an area education agency shall distribute to nonpublic schools media materials purchased wholly or partially with federal funds in a manner comparable to the distribution of such media materials to public schools as determined by the ~~state board~~ commissioner of public instruction ~~education~~.

Sec. 1495. Section 598.1, subsection 2, Code 1985, is amended to read as follows:

2. "Support" or "support payments" means any amount which the court may require either of the parties to pay under a temporary order or a final judgment or decree, and may include alimony, child support, maintenance, and any other term used to describe ~~such~~ these obligations. ~~Such~~ The obligations may include support for a child who is between the ages of eighteen and twenty-two years who is regularly attending an ~~approved~~ accredited school in pursuance of a course of study leading to a high school diploma or its equivalent, or regularly attending a course of vocational technical training either as a part of a regular school program or under special arrangements adapted to the individual person's needs; or is, in good faith, a full-time student in a college, university, or area school; or has been accepted for admission to a college, university, or area school and the next regular term has not yet begun; or a child of any age who is dependent on the parties to the dissolution proceedings because of physical or mental disability.

Sec. 1496. Section 601A.9, unnumbered paragraph 1, and subsections 1, 2, and 3, Code Supplement 1985, are amended to read as follows:

It ~~shall be~~ is an unfair or discriminatory practice for any educational institution to discriminate on the basis of race, creed, color, sex, national origin, religion, or disability in any program or activity. Such discriminatory practices shall include but not be limited to the following practices:

1. On the basis of sex, exclusion ~~Exclusion~~ of a person or persons from participation in, denial of the benefits of, or subjection to ~~discrimination~~ in any academic, extracurricular, research, occupational training, or other program or activity except athletic programs;

2. ~~On the basis of sex, denial~~ Denial of comparable opportunity in intramural and interscholastic athletic programs;

3. ~~On the basis of sex discrimination~~ Discrimination among persons in employment and the conditions thereof of employment;

Sec. 1497. Section 633.376, Code 1985, is amended to read as follows:

633.376 ALLOWANCE TO CHILDREN WHO DO NOT RESIDE WITH SURVIVING SPOUSE.

The court may also make an allowance to a child of the decedent who is less than eighteen years of age or who is between the ages of eighteen and twenty-two years who is regularly attending an ~~approved~~ accredited school in pursuance of a course of study leading to a high school diploma or its equivalent, or regularly attending a course of vocational technical training either as a part of a regular school program or under special arrangements adapted to the individual person's needs; or is, in good faith, a full-time student in a college, university, or area school; or has been accepted for admission to a college, university, or area school and the next regular term has not yet begun; or a child of any age who is dependent because of physical or mental disability; who does not reside with the surviving spouse, of an amount it deems reasonable in the light of the assets and condition of the estate, to provide for the child's proper support during the period of twelve months.

Sec. 1498. Section 714.19, subsection 10, Code 1985, is amended to read as follows:

10. Private college preparatory schools ~~approved~~ accredited or ~~probationally approved~~ accredited under the provisions of section 257.25 256.11, subsection 13.

Sec. 1499. The commissioner of education is directed to reorganize the structure of the department in order to reduce administrative costs and to fulfill the functions prescribed for the department in an efficient and effective manner.

Sec. 1499A. Chapter 257, Code 1985, and Code Supplement 1985, sections 260.30, 276.6, and 276.7, Code 1985, are repealed.

Sec. 1499B. Section 280.16, Code Supplement 1985, is repealed effective July 1, 1989.

DEPARTMENT OF CORRECTIONS

Sec. 1501. Section 246.105, Code Supplement 1985, is amended by adding the following new subsection:

NEW SUBSECTION. 10. Approve the locations for all state institutions which are penal, reformatory, or corrective.

Sec. 1502. Section 246.106, Code Supplement 1985, is amended to read as follows:
246.106 MEETINGS.

The board shall meet at least twelve times a year. Special meetings may be called by the chairperson or upon written request of any three members of the board. The chairperson shall preside at all meetings or in the chairperson's absence, the vice chairperson shall preside. The members of the board shall be paid ~~forty dollars per diem while in session, and their reasonable and necessary~~ actual expenses while attending the meetings. Each member of the board may also be able to receive compensation as provided in section 7E.3.

Sec. 1503. Section 246.108, subsection 1, Code Supplement 1985, is amended by adding the following new lettered paragraph:

NEW LETTERED PARAGRAPH. m. Provide routine administrative and support services to the board of parole.

Sec. 1504. Section 246.108, Code Supplement 1985, is amended by adding the following new subsection:

NEW SUBSECTION. 7. Establish and maintain a correctional training center at the Mount Pleasant correctional facility.

Sec. 1505. Section 246.805, subsection 7, paragraph a, Code Supplement 1985, is amended to read as follows:

a. Inmates applying to participate in a program shall be approved by the work release committee designated pursuant to section 246.902 director of the department of corrections and shall reside at state correctional institutions.

Sec. 1506. Section 246.901, Code Supplement 1985, is amended to read as follows:
246.901 PROGRAM.

The Iowa department of corrections, in consultation with the board of parole, shall establish a work release program under which the board of parole may grant inmates sentenced to an institution under the jurisdiction of the department may be granted the privilege of leaving actual confinement during necessary and reasonable hours for the purpose of working at gainful employment. Under appropriate conditions the program may also include release for the purpose of seeking employment and attendance at an educational institution. An inmate may be placed on work release status in the inmate's own home, under appropriate circumstances, which may include child care and housekeeping in the inmate's own home. An inmate shall receive a unanimous vote from the work release committee to be approved for home work release.

Sec. 1507. Section 246.903, Code Supplement 1985, is amended to read as follows:
246.903 APPLICATION AGREEMENT BY INMATE.

An inmate eligible approved to participate in the work release program may make application to the superintendent or executive officer of the institution in which confined for permission to participate in the program shall sign a work release agreement. The application agreement shall include a statement that the inmate agrees to abide by all terms and conditions of the particular plan adopted for the inmate by the committee if the application is approved board of parole, shall state the name and address of the proposed employer, if any, and shall contain such other information as the committee may require. The superintendent or executive officer may, at that person's discretion, recommend such application to the committee. The committee may approve, disapprove, or defer action on the recommendation. If the recommendation is approved, the committee shall adopt a work release plan for the applicant which shall contain such terms and conditions as may be the board of parole deems necessary and proper. The plan shall be signed by the inmate prior to participation in the program. Approval may be revoked for any reason by the superintendent or executive officer or by the committee a member of the board of parole at any time after being granted.

Sec. 1508. Section 246.904, Code Supplement 1985, is amended to read as follows:
246.904 HOUSING FACILITIES — HALFWAY HOUSES.

Unless the inmate is transferred to the correctional release center, or returns after working hours to the institution under jurisdiction of the department of corrections, the department of corrections shall contract with a judicial district department of correctional services for the quartering and supervision of the inmate in local housing facilities. The committee board of parole shall include as a specific term or condition in the work release plan of any inmate the place where the inmate is to be housed when not on the work assignment. The committee board of parole shall not place an inmate on work release for longer than six months in any twelve-month period. However, an inmate may be placed on work release for a period in excess of six months in any twelve month period if unanimous unless approval is given by the committee a majority of the full board of parole. Inmates may be temporarily released to the supervision of a responsible person to participate in family and selected community, religious,

educational, social, civic, and recreational activities when it is determined that the participation will directly facilitate the release transition from institution to community. The department of corrections shall provide a copy of the work release plan and a copy of any restitution plan of payment to the judicial district department of correctional services quartering and supervising the inmate.

Sec. 1509. Section 246.906, Code Supplement 1985, is amended to read as follows:

246.906 STATUS OF INMATES ON WORK RELEASE.

An inmate employed in the community under this chapter is not an agent, employee, or involuntary servant of the department of corrections ~~nor~~, the board of parole, or the judicial district department of correctional services while released from confinement under the terms of a work release plan. If an inmate suffers an injury arising out of or in the course of the inmate's employment under this chapter, the inmate's recovery shall be from the insurance carrier of the employer of the project and no proceedings for compensation shall be maintained against the insurance carrier of the state institution, the state, the insurance carrier of the judicial district department of correctional services, or the judicial district department of correctional services, and there is no employer-employee relationship between the inmate and the state institution, the board of parole, or the judicial district department of correctional services.

Sec. 1510. Section 246.908, subsection 1, Code Supplement 1985, is amended to read as follows:

1. Upon request by the Iowa department of corrections, the board of parole, or a judicial district department of correctional services a county shall provide temporary confinement for alleged violators of work release conditions if space is available.

Sec. 1511. **NEW SECTION. 904A.1 BOARD OF PAROLE.**

The board of parole is created to consist of five members, three members who shall devote their full time to the parole and work release system and two members who shall be part time. Each member shall serve a term of four years beginning and ending as provided by section 69.19, except appointments to fill vacancies who shall serve for the balance of the unexpired term. The chairperson of the board shall be elected by the members of the board to a term of one year and may serve more than one term consecutively. A majority of the members of the board constitutes a quorum to transact business.

Sec. 1512. **NEW SECTION. 904A.2 COMPOSITION OF BOARD.**

The membership of the board shall be of good character and judicious background, shall include a member of a minority group, may include a person ordained or designated as a regular leader of a religious community and who is knowledgeable in correctional procedures and issues, and shall meet at least two of the following three requirements:

1. Contain one member who is a disinterested layperson.
2. Contain one member who is an attorney licensed to practice law in this state and who is knowledgeable in correctional procedures and issues.
3. Contain one member who is a person holding at least a master's degree in social work or counseling and guidance and who is knowledgeable in correctional procedures and issues.

Sec. 1513. **NEW SECTION. 904A.3 APPOINTMENT TO BOARD OF PAROLE.**

The governor shall appoint the members of the board of parole, subject to confirmation by the senate. Vacancies shall be filled in the same manner as regular appointments are made.

Sec. 1514. **NEW SECTION. 904A.4 DUTIES.**

1. The board of parole shall interview and consider inmates for parole or work release and a majority vote of the members is required to grant a parole or work release.

A member of the board of parole shall conduct parole or work release revocation hearings and may revoke a parole or work release, unless prior to the hearing the offender requests

that the revocation hearing be conducted by a three person panel of the board of parole, in which case a three member panel of the board of parole shall conduct the revocation hearing and a majority vote of the panel is required to revoke the parole or work release.

2. Immediately following an offender's diagnostic review, as provided by section 246.202, the board shall arrange an interview between a liaison officer of the board and the offender to inform the offender of the earliest eligibility for parole, the maximum permissible length of the sentence, the rules and procedures regarding the issuance of parole, the availability of parole interview waivers, and other information deemed pertinent by the board or the liaison officer.

3. The board shall gather and review information regarding new parole and work release programs being instituted or considered nationwide and determine which programs may be useful for this state. This information and the resulting recommendations shall be forwarded to the director of the Iowa department of corrections on a quarterly basis.

4. The board shall maintain records regarding those individuals granted parole, work release, furlough, or a similar release status, and the records shall reflect the relationship of the success of the inmates on release status to the programs completed by the inmates while in the institution. The information shall be forwarded to the office of the governor and to the chairpersons of the house standing committee on judiciary and law enforcement and the senate standing committee on judiciary annually.

5. The board shall conduct an annual review of parole and work release programs and procedures used in this state. To assist in this review, the board shall solicit written input and comment from interested parties, including the general public and inmates of the various institutions. The board shall also conduct public hearings.

6. The board shall review the present system for gathering and storing information on inmates to determine whether increased utilization of data processing and computerization techniques would assist in the orderly conduct of the parole or work release system.

7. The board shall adopt and implement administrative rules pursuant to chapter 17A to carry out the provisions of this chapter.

Sec. 1515. NEW SECTION. 904A.5 ADMINISTRATION OF BOARD OF PAROLE.

The board of parole is responsible directly to the governor. The board of parole is attached to the department of corrections for routine administrative and support services only. The board of parole shall appoint an executive secretary and employ a clerical staff sufficient to carry on the necessary duties of the board. The board shall also employ personnel to serve as liaisons between the board, inmates, and staff at the state's penal and correctional facilities and to perform other duties designated by the board. The board shall submit to the executive director of the office of management an estimate of the funds needed for salaries, maintenance, and supplies as provided in section 8.23.

Sec. 1516. NEW SECTION. 904A.6 SALARIES AND EXPENSES.

Each member of the board shall be paid a salary as determined by the general assembly. Each member of the board, the executive secretary, and all employees are entitled to receive, in addition to salary, their necessary maintenance and travel expenses while engaged in official business.

Sec. 1517. NEW SECTION. 904A.7 RISK ASSESSMENT PROGRAM.

There is created under the board of parole a risk assessment program, which shall provide risk assessment analysis for the board of parole.

Sec. 1518. Section 906.1, Code 1985, is amended to read as follows:

906.1 DEFINITION OF PAROLE AND WORK RELEASE.

Parole is the release of a person who has been committed to the custody of the director of the Iowa department of corrections by reason of the person's commission of a public offense, which release occurs prior to the expiration of the person's term, is subject to supervision by the district department of correctional services, and is on conditions imposed by the district department.

Work release is the release of a person, who has been committed to the custody of the director of the Iowa department of corrections, pursuant to sections 246.901 through 246.909.

Sec. 1519. Section 906.3, Code 1985, is amended to read as follows:

906.3 AUTHORITY OF PAROLE BOARD.

The board of parole shall adopt rules regarding a system of paroles from correctional institutions, and shall direct, control, and supervise the administration of the system of paroles. The board of parole shall consult with the director of the department of corrections on rules regarding a system of work release and shall assist in the direction, control, and supervision of the work release system. The board shall determine which of those persons who have been committed to the custody of the director of the Iowa department of corrections, by reason of their conviction of a public offense, shall be released on parole or work release. The grant or denial of parole or work release is not a contested case as defined in section 17A.2.

Sec. 1520. Section 906.4, Code 1985, is amended to read as follows:

906.4 STANDARDS FOR RELEASE ON PAROLE OR WORK RELEASE.

A parole or work release shall be ordered only for the best interest of society and the offender, not as an award of clemency. The board shall release on parole or work release any person whom it has the power to so release, when in its opinion there is reasonable probability that such the person can be released without detriment to the community or to the person. A person's release is not a detriment to the community or the person when if the person is able and willing to fulfill the obligations of a law-abiding citizen, as in the board shall determine board's determination.

Sec. 1521. Section 906.5, Code Supplement 1985, is amended to read as follows:

906.5 RECORD REVIEWED - ELIGIBILITY OF PRIOR FORCIBLE FELON FOR PAROLE OR WORK RELEASE - RULES.

Within one year after the commitment of a person other than a class "A" felon to the custody of the director of the Iowa department of corrections, a member of the board shall interview the person. Thereafter, at regular intervals, not to exceed one year, the board shall interview the person and consider the person's prospects for parole or work release. At the time of an interview, the board shall consider all pertinent information regarding this the person, including the circumstances of the person's offense, any presentence report which is available, the previous social history and criminal record of the person, the person's conduct, work, and attitude in prison, and the reports of physical and mental examinations that have been made.

If the person who is under consideration for parole is serving a sentence for conviction of a felony and has a criminal record of one or more prior convictions for a forcible felony or a crime of a similar gravity in this or any other state, parole shall be denied unless the person has served at least one-half of the maximum term of the defendant's sentence. However, the mandatory sentence provided for by this section shall does not apply if the sentence being served is for a felony other than a forcible felony and the sentences for the prior forcible felonies expired at least five years before the date of conviction for the present felony.

A person while on parole or work release is under the supervision of the district department of correctional services of the district designated by the board of parole. The department of corrections shall prescribe regulations rules for governing persons on parole or work release. The board may adopt other rules not inconsistent with the rules of the department of corrections as it the board deems proper or necessary for the performance of its functions.

Sec. 1522. Section 906.6, Code 1985, is amended to read as follows:

906.6 CO-OPERATION OF CORRECTION PERSONNEL.

It shall be the duty of all All persons employed in any a correctional institution to shall grant to the members of the board of parole, or its properly accredited representatives, access

at all reasonable times to any person over whom the board has jurisdiction, ~~to shall~~ provide for the board or ~~such~~ its representatives facilities for communicating with and observing ~~such~~ the person, and ~~to shall~~ furnish to the board ~~such~~ reports as the board ~~shall require~~ requires concerning the conduct and character of any person in their custody and any other facts deemed by the board pertinent in determining whether the person shall be released on parole or work release.

Sec. 1523. Section 906.16, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The time when a prisoner is on parole or work release from the institution shall be held to apply upon the sentence against the parolee or work releasee even if the parole or work release is subsequently revoked, except that the time when the parolee or work releasee is in violation of the terms of the parole or work release agreement shall not apply upon the sentence.

Sec. 1524. Section 908.4, Code 1985, is amended to read as follows:

908.4 PROBABLE CAUSE HEARING.

At the probable cause hearing, a liaison officer appointed pursuant to section 904.5 904A.5 and who is an attorney shall determine whether there is probable cause to believe that the alleged parole violator has violated parole. The alleged parole violator shall be informed of the inculpatory evidence. The alleged parole violator shall be given an opportunity to be heard in person and to present witnesses and other evidence. The alleged parole violator shall have the right to confront and cross-examine adverse witnesses, except where if the liaison officer finds that a witness would be subjected to risk or harm if the witness' identity were disclosed.

Sec. 1525. Chapter 904, Code 1985 and Code Supplement 1985, and section 246.902, Code Supplement 1985, are repealed.

Sec. 1526. TRANSITION — TERMS. The terms of all persons serving on the board of parole on June 30, 1986, expire on that date. Notwithstanding the four-year term specified in section 1511 of this Act, appointments of the new members shall be as follows:

1. One full-time and one part-time member to serve from July 1, 1986 to June 30, 1988.
2. One full-time and one part-time member to serve from July 1, 1986 to June 30, 1989.
3. One member to serve from July 1, 1986 to June 30, 1990.

Thereafter, all appointments shall be for four-year terms.

DEPARTMENT OF PUBLIC SAFETY

Sec. 1601. Section 80.26, Code 1985, is amended by striking the section.

Sec. 1602. Section 691.5, Code 1985, is amended to read as follows:

691.5 STATE MEDICAL EXAMINER.

~~There is hereby created the~~ The position of state medical examiner is created under the control, direction, and supervision of the commissioner of public safety. The commissioner of public safety may assign the office of the state medical examiner to a division or bureau within the public safety department. Other state agencies shall cooperate with the state medical examiner in the use of state-owned facilities when appropriate for the performance of non-administrative duties of the state medical examiner. The state medical examiner shall be a physician and surgeon or osteopathic physician and surgeon, and be licensed to practice medicine in the state of Iowa, and possess special knowledge in forensic pathology. The state medical examiner shall be appointed by and serve at the pleasure of the ~~governor~~ director of public safety. The state medical examiner may be a faculty member of the college of medicine or the college of law at the University of Iowa, and any of the examiner's assistants or staff may be members of the faculty or staff of the college of medicine or the college of law at the University of Iowa.

Sec. 1603. Section 691.6, subsection 3, Code 1985, is amended to read as follows:

3. To promulgate adopt rules pursuant to chapter 17A, and subject to the approval of the commissioner of public safety, regarding the manner and techniques to be employed while conducting autopsies; the nature, character, and extent of investigations to be made in cases of homicide or suspected homicide necessary to allow a medical examiner to render a full and complete analysis and report; the format and matters to be contained in all reports rendered by medical examiners; and all other things necessary to carry out this chapter. All county medical examiners and peace officers shall be are subject to such the rules.

Sec. 1604. Section 691.7, Code 1985, is amended to read as follows:

691.7 COMMISSIONER TO ACCEPT FEDERAL OR PRIVATE GRANTS.

The commissioner of public safety may accept federal or private funds or grants to aid in the establishment or operation of the state criminalistics laboratory, and the commissioner of public safety or the board of regents may accept federal or private funds or grants to aid in the establishment or operation of the position of state medical examiner.

Sec. 1605. Section 692.2, subsection 1, paragraph b, Code Supplement 1985, is amended to read as follows:

b. Other public agencies as authorized by the confidential records council director of public safety.

Sec. 1606. Section 692.2, subsection 5, unnumbered paragraph 1, Code Supplement 1985, is amended to read as follows:

Notwithstanding other provisions of this section, the department and bureau may provide copies or communicate information from criminal history data to any youth service agency approved by the confidential records council director of public safety. The department shall adopt rules to provide for the qualification and approval of youth service agencies to receive criminal history data.

Sec. 1607. Section 692.19, Code 1985, is amended to read as follows:

692.19 CONFIDENTIAL RECORDS COUNCIL — OVERSIGHT BY DIRECTOR.

There is hereby created a confidential records council consisting of nine regular members. Two members shall be appointed from the house of representatives to serve as ex officio nonvoting members by the speaker of the house, no more than one of whom shall be from the same party. Two members shall be appointed from the senate to serve as ex officio nonvoting members by the lieutenant governor, no more than one of whom shall be from the same party. The other members of the council shall be: A judge of the district court appointed by the chief justice of the supreme court, one local law enforcement official, appointed by the governor; the commissioner of public safety or the commissioner's designee; and two private citizens not connected with law enforcement, appointed by the governor. The council shall select its own chairperson. The members shall serve at the pleasure of those by whom their appointments are made.

The council shall meet at least annually and at any other time upon the call of the governor, the chairperson of the council, or any three of its members. Each nonlegislative council member shall be entitled to reimbursement for actual and necessary expenses incurred in the performance of official duties from funds appropriated to the department of public safety. Each legislative member shall receive expenses pursuant to section 2.10 and section 2.12.

The council director of public safety shall have the following responsibilities and duties:

1. Shall periodically monitor the operation of governmental information systems which deal with the collection, storage, use and dissemination of criminal history or intelligence data.
2. Shall review the implementation and effectiveness of legislation and administrative rules concerning such systems.
3. May recommend changes in said rules and legislation to the legislature and the appropriate administrative officials.

4. May require such reports from state agencies as may be necessary to perform its duties.
5. May receive and review complaints from the public concerning the operation of such systems.
6. May conduct such inquiries and investigations as it finds appropriate to achieve the purposes of this chapter. Each criminal justice agency in this state and each state and local agency otherwise authorized access to criminal history data is authorized and directed to furnish to the council director of public safety, upon ~~its~~ the director's request, such statistical data, reports, and other information in its possession as the council director deems necessary to carry out its functions under this chapter. However, ~~the council and its members, in such capacity,~~ the director of public safety, in the capacity of providing oversight of confidential records, shall not have access to criminal history data or intelligence data unless it is data from which individual identities are not ascertainable or data which has been masked so that individual identities are not ascertainable. However, the council director may examine data from which the identity of an individual is ascertainable if requested in writing by that individual or the individual's attorney with written authorization and fingerprint identification.
7. Shall annually approve rules adopted in accordance with section 692.10 and rules to assure the accuracy, completeness and proper purging of criminal history data.
8. Shall approve all agreements, arrangements and systems for the interstate transmission and exchange of criminal history data.

DEPARTMENT OF PUBLIC DEFENSE

Sec. 1701. Section 29.1, Code 1985, is amended to read as follows:

29.1 MILITARY AND CIVIL FORCES CO-ORDINATED DEPARTMENT OF PUBLIC DEFENSE.

There shall be an agency of the state government to be known as the The department of public defense of the state of Iowa, which shall be is composed of the military agency as provided in the laws of this state division, and the office of disaster services as provided in the laws of the state division, and the veterans affairs division. The adjutant general, state of Iowa, shall be executive is the director of the department of public defense and the budget and personnel of all of the divisions are subject to the approval of the adjutant general.

Sec. 1702. NEW SECTION. 29.4 VETERANS AFFAIRS DIVISION.

A veterans affairs division is created within the department of public defense with an administrator to manage the division. The adjutant general as director of the department of public defense shall exercise supervisory authority over the division.

Sec. 1703. Section 29A.57, subsection 1, Code 1985, is amended to read as follows:

1. The governor shall appoint an armory board which ~~shall consist~~ consists of the adjutant general serving as chairperson, at least two officers from the active commissioned personnel of the national guard, and at least one other person, who is a citizen of the state of Iowa. One member of the board shall have at least five years' experience in the building construction trade. The board shall meet at times and places as ordered by the governor. The members shall serve at the pleasure of the governor. Members of the board shall receive ~~compensation of forty dollars and actual expenses for each day in which they are actually employed under this chapter. However, the per diem compensation shall not apply to members of the board who are full-time national guard personnel.~~ Each member of the board may also be eligible to receive compensation as provided in section 7E.3.

Sec. 1704. Section 35A.1, Code 1985, is amended to read as follows:

35A.1 DEFINITIONS.

For the purposes of As used in this chapter, unless the context otherwise requires:

1. "Director" "Administrator" means the director administrator of the Iowa department of veterans affairs division.

2. "Commission" means the commission of the Iowa department of veterans affairs division.

3. "Commissioner" means a member of the commission of the Iowa department of veterans affairs division.

4. "Department" "Division" means the Iowa department of veterans affairs division established in section 35A.2.

Sec. 1705. Section 35A.2, unnumbered paragraphs 1 and 2, Code 1985, are amended to read as follows:

~~There is established an Iowa department~~ A veterans affairs which shall consist division is established within the department of public defense. The division consists of a veterans affairs commission, a director an administrator, and additional employees as are required to carry out the provisions of implement this chapter.

The department division shall:

Sec. 1706. Section 35A.2, subsection 2, Code 1985, is amended to read as follows:

2. Assist county veterans affairs commissions established pursuant to chapter 250. The ~~department division~~ shall draft and provide to county commissions suggested uniform benefits and administrative procedures for carrying out the functions and duties of the county commissions.

Sec. 1707. Section 35A.3, Code 1985, is amended to read as follows:

35A.3 COMMISSION.

~~There is established a~~ A commission is established within the Iowa department of veterans affairs division. This commission shall consist consists of five persons who shall be appointed by the governor. Each commissioner shall be an honorably discharged member of the armed forces of the United States.

Sec. 1708. Section 35A.6, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

35A.6 DUTIES OF COMMISSION.

The commission shall:

1. Organize and annually select a chairperson.
2. Consult with and advise the administrator on policy for the operation and conduct of the division.
3. Annually visit and evaluate the Iowa veterans home.

Sec. 1709. Section 35A.7, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

35A.7 POWERS AND DUTIES OF THE ADJUTANT GENERAL.

The adjutant general as the director of the department of public defense under the direction and control of the governor has supervisory direction and control of the veterans affairs division and is responsible to the governor for carrying out the provisions of this chapter.

Sec. 1710. Section 35A.8, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

35A.8 ADMINISTRATOR APPOINTED - DUTIES.

1. The administrator, who shall be a veteran, shall be appointed by the governor, subject to confirmation by the senate, and shall serve at the pleasure of the governor.
2. The administrator shall:
 - a. Prepare a budget for the division for submission to the director of the department of public defense.
 - b. Annually make a written report to the director of the department.
 - c. Establish policy for the operation and conduct of the division subject to any guidelines adopted by the director of the department.
 - d. Adopt rules pursuant to chapter 17A for the management and operation of the division.

e. Carry out the administrative duties of the division subject to the supervision of the director of the department.

Sec. 1711. Section 35A.9, Code 1985, is amended to read as follows:

35A.9 EXPENSES AND COMPENSATION.

The ~~director administrator~~ and employees of the ~~department~~ division are entitled to receive, in addition to salary, reimbursement for ~~necessary travel and~~ actual expenses incurred while engaged in the performance of official duties. The commissioners ~~shall are~~ entitled to receive forty dollars per diem and reimbursement for necessary travel and actual expenses incurred while engaged in the performance of official duties. Per diem paid to commissioners shall be paid from funds appropriated to the department. Each member of the commission may also be eligible to receive compensation as provided in section 7E.3.

Sec. 1712. Section 139A.1, subsection 4, Code 1985, is amended to read as follows:

4. "Department Division" means the ~~state department of health~~ veterans affairs division within the ~~department of public defense~~.

Sec. 1713. Section 139A.2, Code 1985, is amended to read as follows:

139A.2 CHEMICAL REPORT TO DEPARTMENT DIVISION.

A licensed physician pursuant to section 135.1, subsection 5, who treats a veteran the physician believes may have been exposed to chemicals while serving in the armed forces of the United States shall submit a report indicating that information to the ~~department~~ division at the request of the veteran pursuant to section 139A.3.

Sec. 1714. Section 139A.3, Code 1985, is amended to read as follows:

139A.3 DUTIES OF THE DEPARTMENT DIVISION.

The ~~department~~ division shall:

1. Provide the forms for the reports required in section 139A.2. The report shall require the doctor to provide all of the following:

- a. Symptoms of the veteran which may be related to exposure to chemicals.
- b. Diagnosis of the veteran.
- c. Methods of treatment prescribed.

2. Annually compile and evaluate the information submitted in the reports pursuant to subsection 1, in consultation and cooperation with a certified medical toxicologist selected by the ~~department~~ division. The ~~department~~ division shall submit the report to the governor, the general assembly, and the United States veterans' administration, and the ~~state department of veterans affairs~~. The report shall include current research data on the effects of exposure to chemicals, statistical information received from individual physicians' reports, and statistical information from the epidemiological investigations pursuant to subsection 3.

3. Conduct epidemiological investigations of veterans who have cancer or other medical problems or who have children born with birth defects associated with exposure to chemicals, in consultation and cooperation with a certified medical toxicologist selected by the ~~department~~ division. The ~~department~~ division shall obtain consent from a veteran before conducting the investigations.

The ~~department~~ division shall cooperate with local and state agencies during the course of an investigation.

Sec. 1715. Section 139A.4, Code 1985, is amended to read as follows:

139A.4 CONFIDENTIALITY — AND LIABILITY PROVISIONS.

The ~~department~~ division shall not identify a veteran consenting to the epidemiological investigations pursuant to section 139A.3, subsection 3, unless the veteran consents to the release of identity. The statistical information compiled by the ~~department~~ division pursuant to section 139A.3 is a public record.

A licensed physician complying with this chapter is not civilly or criminally liable for release of the required information.

Sec. 1716. Section 139A.6, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The department division and appropriate medical facilities at the state university of Iowa under the control of the state board of regents shall institute a cooperative program to:

Sec. 1717. Section 139A.7, Code 1985, is amended to read as follows:
139A.7 FEDERAL PROGRAM.

If the ~~commissioner~~ administrator of ~~public health~~ the division or the general assembly determines that an agency of the federal government or the state of Iowa is providing the referral and genetic services pursuant to section 139A.6, the ~~commissioner~~ administrator or the general assembly by specific action may discontinue all or part of the ~~services or~~ and requirements ~~provided~~ in this chapter.

Sec. 1718. Section 139A.8, Code 1985, is amended to read as follows:
139A.8 RULES.

The department division shall adopt rules pursuant to chapter 17A to implement this chapter.

Sec. 1719. Section 139A.9, Code 1985, is amended to read as follows:
139A.9 APPROPRIATIONS.

This chapter shall be implemented by the department division each fiscal year that appropriations are made to the department division for the implementation of this chapter.

DEPARTMENT OF NATURAL RESOURCES

Sec. 1801. NEW SECTION. 455A.1 DEFINITIONS.

As used in this chapter unless the context otherwise requires:

1. "Director" means the director of the department of natural resources.
2. "Department" means the department of natural resources created under section 455A.2.
3. "Natural resource commission" means the natural resource commission created under section 455A.5.
4. "Environmental protection commission" means the environmental protection commission created under section 455A.6.

Sec. 1802. NEW SECTION. 455A.2 DEPARTMENT OF NATURAL RESOURCES.

A department of natural resources is created, which has the primary responsibility for state parks and forests, protecting the environment, and managing energy, fish, wildlife, and land and water resources in this state.

Sec. 1803. NEW SECTION. 455A.3 DIRECTOR.

The chief administrative officer of the department is the director who shall be appointed by the governor, subject to confirmation of the senate, and serve at the governor's pleasure. The governor shall make the appointment based on the appointee's training, experience, and capabilities. The director shall be knowledgeable in the general field of natural resource management and environmental protection. The salary of the director shall be fixed by the governor within salary guidelines or a range established by the general assembly.

Sec. 1804. NEW SECTION. 455A.4 GENERAL POWERS AND DUTIES OF THE DIRECTOR.

1. Except as otherwise provided by law and subject to rules adopted by the natural resource commission and the environmental protection commission, the director shall:
 - a. Plan, direct, coordinate, and execute the functions vested in the department.
 - b. Provide overall supervision, direction and coordination of functions to be administered by the administrators under chapters 84, 93, 106, 107, 108, 108A, 109, 109A, 110, 110A, 110B, 111, 111B, 111D, 112, 305, 321G, 455B, 455C, and 469.

c. Annually compile a comprehensive program budget which reflects all fiscal matters related to the operation of the department and each program, subprogram, and activity in the department in accordance with section 8.23.

d. Submit a biennial or an annual report to the governor and the general assembly, in accordance with chapter 17.

e. Employ personnel as necessary to carry out the functions vested in the department consistent with chapter 19A unless the positions are exempt from that chapter.

f. Devote full time to the duties of the director's office.

g. Not be a candidate for nor hold any other public office or trust, nor be a member of a political committee.

h. Maintain an office at the state capitol complex, which is open at all reasonable times for the conduct of public business.

i. Adopt rules in accordance with chapter 17A as necessary or desirable for the organization or reorganization of the department.

2. All powers and duties vested in the director may be delegated by the director to an employee of the department, but the director retains the responsibility for an employee's acts within the scope of the delegation.

3. The director and other officers and employees of the department are entitled to receive, in addition to salary, their actual and necessary travel and related expenses incurred in the performance of official business.

4. The director shall obtain an adequate public employees fidelity bond to cover those officers and employees of the department accountable for property or funds of this state.

Sec. 1805. NEW SECTION. 455A.5 NATURAL RESOURCE COMMISSION — APPOINTMENT AND DUTIES.

1. A natural resource commission is created, which consists of seven members appointed by the governor for staggered terms of six years beginning and ending as provided in section 69.19. The appointees are subject to senate confirmation. The members shall be citizens of the state who have a substantial knowledge of the subjects embraced by chapter 107. The appointments shall be based upon the training, experience, and capacity of the appointees, and not based upon political considerations, other than as provided in section 69.16. A member of the commission shall not hold any other state or federal office.

2. A vacancy on the commission shall be filled for the unexpired term in the same manner as the original appointment was made.

3. The members of the commission shall be reimbursed for actual and necessary travel and related expenses incurred in the discharge of official duties. Each member of the commission may also be eligible to receive compensation as provided in section 7E.3.

4. The commission shall hold an organizational meeting within thirty days of the beginning of a new regular term for one or more of its members. The commission shall organize by electing a chairperson, vice chairperson, secretary, and any other officers deemed necessary or desirable. The commission shall meet at least quarterly throughout the year.

5. A majority of the members of the commission is a quorum, and a majority of a quorum may act in any matter within the jurisdiction of the commission, unless a more restrictive rule is adopted by the commission.

6. Except as otherwise provided by law, the commission shall:

a. Establish policy and adopt rules, pursuant to chapter 17A, necessary to provide for the effective administration of chapter 106, 107, 108, 108A, 109, 109A, 110, 110A, 110B, 111, 111B, 111D, 112, or 321G.

b. Hear appeals in contested cases pursuant to chapter 17A on matters relating to actions taken by the director under chapter 106, 107, 108, 108A, 109, 109A, 110, 110A, 110B, 111, 111B, 111D, 112, or 321G.

c. Approve or disapprove proposals for the acquisition or disposal of state lands and waters relating to state parks, recreational facilities, and wildlife programs, submitted by the director.

Sec. 1806. NEW SECTION. 455A.6 ENVIRONMENTAL PROTECTION COMMISSION — APPOINTMENT AND DUTIES.

1. An environmental protection commission is created, which consists of nine members appointed by the governor for staggered terms of four years beginning and ending as provided in section 69.19. Commission appointees are subject to senate confirmation. The members shall be electors of the state and have knowledge of the subjects embraced in chapter 455B. The appointments shall be based upon the training, experience, and capacity of the appointees, and not based upon political considerations, other than as provided in section 69.16. The membership of the commission shall be as follows:

- a. Three members actively engaged in livestock and grain farming.
- b. A member actively engaged in the business of finance or commerce.
- c. A member actively engaged in the management of a manufacturing company.
- d. Four members who are electors of the state.

2. A vacancy on the commission shall be filled for the unexpired term in the same manner as the original appointment was made.

3. The members of the commission shall be reimbursed for actual and necessary travel and related expenses incurred in the discharge of official duties. Each member of the commission may also be eligible to receive compensation as provided in section 7E.3.

4. The commission shall hold an organizational meeting within thirty days of the beginning of a new regular term for one or more of its members. The commission shall organize by electing a chairperson, vice chairperson, secretary, and any other officers deemed necessary or desirable. The commission shall meet at least quarterly throughout the year.

5. A majority of the members of the commission is a quorum, and a majority of a quorum may act in any matter within the jurisdiction of the commission, unless a more restrictive rule is adopted by the commission.

6. Except as otherwise provided by law, the commission shall:

- a. Establish policy for the department and adopt rules, pursuant to chapter 17A, necessary to provide for the effective administration of chapter 455B, 455C, or 469.
- b. Hear appeals in contested cases pursuant to chapter 17A on matters relating to actions taken by the director under chapter 83, 83A, 84, 93, 455B, 455C, or 469.
- c. Approve or disapprove the issuance of hazardous waste disposal site licenses under chapter 455B.

Sec. 1807. NEW SECTION. DIVISIONS CREATED — DEPUTY DIRECTOR AND ADMINISTRATORS APPOINTED BY DIRECTOR.

1. The following divisions are created within the department:

- a. Parks and preserves division which is responsible for programs relating to water access development, state parks and recreation areas, and preserves.
- b. Forests and forestry division which is responsible for administering programs relating to state forests and forestry and for the operation of the state nursery under section 107.20.
- c. Fish and wildlife division which is responsible for programs relating to wildlife, law enforcement, fisheries, and land acquisition and management.
- d. Energy and geological resources division which is responsible for programs relating to energy, geological survey, and oil and gas production.
- e. Environmental protection division which is responsible for programs relating to wastewater treatment, water supply, hazardous wastes, air and land, and field services.
- f. Coordination and information division which has the responsibility for legal services, governmental liaison, information and education, and planning.

g. Administrative services division which is responsible for finance, budget and grants, administrative support, data processing, licensing, and construction services.

h. Additional divisions deemed necessary for the effective and efficient administration of the department.

2. The director shall appoint a deputy director who shall be in charge of the department in the absence of the director. The appointment shall be based on the appointee's training, experience, and capabilities.

3. The director shall appoint an administrator for each division created under subsection 1. The director shall make the appointment based on the appointee's training, experience, and capabilities. Each administrator has the responsibility of administering the programs assigned the division under subsection 1 and other programs assigned by the director. Each administrator shall carry out the duties and responsibilities of office under the general direction and supervision of the director.

Sec. 1808. TRANSFER OF COMMISSION MEMBERSHIP.

1. The members of the state conservation commission abolished by this Act serving unexpired terms on the effective date of this Act may serve as members of the natural resources* commission created under section 455A.5 until the expiration of the terms to which they were appointed as members of the state conservation commission. Their successors shall be appointed as provided in section 455A.5. A commission member is eligible for reappointment.

2. The members of the water, air and waste management commission abolished by this Act serving unexpired terms on the effective date of this Act may serve as members of the environmental protection commission created under section 455A.6 until the expiration of the terms to which they were appointed as members of the water, air and waste management commission. Their successors shall be appointed as provided in section 455A.6. A commission member is eligible for reappointment.

Sec. 1809. EXPIRATION OF TERMS. The terms of office of members of the energy policy council, the hazardous chemicals information interagency coordinating council, and the certification board for water and wastewater treatment plant operators, which boards and council are abolished by this Act and whose members are serving unexpired terms of office on those boards or council on the effective date of this Act, expire on the effective date of this Act.

Sec. 1810. Section 84.2, subsection 16, Code 1985, is amended to read as follows:

16. "Department" means the department of soil conservation natural resources created under section 455A.2.

Sec. 1811. Section 84.2, subsection 20, Code 1985, is amended by striking the subsection and inserting in lieu thereof the following:

20. "Director" means the director of the department or a designee.

Sec. 1812. Section 84.2, Code 1985, is amended by adding the following new subsection:

NEW SUBSECTION. 21. "Commission" means the environmental protection commission of the department.

Sec. 1813. Section 84.4, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The department has the duty of administering ~~director shall administer~~ this chapter. The state geologist shall act as administrator with the duty of enforcing the regulations and orders of the department applicable to the crude petroleum oil and natural gas and metallic mineral resources of this state and the provisions of this chapter. ~~The department has the duty to~~ director shall make investigations if the director deems proper to determine whether waste exists or is imminent or whether other facts exist which justify action. ~~The department acting through the office of the state geologist~~ director has the authority:

*resource probably intended

Sec. 1814. Section 84.4, subsection 1, paragraph b, Code 1985, is amended to read as follows:

b. The making and filing of all mechanical well logs and the filing of directional surveys if taken, and the filing of reports on well location, drilling and production, and the filing free of charge of samples and core chips and of complete cores less tested sections when requested in the office of the state geologist department within six months after the completion or abandonment of the well;

Sec. 1815. Sections 84.4, 84.5, and 84.11, Code 1985, are amended by striking the word "committee" where it appears in those sections and inserting in lieu thereof the word "department".

Sec. 1816. Sections 84.5, 84.7, and 84.11, Code 1985, are amended by striking the words "state geologist" where they appear in those sections and inserting in lieu thereof the word "director".

Sec. 1817. Section 93.1, subsection 1, Code 1985, is amended by striking the subsection and inserting in lieu thereof the following:

1. "Department" means the department of natural resources created under section 455A.2.

Sec. 1818. Section 93.1, subsection 4, Code 1985, is amended to read as follows:

4. "Director" means the director of energy policy the department or a designee.

Sec. 1819. Section 93.1, Code 1985, is amended by adding the following new subsection: NEW SUBSECTION. 5. "Commission" means the environmental protection commission of the department.

Sec. 1820. Section 93.7, Code 1985, is amended by adding the following new subsections: NEW SUBSECTION. 16. Administer and coordinate federal funds for energy conservation programs including, but not limited to, the institutional conservation program, state energy conservation program, and energy extension service program, and related programs which provide energy management and conservation assistance to schools, hospitals, health-care facilities, communities, and the general public.

NEW SUBSECTION. 17. Administer and coordinate the state building energy management program including projects funded through private financing.

Sec. 1821. Section 93.7, subsection 13, Code 1985, is amended by striking the subsection.

Sec. 1822. Sections 93.7, 93.8, 93.10, 93.16, 93.17, 93.24, 93.25, 93.26, 93.27, 93.28, and 93.29, Code 1985, are amended by striking the word "council" where it appears in those sections and inserting in lieu thereof the word "department".

Sec. 1823. Section 106.2, subsection 4, Code 1985, is amended to read as follows:

4. "Waters of this state under the jurisdiction of the state conservation commission" means any navigable waters within the territorial limits of this state, and the marginal river areas adjacent to this state, exempting only farm ponds and privately owned lakes.

Sec. 1824. Section 106.2, subsection 12, Code 1985, is amended to read as follows:

12. "Commission" means state conservation the natural resource commission.

Sec. 1825. Section 106.2, Code 1985, is amended by adding the following new subsections: NEW SUBSECTION. 27. "Director" means the director of the department or the director's designee.

NEW SUBSECTION. 28. "Department" means the department of natural resources.

Sec. 1826. Sections 106.2, 106.3, and 106.4, Code 1985, are amended by striking the words "state conservation commission" or "conservation commission" as they appear in those sections and inserting in lieu thereof the word "commission".

Sec. 1827. Section 107.1, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

107.1 DEFINITIONS.

As used in this chapter unless the context otherwise requires:

1. "Department" means the department of natural resources created under section 455A.2.
2. "Director" means the director of the department.
3. "Commission" means the natural resource commission.

Sec. 1828. Section 107.13, Code 1985, is amended to read as follows:

107.13 OFFICERS AND EMPLOYEES.

The director shall, with the consent of the commission, employ the number of assistants, including a professionally trained state forester, that are necessary to carry out the duties imposed on the commission; and, under the same conditions, the director shall appoint the number of full-time officers and supervisory personnel that are necessary to enforce the all laws of the state and rules and regulations; the enforcement of which are imposed on the commission. The full-time officers and supervisory personnel shall have the same powers that are conferred by law on peace officers in the enforcement of the all laws of the state of Iowa and the apprehension of violators. Any A person appointed as a full-time officer shall be at least twenty-one years of age, but not more than sixty-five years of age, on the date of appointment. Officer Full-time officer means any person appointed by the state conservation commission director to enforce the laws of this state under the jurisdiction of the commission.

Sec. 1829. Section 107.14, Code 1985, is amended to read as follows:

107.14 TEMPORARY APPOINTMENTS.

The commission director may appoint temporary officers for a period not to exceed six months. The commission and may adopt minimum physical, educational, mental, and moral requirements for the temporary officers. The provisions of chapter Chapter 80B shall does not apply to the temporary officers. Temporary officers have all the powers of peace officers in the enforcement of chapters 106 through 111, 111B, 321G, and the trespass laws.

Sec. 1830. Section 107.17, unnumbered paragraph 1, Code 1985, is amended by striking the unnumbered paragraph and inserting in lieu thereof the following:

The following five funds are created in the state treasury:

Sec. 1831. Section 107.17, unnumbered paragraph 4, Code 1985, is amended to read as follows:

The conservation fund, except as otherwise provided, shall consist consists of all other funds accruing to the conservation commission department for the purposes embraced by this chapter.

Sec. 1832. Section 107.18, Code 1985, is amended to read as follows:

107.18 REPORT OF FUNDS.

The conservation director shall, at least monthly, make return and pay to the treasurer of state all moneys then in the director's hands belonging to the aforesaid five funds.

Sec. 1833. Section 107.19, unnumbered paragraphs 1 and 2, Code 1985, are amended to read as follows:

All funds accruing to the fish and game protection fund, except the said an equitable portion of the administration fund, shall be expended solely in carrying on the activities embraced in the fish and wildlife division of fish and game. Expenditures incurred by the state conservation commission in carrying on such the activities shall be only on authorization by the general assembly.

The state conservation commission shall ~~biennially~~ annually on or before September 1 of each ~~even-numbered~~ year submit to the comptroller for transmission to the general assembly a detailed estimate of the amount required by the ~~commission~~ department during the succeeding ~~biennium~~ year for the carrying on of the activities embraced in the fish and game wildlife division. ~~Such~~ The estimate shall be in the same general form and detail as ~~may~~ be required by law in estimates submitted by other state departments.

Sec. 1834. Section 107.19, unnumbered paragraph 8, Code 1985, is amended to read as follows:

All moneys credited to the county conservation board fund shall be used to provide grants to county conservation boards to provide funding for the purposes of chapter 111A. These grants are in addition to moneys appropriated to the conservation boards from the county boards of supervisors. The grants shall be made to the conservation boards based upon the needs of the boards. Applications shall be made by the boards to the ~~conservation~~ commission.

Sec. 1835. Section 107.20, Code 1985, is amended to read as follows:

107.20 LIMITATION TO STATE LANDS ON NURSERY STOCK — EXCEPTION.

Any and all All funds appropriated to the state conservation commission which are used in growing or handling nursery stock shall be used for growing or handling of such the stock for distribution only on state-owned lands. ~~Provided, however, that~~ However, the commission may ~~continue~~ to produce and sell at private sale game cover packets and trees for erosion control ~~such as are now offered for sale by it, and may continue to produce trees for a demonstration windbreak in each township in the state, and may dispose of growing trees now growing under their present a departmental plan of distribution.~~

Sec. 1836. Section 107.24, subsection 2, paragraph a, Code 1985, is amended to read as follows:

a. Public hunting, fishing, and trapping grounds and waters to provide areas in which any person may hunt, fish, or trap in accordance with the ~~provisions of the law and the regulations~~ rules of the commission;

Sec. 1837. Section 107.24, subsection 9, Code 1985, is amended to read as follows:

9. Provide for the protection against fire and other destructive agencies on state and privately owned forests, parks, wildlife areas, and other property under its jurisdiction, and to co-operate with federal and other state agencies in protection programs approved by the ~~conservation~~ commission, and with the consent of the owner, on privately owned areas.

Sec. 1838. Section 107.27, Code 1985, is amended to read as follows:

107.27 FEDERAL WILDLIFE ACT — ASSENT.

The state of Iowa ~~hereby~~ assents to the provisions of the Act of Congress entitled "An Act to provide that the United States shall aid the states in wildlife restoration projects, and for other purposes," approved September 2, 1937 [50 Stat. L. 917], and the ~~state conservation~~ commission is ~~hereby authorized and empowered to~~ may perform ~~such acts as may be necessary to~~ the conduct and establishment of co-operative wildlife restoration projects, as defined in ~~said~~ the Act of Congress, in compliance with ~~said the Act and with rules and regulations promulgated by the secretary of agriculture thereunder, and no under the Act.~~ No funds accruing to the state of Iowa from license fees paid by hunters shall be ~~diverted for any other purpose~~ than as set out in sections 107.17 and 107.19.

Sec. 1839. Section 107.28, Code 1985, is amended to read as follows:

107.28 FISH RESTORATION PROJECTS.

The state of Iowa ~~hereby~~ assents to the provisions of the Act of Congress entitled "An Act to provide that the United States shall aid the states in fish restoration projects, and for other purposes", approved August 9, 1950, Public Law Pub. L. No. 681, and the ~~state conservation~~ commission is ~~hereby authorized and empowered to~~ may perform ~~such acts as may be~~

necessary to the conduct and establishment of co-operative fish restoration projects, as defined in said the Act of Congress, in compliance with said the Act and with rules and regulations promulgated by the secretary of the interior thereunder; and no under the Act. No funds accruing to the state of Iowa from fishing license fees shall be diverted for any other purposes than as set out in sections 107.17 and 107.19.

Sec. 1840. Section 107.29, Code 1985, is amended to read as follows:

107.29 OUTDOOR RECREATIONAL AND WATERSHED PROJECTS.

The ~~state conservation~~ commission is hereby authorized and empowered to may perform such acts as may be necessary to the conduct and establishment of co-operative outdoor recreational and watershed projects as may be defined by the Congress of the United States and by rules and regulations of the appropriate federal agency and may accept federal funds and assistance for the purpose of planning, acquisition, and development of outdoor recreational and watershed projects.

Sec. 1841. Section 107.31, Code 1985, is amended to read as follows:

107.31 COMPREHENSIVE PLAN.

The ~~state conservation~~ commission is authorized to may prepare, maintain, and keep up-to-date a comprehensive plan for the development of the outdoor recreation resources of the state; and to acquire lands, waters, and interests in lands and waters for such areas and facilities.

Sec. 1842. Section 107.32, Code 1985, is amended to read as follows:

107.32 APPLICATION FOR AID.

The ~~state conservation~~ commission may apply to any appropriate agency or officer of the United States for participation in or the receipt of aid from any federal program respecting outdoor recreation. ~~It~~ The commission may enter into contracts and agreements with the U. S. United States or any appropriate agency thereof of the United States and, for the purposes for the of preparation, maintenance, and keeping up-to-date of said updating of the comprehensive plan, may from time to time engage and contract for the services and advice of any a professional planner or planners of outdoor recreation plans and facilities and hire such employees for such purposes as deemed necessary. In connection with obtaining the benefits of any such program, the ~~state conservation~~ commission shall co-ordinate its the department's activities with and represent the interests of all agencies and subdivisions of the state having interests in the planning, development, and maintenance of outdoor recreation resources and facilities.

Sec. 1843. Section 107.33, Code 1985, is amended to read as follows:

107.33 WATERSHED PROJECTS.

The ~~state conservation~~ commission is hereby authorized and empowered to may perform such acts as may be necessary to conduct an establishment of co-operative outdoor recreational and watershed projects as may be defined by the Congress of the United States and by rules regulations of the appropriate federal agency and may accept federal funds and assistance for the purpose of planning, acquisition, and development of outdoor recreational and watershed projects.

Sec. 1844. Section 107.34, Code 1985, is amended to read as follows:

107.34 LIMIT ON STATE'S COMMITMENT.

The ~~state conservation~~ commission shall not make no a commitment or enter into any an agreement pursuant to an exercise of authority under sections 107.30 through 107.33 until it the commission has determined that sufficient funds are available to it the department for meeting the state's share, if any, of project costs. It is the legislative intent that, to such the extent as may be necessary to assure the proper operation and maintenance of areas and facilities acquired or developed pursuant to any program participated in by this state under authority of these sections, such the areas and facilities shall be publicly maintained for outdoor recreation purposes. The ~~state conservation~~ commission may enter into and administer agreements with the United States or any appropriate agency thereof of the United States for

planning, acquisition, and development projects involving participating federal aid funds on behalf of any subdivision ~~or subdivisions~~ of this state; ~~provided that such, if the subdivision or subdivisions give gives~~ necessary assurances to the ~~state conservation commission~~ that ~~they have it~~ has available sufficient funds to meet ~~their its~~ shares, if any, of the cost of the project and that the acquired or developed areas will be operated and maintained at the expense of ~~such the subdivision or subdivisions~~ for public outdoor recreation use.

Sec. 1845. Sections 107.20, 107.24, 107.27 through 107.29, and 107.31 through 107.34, Code 1985, are amended by striking the words "state conservation commission", "conservation commission", and "commission" where they appear in those sections and inserting in lieu thereof the word "department".

Sec. 1846. NEW SECTION. 108.1 DEFINITIONS.

As used in this chapter unless the context otherwise requires:

1. "Department" means the department of natural resources created under section 455A.2.
2. "Director" means the director of the department.
3. "Commission" means the natural resource commission.

Sec. 1847. Section 108.7, Code 1985, is amended to read as follows:

108.7 STREAM CONTROL ON PRIVATE LANDS.

Upon receiving consent in writing from the ~~owner thereof~~ landowner, the ~~state conservation commission~~ department may enter upon private lands containing waters and streams draining into state-owned lakes and streams, for any or all of the following purposes:

1. Deepening.
2. Filling.
3. Widening.
4. Contracting.
5. Improving and protecting banks.
6. Constructing spillways and discharge structures.
7. Controlling erosion on tributary land ~~tributary thereto~~.
8. Providing structures or other works conducive to the regulation of stream flow.

Any action taken by the commission under this section is subject to the approval of the ~~department of water, air and waste management~~ environmental protection commission.

Sec. 1848. Section 108A.1, subsection 1, Code 1985, is amended to read as follows:

1. "Commission" means the ~~state conservation~~ natural resource commission.

Sec. 1849. Section 108A.1, Code 1985, is amended by adding the following new subsection:
NEW SUBSECTION. 10. "Department" means the department of natural resources.

Sec. 1850. Section 109.1, subsection 12, Code 1985, is amended by striking the subsection and inserting in lieu thereof the following:

12. "Director" means the director of the department or the director's designee.

Sec. 1851. Section 109.1, subsection 13, Code 1985, is amended to read as follows:

13. "Commission" means the ~~state conservation~~ natural resource commission.

Sec. 1852. Section 109.1, Code 1985, is amended by adding the following new subsection:
NEW SUBSECTION. 15. "Department" means the department of natural resources.

Sec. 1853. Section 109.15, Code 1985, is amended to read as follows:

109.15 INJURY TO DAM.

It is unlawful for any owner or the owner's agent to remove or destroy any existing dam, or alter it in a way so as to lower the water level, without having received written approval from the ~~department of water, air and waste management~~ environmental protection commission of the department.

Sec. 1854. Sections 107.13, 108.10, 109.61, 109.67, 109.100, 109.113, and 109.131, Code 1985, are amended by striking the words "state conservation commission" or "conservation commission" where they appear in those sections and inserting in lieu thereof the word "commission". Section 109.56, Code Supplement 1985, is amended by striking the words "state conservation commission" where it appears in that section and inserting in lieu thereof the word "commission".

Sec. 1855. Sections 109.7, 109.14, 109.19, and 109.58, Code 1985, are amended by striking the words "state conservation director" where they appear in those sections and inserting in lieu thereof the word "director".

Sec. 1856. Section 109A.1, subsection 1, Code 1985, is amended to read as follows:

1. "Commission" means the ~~state conservation~~ natural resource commission.

Sec. 1857. Section 109A.1, subsection 2, Code 1985, is amended by striking the subsection and inserting in lieu thereof the following:

2. "Director" means the director of the department of natural resources.

Sec. 1858. NEW SECTION. 110.1A DEFINITIONS.

As used in this chapter unless the context otherwise requires:

1. "Department" means the department of natural resources created under section 455A.2.
2. "Director" means the director of the department.
3. "Commission" means the natural resource commission.

Sec. 1859. NEW SECTION. 110A.10 DEFINITIONS.

As used in this chapter unless the context otherwise requires:

1. "Department" means the department of natural resources created in section 455A.2.
2. "Director" means the director of the department.
3. "Commission" means the natural resource commission.

Sec. 1860. Section 110B.1, subsection 2, Code 1985, is amended to read as follows:

2. "Commission" means ~~state conservation~~ the natural resource commission.

Sec. 1861. Section 111.1, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

111.1 DEFINITIONS.

As used in this chapter unless the context otherwise requires:

1. "Department" means the department of natural resources created under section 455A.2.
2. "Director" means the director of the department.
3. "Commission" means the natural resource commission.

Sec. 1862. Section 111.4, unnumbered paragraph 1, Code 1985, is amended to read as follows:

A person, association or corporation shall not build or erect any pier, wharf, sluice, piling, wall, fence, obstruction, building or erection of any kind upon or over any state-owned land or water under the jurisdiction of the commission, without first obtaining from the commission a written permit. However, this provision does not apply to dams constructed and operated under chapter 469. A permit, in matters relating to or in any manner affecting flood control, shall not be issued without approval of the ~~department of water, air and waste management~~ environmental protection commission of the department. A person shall not maintain or erect any structure beyond the line of private ownership along or upon the shores of state-owned waters in a manner to obstruct the passage of pedestrians along the shore between the ordinary high-water mark and the water's edge, except by permission of the commission.

Sec. 1863. Section 111.22, Code 1985, is amended to read as follows:

111.22 SURVEYS AND PLATS.

All surveys and plats shall be filed with the secretary of the ~~commission~~ executive council, and shall become public records of this state.

Sec. 1864. Section 111.26, Code 1985, is amended to read as follows:

111.26 SPECIAL POLICE.

The commission in carrying out its duties may appoint the ~~state conservation director, chief of division of lands and waters, chief of division of fish and game,~~ and such other supervisory personnel of the ~~commission department~~ as necessary to act as special police to carry out the law enforcement program of the ~~conservation commission department~~. ~~Such~~ The officers are hereby vested with the powers and charged with the duties of peace officers while in the performance of their official duties.

Sec. 1865. Section 111.62, Code 1985, is amended to read as follows:

111.62 COPY TO DEPARTMENT.

A copy of the petition and the applications, plans, and specifications required under chapter 455B shall be filed with the ~~department of water, air and waste management~~ environmental protection commission and any approval or permit required under chapter 455B shall be obtained prior to the establishment of the water recreational area or the granting of a permit for the area by the ~~state conservation commission~~.

Sec. 1866. Section 111.80, subsection 3, unnumbered paragraph 2, Code 1985, is amended to read as follows:

The public members of the advisory council shall be reimbursed for actual and necessary expenses for each day employed in the official discharge of their duties. The expenses shall be paid from the administration fund of the ~~state conservation commission~~. Each member of the council may also be eligible to receive compensation as provided in section 7E.3.

Sec. 1867. Section 111A.4, subsections 2 and 3, Code 1985, are amended to read as follows:

2. To acquire in the name of the county by gift, purchase, lease, agreement, exchange, or otherwise, in fee or with conditions, suitable real estate within or without the territorial limits of the county for public museums, parks, preserves, parkways, playgrounds, recreation centers, forests, wildlife, and other conservation purposes and for participation in watershed, drainage, and flood control programs for the purpose of increasing the recreational resources of the county. The ~~state conservation natural resource commission, the county board of supervisors, or the governing body of any city or village,~~ upon request of the county conservation board, may transfer to the county conservation board for use as museums, parks, preserves, parkways, playgrounds, recreation centers, play fields, tennis courts, skating rinks, swimming pools, gymnasiums, rooms for arts and crafts, camps and meeting places, community forests, wildlife areas, and other recreational purposes, any land and buildings owned or controlled by the ~~state conservation commission department of natural resources or such the county or municipality~~ city and not devoted or dedicated to any other inconsistent public use. In acquiring or accepting land, due consideration shall be given to its scenic, historic, archaeological, recreational, or other special features, and land shall not be acquired or accepted unless, in the opinion of the board and the ~~state conservation natural resource commission~~, it is suitable or, in the case of exchange, is suitable and of substantially the same value as the property exchanged from the standpoint of its proposed use. An exchange of property approved by the county conservation board and the board of supervisors is not subject to the ~~provisions of section 331.361, subsection 2.~~

3. The county conservation board shall file with and obtain approval of the ~~state conservation natural resource commission~~ on all proposals for acquisition or exchange of land, and all general development plans before any such program is executed. Approval of the ~~state conservation natural resource commission~~ shall ~~is not be necessary unless the value of the proposed exchange property or the cost of the proposed acquisition or development program exceeds twenty-five hundred dollars.~~

Sec. 1868. Section 111A.10, Code 1985, is amended to read as follows:

111A.10 STATUTES APPLICABLE.

Sections 111.35 through 111.57 apply to all lands and waters under the control of a county conservation board, in the same manner as if the lands and waters were state parks, lands, or waters. ~~Wherever As used in sections 111.35 through 111.57, the words "state conservation commission", "conservation commission", and "natural resource commission" include includes~~ a county conservation board, and ~~the words "state conservation director" include includes~~ a county conservation board or its director, with respect to lands or waters under the control of a county conservation board. However, sections 111.35 through 111.57 may be modified or superseded by ~~regulations~~ rules adopted as provided in section 111A.5.

Sec. 1869. Section 111B.1, Code 1985, is amended to read as follows:

111B.1 DEFINITIONS.

As used in this chapter:

1. "Area" means an area of land or water or both land and water.
2. "Preserve" means an area of land or water formally dedicated under the provisions of this chapter for maintenance as nearly as possible in its natural condition though it need not be completely primeval in character at the time of dedication or an area which has unusual flora, fauna, geological, archaeological, scenic, or historical features of scientific or educational value.
3. "Dedication" means the allocation of an area as a preserve by a public administrative agency or by a private owner by written stipulation in a form approved by the state advisory board for preserves.
4. "Board" means the state advisory board for preserves established by this chapter.
5. "Department" means department of natural resources created under section 455A.2.
6. "Director" means director of the department.
7. "Commission" means the natural resource commission.

Sec. 1870. Section 111B.4, Code 1985, is amended to read as follows:

111B.4 EXPENSES.

The members of the board ~~shall serve without compensation but~~ may be reimbursed for necessary expenses in connection with performance of their duties. Each member of the board may also be eligible to receive compensation as provided in section 7E.3.

Sec. 1871. Section 111B.7, Code 1985, is amended to read as follows:

111B.7 ECOLOGIST.

The ~~conservation commission~~ director shall employ, upon recommendation by the board, at salaries fixed by the board, a trained ecologist and ~~such~~ other personnel as may be necessary to carry out the powers and duties of the board.

Sec. 1872. Section 111B.8, subsections 3, 4, and 12, Code 1985, are amended to read as follows:

3. To recommend dedication as preserves, of areas owned by the state under the jurisdiction of the conservation commission department.
4. To recommend acquisition of areas for dedication as preserves subject to approval by the state conservation natural resource commission.
12. To prepare and recommend a budget, for inclusion as a line item money request in the state conservation commission departmental budget, for appropriation from the state general fund.

Sec. 1873. Section 111D.1, Code 1985, is amended to read as follows:

111D.1 ACQUISITION BY OTHER THAN CONDEMNATION.

The ~~state conservation commission, the department of water, air and waste management,~~ any county conservation board, and any city or agency of a city may acquire by purchase, gift,

contract, or other voluntary means, but not by eminent domain, conservation easements in land to preserve scenic beauty, wildlife habitat, riparian lands, wet lands, or forests, promote outdoor recreation, or otherwise conserve for the benefit of the public the natural beauty, natural resources, and public recreation facilities of the state.

Sec. 1874. Section 111D.2, Code 1985, is amended to read as follows:

111D.2 DEFINITION.

1. "Conservation easement" means an easement in, servitude upon, restriction upon the use of, or other interest in land owned by another, created for any of the purposes set forth in section 111D.1. A conservation easement shall be transferable to any other public body authorized to acquire conservation easements. A conservation easement shall be perpetual unless expressly limited to a lesser term, or unless released by the holder thereof, or unless a change of circumstances shall render renders such the easement no longer beneficial to the public. No comparative economic test shall be used to determine whether a conservation easement is beneficial to the public.

2. "Department" means the department of natural resources created under section 455A.2.

Sec. 1875. NEW SECTION. 112.1A DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. "Department" means the department of natural resources created under section 455A.2.

2. "Director" means the director of the department.

3. "Commission" means the natural resource commission.

Sec. 1876. Section 112.3, Code 1985, is amended to read as follows:

112.3 HEARING — DAMAGES.

After the approval the commission, if it wishes to proceed further with the project, shall, with the consent of the ~~department of water, air and waste management~~ environmental protection commission, fix a date of hearing not less than two weeks from date of approval of the plan. Notice of the day, hour and place of hearing, relative to proposed work, shall be provided by publication at least once a week for two consecutive weeks in some newspaper of general circulation published in the county where the project is located, or in the counties where the water elevations are affected, under the tentative plan approved. The last publication shall not be less than five days prior to the day set for hearing. Any claim by any persons for damages which may be caused by the project shall be filed with the commission at or prior to the time of the hearing.

Sec. 1877. Sections 110.6, 110.21, 110A.1, 110A.3, 110A.5, 111.3, 111.4, 111.20, 111.32, 111.35, 111.36, 111.41, 111.42, 111.58, 111.60, 111.63, 111.64, 111.66, 111.67, 111.70, 111.71, 111.73, 111.75, 111.79, 111.80, 111B.3, 111B.11, 112.1, 321G.1, and 321G.15, Code 1985, are amended by striking the words "state conservation commission" or "conservation commission" where they appear in those sections and inserting the word "commission". Sections 110.24, 110.27, and 111.85, Code Supplement 1985, are amended by striking the words "state conservation commission" or "conservation commission" where they appear in those sections and inserting in lieu thereof the word "commission".

Sec. 1878. Sections 110.9, 110.32, 111.37, and 111.44, Code 1985, are amended by striking the words "state conservation director" where they appear in those sections and inserting in lieu thereof the word "director".

Sec. 1879. Sections 111A.3, 111A.6, 111A.7, and 111A.9, Code 1985, are amended by striking the words "state conservation commission" where they appear in those sections and inserting in lieu thereof the words "natural resource commission".

Sec. 1880. Section 258A.3, subsection 2, paragraph a, Code 1985, is amended to read as follows:

a. Revoke a license, or suspend a license either until further order of the board or for a specified period, upon any of the grounds specified in section 114.21, 116.21, 117.29, 118.13,

118A.15, 147.55, 148B.7, 153.34, 154A.24, 169.13, ~~455B.219~~ or 602.3203 or chapter 135E, 151, 507B or 522, as applicable, or upon any other grounds specifically provided for in this chapter for revocation of the license of a licensee subject to the jurisdiction of that board, or upon failure of the licensee to comply with a decision of the board imposing licensee discipline;

Sec. 1881. Section 305.1, Code 1985, is amended to read as follows:

305.1 GEOLOGICAL SURVEY CREATED.

There is created a A geological survey of the state is created within the department.

As used in this chapter, unless the context otherwise requires:

1. "Department" means the department of natural resources created under section 455A.2.
2. "Director" means the director of the department.

Sec. 1882. Section 305.2, Code 1985, is amended to read as follows:

305.2 STATE GEOLOGIST AND ASSISTANTS.

1. The ~~governor~~ director shall appoint the state geologist. The state geologist must have a degree in geology from an accredited college or university and must have at least five years of geological experience. The annual salary of the state geologist shall be determined by the ~~governor as provided by law~~ director.

2. The state geologist may appoint the technical, professional, secretarial and clerical staff as necessary, subject to chapter 19A.

Sec. 1883. Section 321G.1, subsection 1, Code 1985, is amended to read as follows:

1. "Commission" means the ~~state conservation~~ natural resource commission.

Sec. 1884. Section 455B.101, Code 1985, is amended to read as follows:

455B.101 DEFINITIONS.

When As used in this chapter, unless the context otherwise requires:

1. "Department" means the department of ~~water, air and waste management~~ natural resources created under section 455A.2.
2. "~~Executive director~~ Director" means the ~~executive~~ director of the department of ~~water, air and waste management~~ or a designee of the ~~executive~~ director.
3. "Commission" means the ~~water, air and waste management~~ environmental protection commission created under section 455A.7.

Sec. 1885. Section 455B.103, subsections 3, 4, 5, and 7, Code 1985, are amended by striking the subsections.

Sec. 1886. Section 455B.103, unnumbered paragraphs 2, 3, and 4, Code 1985, are amended by striking the unnumbered paragraphs.

Sec. 1887. Section 455B.105, subsection 7, Code 1985, is amended to read as follows:

7. Approve all contracts and agreements under this chapter between the department and other public or private persons or agencies.

Sec. 1888. NEW SECTION. 455B.111 CITIZEN ACTIONS.

1. Except as provided in subsection 2, a person with standing as provided in subsection 3 may commence a civil action in district court on the person's own behalf against any of the following:

a. A person, including the state of Iowa, for violating any provision of this chapter or a rule adopted pursuant to this chapter.

b. The executive director, the commission, or any official or employee of the department where there is an alleged failure to perform any act or duty under this chapter or a rule adopted pursuant to this chapter which is not a discretionary act or duty.

2. An action shall not be commenced pursuant to subsection 1, paragraph "a", unless the person commencing the action has provided the director and the alleged violator with a written notice at least sixty days prior to commencing the action. The written notice shall specify

the nature of the violation and that legal action is contemplated under this section if the violation is not abated and, if necessary, remedial action is not taken. The state may intervene in such an action as a matter of right. In addition, an action shall not be commenced pursuant to subsection 1, paragraph "a", if the department or the state has commenced and is actively prosecuting a civil action or is actively negotiating an out-of-court settlement to require abatement of the violation and, if necessary, remediation of damages. However, any person may intervene as a matter of right in such an action.

3. A person shall have standing to commence an action pursuant to subsection 1 or to intervene in an action pursuant to subsection 2 if the person is adversely affected by the alleged violation or the alleged failure to perform a duty or act.

4. In an action commenced pursuant to subsection 1, the court may award costs of litigation, including reasonable attorney and expert witness fees, to any party.

5. This section does not restrict any right under statutory or common law of a person or class of person to seek enforcement of provisions of this chapter or a rule adopted pursuant to this chapter or seek other relief permitted under the law.

Sec. 1889. NEW SECTION. 455B.112 AUTHORITY OF ATTORNEY GENERAL.

In addition to the duty to commence legal proceedings at the request of the director or commission under this chapter, the attorney general may institute civil or criminal proceedings, including an action for injunction, to enforce the provisions of this chapter including orders or permits issued or rules adopted under this chapter.

Sec. 1890. Section 455B.211, subsection 1, Code 1985, is amended by striking the subsection.

Sec. 1891. Section 455B.212, Code 1985, is amended to read as follows:

455B.212 EXECUTIVE DIRECTOR'S DUTIES.

The executive director shall classify all water treatment plants, water distribution systems, and waste water treatment plants affecting the public welfare with regard to the size, type, character of water and waste water to be treated and other physical conditions affecting such treatment plants and distribution systems, and according to the skill, knowledge, and experience that an operator must have to supervise the operation of such the facilities to protect the public health and prevent pollution. The director may appoint advisory committees to advise the department in carrying out the requirements of this part.

Sec. 1892. Section 455B.213, subsections 2 and 3, Code 1985, are amended to read as follows:

2. APPLICATIONS. Applications for certification shall be on forms prescribed and furnished by the ~~board~~ department and shall not contain a recent photograph of the applicant. An applicant ~~shall~~ is not be ineligible for certification because of age, citizenship, sex, race, religion, marital status, or national origin although the application may require citizenship information. ~~The board director~~ may consider the past felony record of an applicant only if the felony conviction relates directly to the practice of operation of waterworks or waste waterworks. Character references may be required, but shall not be obtained from certificate holders.

3. DISCLOSURE OF CONFIDENTIAL INFORMATION. ~~A member of the board~~ An employee of the department shall not disclose information relating to the following:

- a. Criminal history or prior misconduct of the applicant.
- b. Information relating to the contents of the examination to persons other than members of a board of certification of another state or their employees or an employee of the department.
- c. Information relating to the examination results other than final ~~score~~ scores except for information about the results of an examination which is given to the person who took the examination.

4. A member of the board An employee of the department who willfully communicates or seeks to communicate such information, and ~~any~~ a person who willfully requests, obtains, or seeks to obtain such information, is guilty of a public offense which is punishable by a fine not exceeding one hundred dollars or by imprisonment in the county jail for not more than thirty days simple misdemeanor.

Sec. 1893. Section 455B.216, Code 1985, is amended to read as follows:
455B.216 EXAMINATION.

The ~~board~~ director shall hold at least one examination each year for the purpose of examining candidates for certification at a time and place designated by the ~~board~~ director. Any written examination may be given by ~~representatives of the board~~ the department. All examinations in theory shall be in writing and the identity of the person taking the examination shall be concealed until after the examination papers have been graded. For examinations in practice, the identity of the person taking the examination shall also be concealed as far as possible. Those applicants whose competency is acceptable ~~to the board~~ shall be recommended ~~to the executive director~~ for certification. Applicants who fail the examination shall be allowed to take the examination at the next scheduled time. Thereafter, the applicant shall be allowed to take the examination at the discretion of the board. An applicant who has failed the examination may request in writing information from the ~~board~~ department concerning the applicant's examination grade and subject areas or questions which the applicant failed to answer correctly, except that if the ~~board~~ director administers a uniform, standardized examination, the ~~board~~ director shall only be required to provide the examination grade and such the other information concerning the applicant's examination results which are is available to the ~~board~~ department.

Sec. 1894. Section 455B.217, Code 1985, is amended to read as follows:
455B.217 CERTIFICATE ISSUED.

When the ~~executive~~ director is satisfied that an applicant is qualified by examination or otherwise, and upon recommendation of the ~~board~~, the ~~executive~~ director shall issue a certificate attesting to the competency of the applicant as an operator. The certificate shall indicate the classification of works which the operator is qualified to supervise.

Sec. 1895. Section 455B.218, Code 1985, is amended to read as follows:
455B.218 DURATION.

Certificates shall be for the multiyear period determined by the ~~board~~ director unless sooner revoked by the ~~board~~ director, but ~~such the~~ certificates shall remain the property of the department and the certificate shall so state. The fee for issuance of certificates as determined under section 455B.221 shall be prorated on a quarterly basis for any original certificate issued for a period of less than twelve months. A person who fails to renew a certificate prior to its expiration shall be allowed to ~~do so~~ renew it within thirty days following its expiration, but the ~~executive~~ director may assess a reasonable penalty as established by rule of the ~~commission~~.

Sec. 1896. Section 455B.219, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The ~~board~~ director may suspend or revoke the certificate of an operator, following a hearing before the ~~board~~ director, when the operator is ~~found~~ guilty of the following acts or offenses:

Sec. 1897. Section 455B.221, Code 1985, is amended to read as follows:
455B.221 FEE.

The ~~executive~~ director, with the approval of the ~~board~~ submitted through the commission, is authorized to ~~may~~ charge a fee for certificates issued under the provisions of this part 2 of division III. The fee for the certificates and for renewal shall be based on the costs of administering and enforcing the provisions of this part 2 of division III and to ~~pay~~ paying the expenses of the ~~board~~ department relating to certification. The department shall be reimbursed by the ~~board~~ director for all costs incurred. The ~~board~~ director shall set a fee for the examination

which shall be based upon the annual cost of administering the examinations. All such fees collected shall be remitted to the treasurer of state, who shall deposit the funds in the general fund of the state. Funds shall be appropriated from the general fund to the board department.

Sec. 1898. Section 455B.222, Code 1985, is amended to read as follows:

455B.222 RULES.

The commission, ~~with the advice of the board~~, may promulgate such adopt rules as are necessary to carry out the provisions of this part 2 of division III.

Sec. 1899. Sections 455B.103, 455B.105 through 455B.107, 455B.109, 455B.134 through 455B.136, 455B.138 through 455B.141, 455B.143, 455B.145 through 455B.147, 455B.149, 455B.174, 455B.175, 455B.178, 455B.179, 455B.181, 455B.183, 455B.185, 455B.186, 455B.212, 455B.213, 455B.241 through 455B.244, 455B.273, 455B.280, 455B.303, 455B.305 through 455B.308, 455B.331, 455B.335 through 455B.337, 455B.339, 455B.340, 455B.362, 455B.381, 455B.384, 455B.385, 455B.387 through 455B.389, 455B.391, 455B.392, 455B.413 through 455B.416, 455B.418, 455B.421, 455B.423, 455B.425 through 455B.432, 455B.443 through 455B.445, 455B.450, 455B.451, and 455B.455, Code 1985, are amendedd by striking the words "executive director" where they appear in those sections and inserting in lieu thereof the word "director".

Sec. 1899A. Sections 455B.173, 455B.191, 455B.264 through 455B.268, 455B.271, 455B.464, and 455B.474 through 455B.478, Code Supplement 1985, are amended by striking the words "executive director" where they appear in those sections and inserting in lieu thereof the word "director".

Sec. 1899B. Sections 455B.131, 455B.135 through 455B.137, 455B.143, 455B.145 through 455B.147, 455B.174, 455B.181, 455B.183, 455B.305, 455B.340, 455B.383, and 455B.391, Code 1985, are amended by striking the word "commission" where it appears in those sections and inserting in lieu thereof the word "department". Sections 455B.262, 455B.264, 455B.265, 455B.266, 455B.271, and 455B.412, Code Supplement 1985, are amended by striking the word "commission" where it appears in those sections and inserting in lieu thereof the word "department".

Sec. 1899C. Section 455C.1, subsections 7 and 8, Code Supplement 1985, are amended to read as follows:

7. "Director" means the executive director of the department of water, air and waste management.

8. "Department" means the department of water, air and waste management natural resources created under section 455A.2.

Sec. 1899D. Section 455C.1, subsection 9, Code Supplement 1985, is amended to read as follows:

9. "Commission" means the water, air and waste management environmental protection commission of the department of water, air and waste management.

Sec. 1899E. Section 455D.3, subsection 3, Code 1985, is amended by striking the subsection.

Sec. 1899F. Section 455D.8, subsection 4, Code 1985, is amended to read as follows:

4. In addition to the chemical information required to be reported under federal hazard communication standard 29 C.F.R. sec. 1910.1200(d), the bureau may adopt by rule additional hazardous chemical information to be regulated, if the interagency council recommends such action pursuant to section 455D.17.

Sec. 1899G. Section 455D.13, subsection 2, paragraph b, Code 1985, is amended to read as follows:

b. Under recommendation from the interagency council pursuant to section 455D.17, the bureau has adopted rules specifying that certain classes or categories of records required to be kept by employers are confidential information.

Sec. 1899H. Section 455D.15, subsection 1, Code 1985, is amended to read as follows:

1. At the same time that an employer provides the information to employees required under division II, the employer shall submit to the local fire department a list of hazardous chemicals which are consistently generated by, used by, stored at, or transported from the employer's facility. The information shall be provided in sufficient specificity that the local fire department is informed of the nature of the hazardous chemicals, the hazards presented by the chemicals, and the appropriate response in dealing with an emergency involving the hazardous chemicals. The information shall conform to guidelines adopted by the bureau from recommendations of the interagency council under section 455D.19. The employer shall send the information by certified mail. The bureau shall adopt rules exempting employers from this requirement when buildings or structures do not contain significant amounts of a hazardous chemical.

Sec. 1899I. Section 455D.17, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The interagency council commissioner of public health, the labor commissioner, and the administrator of the environmental protection division of the department of natural resources under written signatures of all these parties may recommend by the unanimous vote of the three voting members any of the following actions:

Sec. 1899J. Section 455D.17, unnumbered paragraph 2, Code 1985, is amended to read as follows:

However, the interagency council shall make such recommendations shall be made only upon scientific evidence that there may be a significant threat to public health and safety without such the action.

Sec. 1899K. Section 469.9, unnumbered paragraph 1, Code 1985, is amended to read as follows:

Every person, firm, or corporation, except a municipality, to whom a permit is granted to construct or to maintain and operate a dam already constructed in or across any stream for the purpose specified in this chapter, shall pay to the department of water, air and waste management a permit fee of one hundred dollars and shall pay an annual inspection and license fee, to be fixed by the water, air and waste management commission, on or before the first day of January, 1925, and annually thereafter, but in no case shall the annual inspection and license fee be less than twenty-five dollars. All fees shall be paid into the general fund of the state treasury.

Sec. 1899L. NEW SECTION. 469.17 DEFINITIONS.

When used in this chapter, unless the context otherwise requires:

1. "Department" means the department of natural resources.
2. "Commission" means the environmental protection commission of the department.

Sec. 1899M. Section 469.29, Code 1985, is amended to read as follows:

469.29 PERMITS FOR EXISTING DAMS.

All licenses and permits issued by the state executive council prior to April 17, 1949, or by the Iowa natural resources council prior to July 1, 1983, and in force immediately prior to July 1, 1983, or issued by the department of water, air and waste management before the effective date of this Act and in force immediately before the effective date of this Act, are in full force and effect and all of the powers of administration relating to licenses or permits issued are vested in the department of water, air and waste management.

Sec. 1899N. Sections 469.1 through 469.5, 469.10 through 469.12, and 469.26, Code 1985, are amended by striking the words "department of water, air and waste management" where they appear in those sections and inserting in lieu thereof the word "department".

Sec. 1899O. Sections 93.2 through 93.6, 107.2, 107.5, 107.7, 107.8, 107.10 through 107.12, 107.21, 305.11, 455B.102, 455B.104, 455B.106, 455B.214, 455B.215, 455D.18, and 455D.19, Code 1985, are repealed. Section 455D.16, Code Supplement 1985, is repealed.

DEPARTMENT OF TRANSPORTATION

Sec. 1901. Section 64.6, subsection 22, Code Supplement 1985, is amended to read as follows:

22. Members The director of transportation and the members of the state transportation commission, ten thousand dollars.

Sec. 1902. Section 306.42, subsection 2, Code 1985, is amended to read as follows:

2. ~~The state department of transportation shall transfer by quit claim deed to the county or to the city having jurisdiction over a road, all of the state's legal or equitable title and interest in right of way for the road or street and may transfer any adjacent unused right of way or land in excess of that needed as right of way. The deed shall be executed by the director of the department by order of the state transportation commission. However, if the state department of transportation owns any adjacent unused right of way in excess of that needed as right of way which is located outside the incorporated limits of a city and is suitable for purposes specified in section 111A.4, subsection 2, the department may, at the request of the county and the county conservation board, transfer the property by quit claim deed to the county for the use and benefit of the county conservation board.~~

Sec. 1903. Section 307.1, subsection 4, Code 1985, is amended by striking the subsection.

Sec. 1904. Section 307.6, Code 1985, is amended to read as follows:

307.6 COMPENSATION – COMMISSION MEMBERS.

Each member of the commission shall receive a salary as fixed by the general assembly be compensated as provided in section 7E.3.

Sec. 1905. Section 307.10, subsections 5, 7, 10, and 11, and unnumbered paragraph 2, Code 1985, are amended by striking the subsections and unnumbered paragraph.

Sec. 1906. Section 307.10, subsection 6, Code 1985, is amended to read as follows:

6. Approve or amend and approve the budget of the department as prepared by the director, prior to submission of the budget to the governor and the general assembly.

Sec. 1907. Section 307.11, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The ~~commission~~ governor shall appoint a director of transportation, subject to confirmation by the senate, who shall serve at the pleasure of the ~~commission~~ governor and who shall in no event not be a member of the commission. The director shall not hold any other office under the laws of the United States or of this or any other state or hold any other position for profit. The director shall not engage in any occupation, business, or profession interfering with or inconsistent with the director's duties, serve on or under any a committee of any a political party, or contribute to the campaign fund of any person or political party. The director shall be appointed on the basis of executive and administrative abilities and shall devote the director's entire full time to the duties of the position.

Sec. 1908. Section 307.11, unnumbered paragraph 2, Code 1985, is amended to read as follows:

The director shall receive a salary as fixed by the governor within a salary range set by the general assembly.

Sec. 1909. Section 307.12, Code 1985, is amended to read as follows:

307.12 DUTIES OF THE DIRECTOR.

The director shall:

1. Manage the internal operations of the department and establish guidelines and procedures to promote the orderly and efficient administration of the department.

2. Employ such personnel as are necessary to carry out the duties and responsibilities of the department, consistent with the provisions of chapter 19A and subject to the policies of the commission.

3. Assist the commission in developing state transportation policy and a state transportation plan and execute the policies adopted by the commission.

4. Establish temporary advisory boards of such a size as the director deems appropriate to advise the department, subject to the approval of the commission.

5. Prepare a budget for the department, subject to the approval of the commission, and prepare reports required by law or required by the commission.

6. Appoint the deputy director of transportation and the administrators of the various divisions of the department, subject to the approval of the commission.

7. Review and submit legislative proposals necessary to maintain current state transportation laws.

8. Appoint hearing officers or designate department personnel or the board to conduct hearings required by law or administrative rule.

9. Enter into reciprocal agreements relating to motor vehicle inspections with authorized officials of any other state, subject to approval by the commission. The director may exempt or impose requirements upon nonresident motor vehicles consistent with those imposed upon vehicles of Iowa residents operated in other states.

9. Adopt rules in accordance with chapter 17A as the director deems necessary for the administration of the department and the exercise of the director's and department's powers and duties.

10. Reorganize the administration of the department as needed to increase administrative efficiency.

11. Provide for the receipt or disbursement of federal funds allocated to the state and its political subdivisions for transportation purposes.

12. Include in the department's annual budget all estimated federal funds to be received or allocated to the department.

13. Adopt, after consultation with the department of natural resources and the department of public safety, rules relating to enforcement of the rules regarding transportation of hazardous wastes adopted by the department of natural resources. The department and the division of the highway safety patrol of the department of public safety shall carry out the enforcement of the rules.

If in the interest of the state, the director may allow a subsistence expense to an employee under the supervision of the department's administrator for highways for continuous stay in one location while on duty away from established headquarters and place of domicile for a period not to exceed forty-five days; and allow automobile expenses in accordance with section 18.117, for moving an employee and the employee's family from place of present domicile to new domicile, and actual transportation expense for moving of household goods. The household goods for which transportation expense is allowed shall not include pets or animals.

Sec. 1910. Section 307.21, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The department's administrator of the administration division administrative services shall have the following duties and responsibilities:

Sec. 1911. Section 307.21, unnumbered paragraph 2, Code 1985, is amended to read as follows:

The administrator of the ~~administration division~~ administrative services may purchase items from the department of general services and may co-operate with the director of general services by providing centralized purchasing services for the department of general services.

Sec. 1912. Section 307.22, unnumbered paragraph 1, and subsection 4, Code 1985, are amended to read as follows:

The ~~department's administrator of the planning division and research~~ shall have the following duties and responsibilities:

4. Co-ordinate the ~~planning division's and research~~ duties and responsibilities with the planning functions carried on by other ~~divisions~~ administrators of the department.

Sec. 1913. Section 307.22, unnumbered paragraph 2, Code 1985, is amended to read as follows:

The ~~planning functions of this division~~ shall planning and research do not include the detailed design of highways or other modal transportation facilities, but shall be are restricted to the needs of this state for multimodal transportation systems.

Sec. 1914. Section 307.23, unnumbered paragraph 2, Code 1985, is amended to read as follows:

Act as legal advisor to the ~~commission, and the director, and the various divisions of the department~~ and provide all legal services for the department ~~except for those provided to the board by its counsel.~~

Sec. 1915. Section 307.23, unnumbered paragraph 3, Code 1985, is amended to read as follows:

The attorney general shall appoint ~~such~~ additional assistant attorneys general as the ~~commission director~~ deems necessary to carry out the duties assigned to the office of the general counsel division. The salary of the general counsel shall be fixed by the ~~commission director~~, subject to the approval of the attorney general. The ~~commission director~~ shall provide and furnish a suitable office for the general counsel upon request of the attorney general.

Sec. 1916. Section 307.24, Code 1985, is amended to read as follows:

307.24 HIGHWAY DIVISION ADMINISTRATION OF HIGHWAYS.

The ~~department's administrator of the highway division~~ shall be highways is responsible for the planning, design, construction, and maintenance of the state primary highways and shall administer the ~~provisions of chapters 306 to 320~~ and perform ~~such~~ other duties as may be assigned by the director. ~~There shall be a subdivision~~ The administration of highways shall be organized to provide administration for urban systems, a ~~subdivision~~ for secondary roads, and ~~such other subdivisions~~ categories of administration as may be necessary within the highway division.

Sec. 1917. Section 307.25, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The ~~department's administrator of the for aeronautics and public transportation division~~ transit shall have the following duties and responsibilities:

Sec. 1918. Section 307.25, subsection 2, Code 1985, is amended by striking the subsection.

Sec. 1919. Section 307.25, subsection 6, Code 1985, is amended to read as follows:

6. Perform ~~such~~ other duties and responsibilities as may be assigned by the director ~~and the commission.~~

Sec. 1920. Section 307.26, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The department's administrator of the railroad transportation division for rail and water shall have the following duties and responsibilities:

Sec. 1921. Section 307.26, Code 1985, is amended by adding the following new subsections: NEW SUBSECTION. 16. Promote river transportation and coordinate river programs with other transportation modes.

NEW SUBSECTION. 17. Advise and assist the director in the development of river transportation and port facilities in the state.

Sec. 1922. Section 307.27, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The department's administrator of the transportation regulation and safety division motor vehicles shall have the following duties and responsibilities:

Sec. 1923. Section 307.29, subsection 2, Code 1985, is amended to read as follows:

2. The transportation regulation authority department shall consolidate and collect all delinquent tax obligations of a railway company received from the counties. The transportation regulation authority department may compromise the delinquent taxes against the railway company property and by written agreement with the railway company agree to the payment of a stipulated sum in full liquidation of all delinquent taxes included in the agreement, and may accept title to any right of way or other real estate in this state owned by the railway company in payment for the delinquent taxes.

Sec. 1924. NEW SECTION. 307.43 FEDERAL DONATIONS.

If the government of the United States provides for free distribution among the states of machinery or other equipment suitable for use in road improvement, the director may receive and receipt for the machinery and equipment, and take action to secure to the state the benefit of any such tenders by the federal authorities. The director may make an apportionment of the machinery or other equipment among the counties of the state which in the director's judgment will best facilitate work in progress or contemplated by the counties, but the title and right of possession of the property received from the federal government is at all times in the director for the use and benefit of the state.

Sec. 1925. NEW SECTION. 307.48 LONGEVITY PAY RESTRICTED.

An employee under the supervision of the department's administrator of highways and subject to chapter 19A who is hired on or after July 1, 1971, is not entitled to longevity pay. However, this section does not apply to an employee under the supervision of the department's administrator of highways and subject to chapter 19A who was employed prior to July 1, 1971, and whose employment continued after June 30, 1971. An employee under the supervision of the department's administrator of highways and subject to chapter 19A whose employment is terminated on or after July 1, 1971, if reemployed under the supervision of the department's administrator of highways, forfeits any right the employee may have had to longevity pay.

An employee under the supervision of the department's administrator of highways who became an employee of the state department of transportation on July 1, 1974, retains all rights to longevity pay so long as the employee continues employment with the department.

Sec. 1926. Section 307A.2, subsection 3, Code 1985, is amended by striking the subsection.

Sec. 1927. Section 307B.6, subsection 10, Code 1985, is amended to read as follows:

10. The counsel of the transportation regulation authority and the attorney general's office shall provide legal services for the authority and the board unless a majority of the board deems outside counsel is required in a particular instance.

Sec. 1928. Section 308.3, subsection 7, Code 1985, is amended to read as follows:

7. "Conservation area" means land in which the state department of transportation ~~commission~~ or the state ~~conservation commission~~ department of natural resources has acquired rights, other than that land necessary for a right of way.

Sec. 1929. Section 308.4, subsection 2, Code Supplement 1985, is amended to read as follows:

2. The state transportation commission, with the co-operation of the ~~state conservation commission~~ department of natural resources, shall also:

a. Plan plan, designate, and establish the exact routing of the great river road, utilizing the general guidelines established in Title 23, United States Code.

3. The director of transportation, with the cooperation of the department of natural resources, shall:

b a. Acquire all rights in land necessary for reconstruction or relocation of any portions of the great river road where ~~such~~ reconstruction or relocation is imperative for the safety of the traveling public, or where the condition or location of existing segments of the highway is not in keeping with the intent of the provisions of this chapter. Acquisitions of such rights in land shall be by gift, purchase, exchange, or by instituting and maintaining proceedings for condemnation. Gift, purchase, exchange, and condemnation ~~shall~~ include acquisition of a scenic easement. A scenic easement acquired under this chapter ~~shall constitute easements constitutes~~ an easement both at law and in equity, and all legal and equitable remedies, including prohibitory and mandatory injunctions, shall be are available to protect and enforce the state's interest in such scenic easements. Any A scenic easement acquired under this chapter ~~shall be~~ is deemed to be appurtenant to the roadway to which it is adjacent or from which it is visible. The duties created by ~~any a~~ scenic easement acquired under this chapter ~~shall be are~~ binding upon and enforceable against the original owner of the land subject to the scenic easement and the original owner's heirs, successors, and assigns in perpetuity, unless the instrument creating the scenic easement expressly provides for a lesser duration. A court shall not declare any a scenic easement acquired under this chapter to have been extinguished or to have become unenforceable by virtue of changed conditions or frustration of purpose.

e b. Accept and administer state, federal, and any other public or private funds made available for the acquisition of rights in land and for the planning and construction or reconstruction of any segment of the great river road, and ~~any~~ state and federal funds for the maintenance of that part of the great river road constituting the right of way.

Sec. 1930. Section 308.6, Code 1985, is amended to read as follows:

308.6 TRANSFERRING JURISDICTION.

The ~~state director of transportation commission~~, with the concurrence of the ~~state conservation commission~~ department of natural resources, shall transfer jurisdiction of any adjacent conservation area to the ~~state conservation commission~~ department of natural resources upon completion of any a new segment of the great river road.

Sec. 1931. Section 308.7, unnumbered paragraph 1 and subsection 1, Code 1985, are amended to read as follows:

The ~~state conservation commission~~ department of natural resources, with the co-operation of the ~~state director of transportation commission~~, shall:

1. Control the conservation area acquired by the ~~state~~ director of transportation commission.

Sec. 1932. Section 308.8, Code 1985, is amended to read as follows:

308.8 AGREEMENTS AUTHORIZED.

The ~~state director of transportation commission~~ and the ~~state conservation commission~~ department of natural resources may enter into agreements with the United States secretary of transportation, as provided under the United States Code, Title 23 relating to the scenic

and recreational highway system, and with any other agency and jurisdiction, and take action in the name of the state to comply with the terms of any agreement.

Sec. 1933. Section 310.36, Code 1985, is amended to read as follows:

310.36 REPORT TO GOVERNOR.

The research projects and engineering studies authorized herein shall be conducted in cooperation with the county engineers. On or before January 31 each year the department shall file a report with the governor, state transportation commission, county engineers, chief clerk of the house of representatives, and secretary of the senate showing the work accomplished and projects undertaken under section 310.35.

Sec. 1934. Section 315.5, Code Supplement 1985, is amended to read as follows:

315.5 ADMINISTRATION OF FUND.

Qualifying road and street projects shall be selected by the ~~department~~ state transportation commission for full or partial financing from the fund after consultation with organizations representing interests of counties and cities. Counties and cities may make application for qualifying road and street projects with the department. In ranking applications for funds, the department shall, in addition to effects listed in section 315.3, subsection 1, consider the proportion of political subdivision matching funds to be provided, if any, the proportion of private contributions to be provided, if any, the total number of jobs to be created, the level of need, and the impact of the proposed project on the economy of the area affected. The proportion of funding shall be determined by the department or, in the case of cooperative projects, by agreement between the department and the city councils of participating cities, or boards of supervisors of participating counties, or other participating public agencies or private parties.

Sec. 1935. Section 321.428, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The director is hereby authorized to may approve or disapprove lighting devices and to issue and enforce rules establishing standards and specifications for the approval of ~~such the~~ lighting devices, their installation, adjustment, and aiming, and adjustment when in use on motor vehicles. ~~Such~~ The rules shall be approved by the transportation commission and shall correlate with and, so far as practicable, conform to the then current standards and specifications of the society of automotive engineers applicable to such equipment.

Sec. 1936. Section 321.492, unnumbered paragraph 3, Code 1985, is amended to read as follows:

~~The state department of transportation may designate employees of the transportation regulation and safety division of the department under the supervision of the department's administrator of motor vehicles to conduct spot inspections.~~

Sec. 1937. Section 321.513, subsection 1, unnumbered paragraph 1, Code 1985, is amended to read as follows:

AUTHORITY TO COMPACT. The director, ~~subject to the approval of the commission,~~ may enter into nonresident violator compacts with other jurisdictions. The compacts shall contain in substantially the same form the following provisions:

Sec. 1938. Section 321C.1, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The director of transportation may, ~~subject to the approval of the state transportation commission,~~ enter into drivers license compacts with other jurisdictions ~~legally joining therein~~ in substantially the following form.

Sec. 1939. Section 321D.1, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The director of transportation may, ~~subject to the approval of the state transportation commission,~~ enter into vehicle equipment safety compacts with other jurisdictions legally joining therein in substantially the following form.

Sec. 1940. Section 322A.1, subsection 7, Code 1985, is amended by striking the subsection and inserting in lieu thereof the following:

7. "Department" means the state department of transportation.

Sec. 1941. Section 322A.7, Code 1985, is amended to read as follows:

~~322A.7 AUTHORITY DEPARTMENT OF AUDITS AND APPEALS TO HOLD HEARING.~~

Upon receiving an application, the authority department shall notify the department of audits and appeals which shall enter an order fixing a time, which shall be within ninety days of the date of such the order, and place of hearing, and shall send by certified or registered mail, with return receipt requested, a copy of the order to the franchisee whose franchise the franchiser seeks to terminate or not continue. If the application requests permission to establish an additional motor vehicle dealership, a copy of the order shall be sent to all franchisees in the community who are then engaged in the business of offering to sell or selling the same line-make. Copies of orders shall be addressed to the franchisee at the place where the business is conducted. The authority department of audits and appeals may also give notice of the franchiser's application to any other parties whom the authority may deem deemed interested persons, such the notice to be in the form and substance and given in the manner the authority department of audits and appeals deems appropriate.

Any person who can show an interest in the application may become a party to the hearing, whether or not he that person receives notice; ~~provided, however.~~ However, a party not receiving notice shall be limited to participation at the hearing on the question of the public interest in the termination or continuation of the franchise or in the establishment of an additional motor vehicle dealership.

Sec. 1942. Section 324.56, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The director of transportation may, ~~subject to the approval of the transportation commission,~~ enter into motor fuel tax agreements on behalf of this state with authorized representatives of other states. The director of transportation may enter into and the state department of transportation may become a member of a motor fuel tax agreement for the collection and refund of interstate motor fuel tax. The director of transportation may adopt rules pursuant to chapter 17A to implement the agreement for the collection and refund of interstate motor fuel tax.

Sec. 1943. Section 325.1, subsection 4, Code 1985, is amended by striking the subsection.

Sec. 1944. Section 325.2, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The authority department shall:

Sec. 1945. Section 325.3, Code 1985, is amended to read as follows:

~~325.3 GENERAL POWERS.~~

The authority department may by general order or otherwise prescribe adopt rules and enforce regulations applicable to motor carriers. The department may prescribe and enforce, including safety and hazardous materials transportation regulations in the operation of motor carriers and. The department may require a periodic inspection of the equipment of every motor carrier from the standpoint of enforcement of safety regulations, and the equipment is at all times subject to inspection by properly authorized representatives of the department.

Sec. 1946. Section 325.4, Code 1985, is amended to read as follows:

325.4 STATUTES POWERS APPLICABLE.

All applicable control, power, and authority over railroads and railroad companies now vested in the authority, insofar as the same is applicable, are hereby specifically department are extended to include motor carriers.

Sec. 1947. Section 325.33, Code 1985, is amended to read as follows:

325.33 CANCELLATION OF CERTIFICATE.

For violation of any provision of this chapter or of any rule or regulation promulgated thereunder by any motor carrier, the authority The department may, in addition to other penalties herein provided, revoke and cancel the certificate of such a motor carrier for violation of a provision of this chapter or a rule adopted under this chapter. In the event of any For a flagrant and persistent violation of safety regulations or hazardous materials rules by the holder of a certificate or the holder's agent, upon the request of the department the authority shall may suspend such the certificate of necessity until the safety regulations prescribed rules adopted by the department are complied with, or the authority department may revoke the certificate at its discretion for continued noncompliance.

Sec. 1948. Section 326.5, Code 1985, is amended to read as follows:

326.5 AUTHORITY TO AGREE TO RECIPROCITY.

The director may, subject to the approval of the transportation commission, enter into reciprocity agreements with the duly authorized representatives of any jurisdiction, exempting nonresidents of this state using the highways of this state from the registration requirements of chapter 321 and payment of any fees to this state, with such conditions, restrictions, and privileges or lack of same as the director deems advisable.

Sec. 1949. Section 326.18, Code 1985, is amended to read as follows:

326.18 FULLY REGISTERED FOR INTERSTATE MOVEMENT NONRESIDENT FLEET OWNER PRIVILEGES.

When a nonresident fleet owner has registered vehicles on a prorated basis, the vehicles are fully registered insofar as interstate commerce is concerned. The privileges granted to a nonresident pursuant to this chapter permit the operation of a vehicle which is simultaneously engaged in interstate movements and intrastate commerce, provided that the owner has intrastate authority or rights granted by the transportation regulation authority department. The authority director may also enter into reciprocity agreements pursuant to section 326.5 to permit interstate and intrastate movement of vehicles registered on a prorate prorated basis by a nonresident fleet owner, provided the owner has intrastate authority granted by the transportation regulation authority department and the jurisdiction in which the nonresident is base plated grants the same privilege to an Iowa base plated vehicle. Each vehicle upon which an Iowa base plate is required to be displayed under this chapter is fully registered for both interstate commerce and intrastate commerce.

Sec. 1950. Section 327.1, subsection 4, Code 1985, is amended by striking the subsection.

Sec. 1951. Section 327.2, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The authority is hereby vested with power and authority and it department shall be its duty to:

Sec. 1952. Section 327.3, Code 1985, is amended to read as follows:

327.3 RULES.

The authority department may by general or special order prescribe adopt and enforce rules applicable to truck operators and contract carriers, provided that only the department shall prescribe and enforce safety regulations.

Sec. 1953. Section 327.4, Code 1985, is amended to read as follows:

327.4 POWERS APPLICABLE.

All applicable control, power, and authority over railroads and railroad companies, motor vehicles, and motor carriers ~~now vested in the authority, insofar as the same are applicable,~~ department are hereby specifically extended to include truck operators and contract carriers. However, ~~any~~ a truck operator transporting livestock or unprocessed agricultural or horticultural products ~~shall be is~~ exempt from tariff filing requirements and the issuance of freight receipts for such commodities.

Sec. 1954. Section 327.23, Code 1985, is amended to read as follows:

327.23 STONE AND ROAD MATERIALS CARRIERS.

~~Any A person, firm, or corporation~~ may obtain a permit to engage as a contract carrier in this state in the transportation of agricultural limestone, aggregates such as sand, gravel, crushed or broken stone, and all other materials for road or bridge construction or reconstruction projects, by filing with the authority department an application therefor. No proof of need for service, nor public convenience or necessity shall be required of ~~such an~~ applicant; there shall be no limitation on the number of individual contracts, oral or written, permitted; and no tariff or schedule of rates or charges shall be required. The ~~authority~~ department shall issue ~~such the~~ permit when the applicant has paid all fees required by this chapter, and complied with the provisions of section 327.15 relating to insurance protection. The holder of ~~such the~~ permit shall in all cases comply with the safety rules provided for by this chapter and shall pay all annual permit fees required of other contract carriers, and ~~such the~~ permits shall, after due hearing, ~~be are~~ subject to revocation for violation thereof.

Sec. 1955. Section 327A.1, subsection 5, Code 1985, is amended by striking the subsection.

Sec. 1956. Section 327A.2, Code 1985, is amended to read as follows:

327A.2 CERTIFICATE REQUIRED.

Except as otherwise provided, it is hereby declared unlawful for any liquid ~~before an in-~~trastate transport carrier ~~to may~~ transport liquid products in bulk, for compensation, ~~from any point or place in the state of Iowa to another point or place in said state without first having obtained the~~ carrier shall obtain from the authority department a certificate declaring that public convenience and necessity require such operation.

The authority department may allow the provision of temporary service for which there is an immediate and urgent need to a point or points requested by the application for a certificate of public convenience and necessity upon ~~consideration by the authority and a the~~ department's finding that the point or points do not have liquid bulk carrier service capable of meeting ~~such the~~ need or that a carrier is not currently serving that point or those points. Upon meeting the requirements of this chapter and the rules of the authority department, ~~such the~~ temporary authority, unless suspended or revoked for good cause, ~~shall be is~~ valid for such time as the authority shall specify ~~department specifies~~ but not to exceed ~~exceeding~~ one hundred twenty days. Granting temporary authority ~~shall does not~~ create a presumption that the corresponding application will subsequently be granted.

Sec. 1957. Section 327A.20, Code 1985, is amended to read as follows:

327A.20 RAILROAD CONTROL EXTENDED POWERS APPLICABLE.

All applicable control, power, and authority over railroads and railroad companies ~~now~~ vested in the authority, insofar as the same is applicable, are hereby specifically department are extended to include liquid transport carriers.

Sec. 1958. Section 327C.1, Code 1985, is amended to read as follows:

327C.1 DEFINITION.

As used in this chapter, unless the context otherwise requires, "department" means the state department of transportation and "authority" means the transportation regulation authority.

Sec. 1959. Section 327C.10, Code 1985, is amended to read as follows:

327C.10 INVESTIGATION AND INQUIRY.

The department or authority may investigate and inquire into the management of all common carriers subject to its jurisdiction. The authority or department shall have the right to may obtain from them the carriers full and complete information necessary to enable the department or authority to perform its duties including the administration of railroad assistance agreements. The authority on its own initiative or upon request of the department shall have power to may require the attendance and testimony of witnesses, and the production of all books, papers, tariff schedules, contracts, agreements, and documents, relating to any matter under investigation, and to may inspect the same them; and to may examine under oath or otherwise any officer, director, agent, or employee of any a common carrier; to and may issue subpoenas and to enforce obedience thereto to them.

Sec. 1960. Section 327D.2, subsection 10, Code 1985, is amended by striking the subsection.

Sec. 1961. Section 327D.13, Code 1985, is amended by striking the section and inserting in lieu thereof the following:

327D.13 LONG AND SHORT HAUL — FAIR RATE.

A common carrier subject to this chapter shall not charge more for the transportation of persons or property than a fair and just rate or charge.

A common carrier shall not:

1. Charge more for the transportation of persons or property for a shorter distance than for a longer distance in the same direction on the same route.

2. Charge more for a through rate than the aggregate of the intermediate rates.

However, upon application by a common carrier, the department may in special cases and after investigation prescribe the extent to which the carrier is relieved from compliance with this section.

Sec. 1962. Section 327G.1, Code 1985, is amended to read as follows:

327G.1 DEFINITION.

As used in this division, unless the context otherwise requires, "department" means the state department of transportation and "authority" means the transportation regulation authority.

Sec. 1963. Section 327G.61, subsection 2, Code 1985, is amended by striking the subsection.

Sec. 1964. Section 327G.62, Code 1985, is amended to read as follows:

**327G.62 BUILDINGS OR OTHER IMPROVEMENTS ON RAILROAD LANDS CON-
TROVERSIES.**

When a disagreement arises between a railroad corporation, its grantee, or its successor in interest, and the owner, lessee, or licensee of any a building or other improvement, including trackage, used for receiving, storing, transporting, or manufacturing any an article of commerce transported or to be transported, situated on a present or former railroad right-of-way or any land owned or controlled by the railroad corporation, its grantee, or its successor in interest, as to the terms and conditions on which the same article is to be continued thereon or removed therefrom, the railway corporation, its grantee, or its successor in interest, or the owner, lessee, or licensee may make written application to the authority department and the authority department shall notify the department of audits and appeals which shall hear and determine the controversy and make an order as shall be is just and equitable between the parties, which order shall be enforced in the same manner as other orders of the authority department.

Sec. 1965. Section 327G.78, Code 1985, is amended to read as follows:

327G.78 SALE OF RAILROAD PROPERTY.

Subject to sections 327G.77 and 471.16, when a railroad corporation, its trustee, or its successor in interest has interests in real property adjacent to a railroad right-of-way that are

abandoned by order of the interstate commerce commission, reorganization court, bankruptcy court, or the authority department, or when a railroad corporation, its trustee, or its successor in interest seeks to sell its interests in that property under any other circumstance, the railroad corporation or, its trustee, or its successor in interest shall extend a written offer to sell at a fair market value price to the persons holding leases, licenses, or permits upon those properties, allowing sixty days from the time of receipt for a written response. If a disagreement arises between the parties concerning the price or other terms of the sale transaction, either or both parties may make written application to the authority department to resolve the disagreement. The application shall be made within sixty days from the time an initial written response is served upon the railroad corporation, trustee, or successor in interest by the person wishing to purchase the property. The authority department shall notify the department of audits and appeals which shall hear the controversy and make a final determination of the fair market value of the property and the other terms of the transaction which were in dispute, within ninety days after the application is filed. All correspondence shall be by certified mail.

The decision of the authority shall be department of audits and appeals is binding on the parties, except that a person who seeks to purchase such the real property may withdraw the offer to purchase within thirty days of the authority's decision of the department of audits and appeals. If such a withdrawal is made, the railroad corporation, trustee, or successor in interest may sell or dispose of the real property without further order of the authority department of audits and appeals.

This section shall does not apply when a rail line is being sold for continued railroad use.

Sec. 1966. Section 327G.79, Code 1985, is amended to read as follows:
327G.79 VALUING RAIL PROPERTY IN CONTROVERSY.

The authority's department of audits and appeals' determination and order shall be just and equitable and in the case of the determination of the fair market value of the property, shall be based in part upon at least three independent appraisals prepared by certified appraisers. Each party shall select one appraiser and each appraisal shall be paid for by the party for whom the appraisal is prepared. The two appraisers shall select a third appraiser and the costs of this appraisal shall be divided equally between the parties. If the appraisers selected by the parties cannot agree on selection of a third appraiser, the authority state department of transportation shall appoint a third appraiser and the costs of this appraisal shall be divided equally between the parties.

The authority's department of audits and appeals' determination and order shall be is final for the purpose of administrative review to the district court as provided in chapter 17A. The district court's scope of review shall be confined to whether there is substantial evidence to support the authority's department of audits and appeals' determination and order.

For purposes of this section and section 327G.78 division, "authority" unless the context otherwise requires, "department" means the state department of transportation regulation authority.

Sec. 1967. Section 328.12, unnumbered paragraph 1, and subsections 1 through 15, Code 1985, are amended to read as follows:

The commission director in carrying out its the director's duties relating to aeronautics shall have the following powers and duties:

1. PROMOTION OF AERONAUTICS. It is empowered and directed to encourage Encourage, foster, and assist in the general development and promotion of aeronautics in this state, and to make disbursements from the state aviation fund for such purposes.

2. RULES. It shall have power to make such Make reasonable rules, consistent with the provisions of this chapter, as may be deemed by the commission director to be necessary and expedient for the administration and enforcement of this chapter, and to amend said the rules at any time.

3. FILING OF RULES. It shall keep Keep on file at the office of the commission director, for public inspection, a copy of all its the department's aeronautic rules with all amendments thereto, and mail copy thereof copies to all registered landing areas in this state.

4. TECHNICAL SERVICES AVAILABLE. ~~It shall, insofar~~ So far as is reasonably possible, make available the engineering, management consulting, and other technical services of the department, without charge, in connection with aeronautics.

5. INTERVENTION. ~~It may participate~~ Participate, at the director's discretion, as party plaintiff or defendant, or as intervenor, complainant, or movant, on behalf of the state or any governmental subdivision or citizen thereof of the state, in any proceeding having to do with aeronautics.

6. ENFORCEMENT OF AERONAUTICS LAWS. ~~It shall be the duty of the department to enforce~~ Enforce and assist in the enforcement of this chapter and of all rules issued pursuant thereto to this chapter, and of all other laws of this state relating to aeronautics; and, in the aid of such enforcement and within the scope of such the director's duties, general powers of peace officers are hereby conferred upon the commission, the director, and such officers and employees of the department as may be designated by the commission director to exercise such powers. The commission is further authorized director, in the name of this state, to may enforce the provisions of this chapter and the rules issued pursuant thereto to this chapter by injunction in the courts of this state.

7. USE OF EXISTING FACILITIES. ~~The commission, in~~ In the discharge of all functions prescribed by this chapter, law enforcement, technical, and other, to every feasible extent, shall use the facilities of other agencies of the state; and such other state agencies are authorized and directed to make available to the commission director such facilities and services.

8. INVESTIGATIONS AND INQUIRIES. Hold investigations and inquiries.

a. ~~The commission director or any officer or employee of the department designated by it, the director's designee when acting for, and with the authority of the commission director, shall have the power to may hold investigations, and inquiries, and hearings concerning matters covered by the provisions of this chapter and orders and rules of the commission department. In any such inquiry, an investigation, or hearing inquiry, the person acting for the commission shall have power to director may administer oaths and affirmations, certify to all official acts, issue subpoenas, and compel the attendance and testimony of witnesses, and the production of papers, books, and documents.~~

9. REPORTS OF INVESTIGATIONS — LIMITATIONS ON USE. b. ~~The reports of investigations or hearings inquiries, or any part thereof of them, shall not be admitted in evidence or used for any purpose in any a civil suit, growing out of any a matter referred to in said an investigation, hearing inquiry, or report thereof, except in case of criminal or other proceedings instituted in behalf of the commission director or this state under the provisions of this chapter and other laws of this state relating to aeronautics.~~

10 9. AUTHORITY TO CONTRACT. ~~It may enter~~ Enter into any contracts necessary to the execution of the powers granted it the director by this chapter.

11 10. NO EXCLUSIVE RIGHTS GRANTED. ~~It shall grant~~ Grant no exclusive right for the use of any an airway, airport, landing area, or other air navigation facility under its the director's jurisdiction.

12 11. SUFFICIENCY RATINGS. ~~It shall issue~~ Issue sufficiency ratings for all airports in the state, which are owned and operated by a governmental subdivision, based on the functional classification of those airports as set out in the department's annual transportation plan.

13 12. CENTRALIZED PURCHASING AGENCY. ~~It may encourage~~ Encourage governmental subdivisions to utilize its the department's services as a centralized purchasing agency for items, including but not limited to airport and aeronautics equipment and chemicals.

14 13. SAFETY INSPECTIONS. ~~It may enter~~ Enter into agreements, at the director's discretion, and otherwise co-operate with federal authorities in the safety inspection of registered landing areas and may promulgate, and adopt safety standards for airports.

15 14. NEWSLETTER. ~~It may Have authority to publish and distribute by subscription a state aeronautics newsletter or magazine. The department may charge a reasonable fee for subscriptions to such a the newsletter or magazine.~~

Sec. 1968. Section 601J.6, subsection 2, Code 1985, is amended to read as follows:

2. The department, with the approval of the state transportation commission, may enter into agreements with public transit systems, the United States government, cities, counties, business entities, or other persons for carrying out the purposes of this section.

Sec. 1969. Sections 307.14 through 307.20, 307A.3, 307A.4, 307A.5, 307A.7, and 307A.8, Code 1985, are repealed.

Sec. 1970. All rules, regulations, forms, orders, and directives promulgated by and in effect for the transportation regulation authority and the state transportation commission on the effective date of this Act continue in full force and effect until amended or supplemented by affirmative action of the state department of transportation.

EXECUTIVE COUNCIL

Sec. 1971. Section 1.6, Code 1985, is amended to read as follows:

1.6 CONDITIONS.

Any acquisition by the government of the United States of land and water, or of land or water, under section 1.5 shall be first approved by the state conservation commission, by and the state conservation director of this state, and the executive council.

Sec. 1972. Section 8.31, unnumbered paragraph 7, Code 1985, is amended to read as follows:

~~The finding by~~ If the governor determines that the estimated budget resources during the fiscal year are insufficient to pay all appropriations in full, as provided herein, shall be subject to the concurrence in such finding by the executive council before reductions in allotment shall be made, and in the event any reductions in allotment be made, such the reductions shall be uniform and prorated between all departments, agencies and establishments upon the basis of their respective appropriations.

Sec. 1973. Section 11.28, Code 1985, is amended to read as follows:

11.28 INDIVIDUAL AUDIT REPORTS.

The individual audit reports shall include exhibits and schedules to report data similar to that now required by section 11.4, and shall as nearly as possible correspond and be prepared similar in form to the audit reports rendered by certified public accountants, and such reports shall include information as to the assets and liabilities of the various departments and institutions audited as of the beginning and close of the fiscal year audited, the receipts and expenditures of cash, the disposition of materials and other properties, and the net income and net operating cost. These reports shall also set forth the cost as to each inmate, member, or student per year in the various classifications of expenses, and shall make comparisons thereof, and shall give such other information, suggestions, and recommendations as may be deemed of advantage and to the best interests of the taxpayers of the state; provided, that the daily audit report of the state treasury shall be submitted to the state comptroller; provided, further, that copies of all individual audit reports of all state departments and establishments shall be transmitted to the executive council and to the state comptroller's office after the completion of each audit, and that copies of all local government audits shall, until otherwise provided, be also supplied to the comptroller's office; provided, further, that copies of such audit reports shall also be supplied to the officers of the counties, schools, and cities, as now provided by law; and, provided further, that summaries of the findings, recommendations, and comparisons, together with any other information deemed essential, shall be printed and distributed to members of the legislature, and such officials, including state officers, as may be designated by the executive council general assembly.

Sec. 1974. Section 18.6, unnumbered paragraph 2, Code 1985, is amended by striking the unnumbered paragraph.

Sec. 1975. Section 18.115, subsection 4, Code Supplement 1985, is amended to read as follows:

4. The state vehicle dispatcher shall purchase all new motor vehicles for all branches of the state government, except the state department of transportation, institutions under the control of the state board of regents, the commission for the blind, and any other agencies exempted by law. Before purchasing any motor vehicle the dispatcher shall make requests for public bids by advertisement and shall purchase the vehicles from the lowest responsible bidder for the type and make of motor vehicle designated at a purchase price approved by the executive council.

Sec. 1976. Section 18.116, Code 1985, is amended to read as follows:

18.116 VIOLATIONS — WITHDRAWING USE OF VEHICLE.

If any state officer or employee violates any of the provisions of this chapter, the state vehicle dispatcher shall have the authority to withdraw the assignment of any state-owned motor vehicle to any such state officer or employee. ~~An appeal from such order by the state vehicle dispatcher may be taken to the executive council whose decision shall be final.~~

Sec. 1977. Section 18.117, unnumbered paragraph 1, Code 1985, is amended to read as follows:

A state officer or employee shall not use a state-owned motor vehicle for personal private use, nor shall the officer or employee be compensated for driving a privately owned motor vehicle unless it is done on state business with the approval of the state vehicle dispatcher, and in that case the officer or employee shall receive twenty-two cents per mile effective July 1, 1981, and twenty-four cents per mile effective July 1, 1982. A statutory provision stipulating necessary mileage, travel, or actual expenses reimbursement to a state officer falls under the mileage reimbursement limitation provided in this section unless specifically provided otherwise. Any peace officer employed by the state as defined in section 801.4 who is required to use a private vehicle in the performance of official duties shall receive reimbursement for mileage expense at the rate specified in this section. However, the state vehicle dispatcher may delegate authority to officials of the state, and department heads, for the use of private vehicles on state business up to a yearly mileage figure established by the director of general services ~~and approved by the executive council~~. If a state motor vehicle has been assigned to a state officer or employee, the officer or employee shall not collect mileage for the use of a privately owned vehicle unless the state vehicle assigned is not usable.

Sec. 1978. Section 26.1, Code 1985, is amended to read as follows:

26.1 FEDERAL AND STATE CO-OPERATION.

The ~~executive council~~ secretary of state is authorized, so far as practicable, to co-operate with the census bureau of the United States in the gathering, compilation, and publication of census statistics.

Sec. 1979. Section 96.25, Code 1985, is amended to read as follows:

96.25 OFFICE BUILDING.

The department of job service may, ~~subject to the approval of the executive council of the state~~, acquire for and in the name of the state of Iowa by purchase, or by rental purchase agreement, such lands and buildings upon such terms and conditions as may entitle this state to grants or credits of funds under the Social Security Act or the Wagner-Peyser Act to be applied against the cost of such property, for the purpose of providing office space for the department of job service at such places as the commission finds necessary and suitable.

Sec. 1980. Section 111.7, Code 1985, is amended to read as follows:

111.7 EMINENT DOMAIN.

The executive council may, upon the recommendation of the commission, may purchase or condemn lands for public parks. No contract for the purchase of such public parks shall be made to an amount in excess of funds appropriated therefor by the general assembly.

Sec. 1981. Section 111.8, Code 1985, is amended to read as follows:

111.8 HIGHWAYS.

The executive council may, upon the recommendation of the commission, may purchase or condemn highways connecting such parks with the public highways. When such the highways have been purchased or condemned the same shall be public highways of this state and shall be maintained as other public highways of the county.

Sec. 1982. Section 111.11, unnumbered paragraph 1, Code 1985, is amended to read as follows:

The commission with the written consent of the executive council, may accept gifts of land or other property, or the use of lands or other property for a term of years, and improve and use the same land as public state parks.

Sec. 1983. Section 111.24, Code 1985, is amended to read as follows:

111.24 BOUNDARIES - ADJUSTMENT.

Whenever a controversy shall arise as to the true boundary line between state-owned property and private property, the commission may, with the approval of the executive council, adjust said the boundary line or take such other action in the premises, all with the approval of the executive council, as in its judgment may seem right. When such the disputed boundary line is fixed it shall be surveyed and marked as herein provided.

Sec. 1984. Section 297.26, Code 1985, is amended to read as follows:

297.26 SALE BY EXECUTIVE COUNCIL DEPARTMENT.

Any school building or any school site, the title of which is vested in the state of Iowa by reason of it having been provided by state mining camp funds for schools in mining camps, shall be sold by the state executive council department when the state board of public instruction certifies the same to the executive council in writing as being department of education determines it is no longer needed for school purposes.

Sec. 1985. Section 297.27, Code 1985, is amended to read as follows:

297.27 PREFERENCE TO OWNER OF TRACT.

When such the buildings or sites are sold by the executive council, the then owners of the tract from which the same was originally taken shall have first option on the purchase of the same.

Sec. 1986. Section 297.28, Code 1985, is amended to read as follows:

297.28 APPRAISERS.

In case the executive council if the department and said the owner of the tract from which such the school site was taken, do not agree as to the value of such site or building, the chief judge of the judicial district of the county in which the greater part of such school site is situated shall, on the written application of either party, appoint three disinterested voters of the county from the list of compensation commissioners to appraise such site. The county sheriff shall give notice to both parties of the time and place of making such appraisal, which notice shall be served in the same manner and for the same time as for the commencement of an action in the district court.

Sec. 1987. Section 306.22, unnumbered paragraph 1, Code 1985, is amended to read as follows:

306.22 SALE OF UNUSED RIGHT OF WAY.

When title to any tract of land has been or may be acquired for the construction or improvement of any highway, and when in the judgment of the agency in control of the highway, the tract will not be used in connection with or for the improvement, maintenance, or use of the highway, the agency in control of the highway may sell the tract for cash. ~~If the tract of land is held or used in connection with any primary road, or state park or institutional road, the sale shall be subject to approval of the executive council of the state.~~

Sec. 1988. Section 455B.422, Code Supplement 1985, is amended to read as follows:

455B.422 ACQUISITION AND LEASE OF SITES.

The commission shall adopt rules establishing criteria for the identification of land areas or sites which are suitable for the operation of a treatment or disposal facility. Upon request, the department shall assist ~~the executive council~~ in locating suitable sites for the location of a treatment or disposal facility. The commission may ~~recommend to the executive council~~ the purchase or ~~condemnation of~~ condemn land to be leased for the operation of a treatment or disposal facility. ~~The executive council may purchase or may condemn the land~~ subject to chapter 471. Consideration for a contract for purchase of land shall not be in excess of funds appropriated by the general assembly for that purpose. ~~The executive council upon recommendation of the commission~~ may lease land purchased under this section to any person including the state or a state agency. This section authorizes the state to own or operate a hazardous waste treatment or disposal facility for the treatment and disposal of hazardous wastes. The terms of the lease shall establish responsibility for long-term monitoring and maintenance of the site. The lessee is subject to all applicable requirements of this part including permit requirements. The commission may require the lessee to post bond conditioned upon performance of conditions of the lease relating to long-term monitoring and maintenance. The leasehold interest including improvements made to the property shall be listed, assessed and valued as any other real property as provided by law.

Sec. 1989. Section 505.2, Code 1985, is amended to read as follows:

505.2 APPOINTMENT AND TERM.

The governor shall appoint subject to confirmation by the senate, a commissioner of insurance, who shall be selected solely with regard to qualifications and fitness to discharge the duties of this position, devote the entire time to such duties, and serve for four years beginning and ending as provided by section 69.19. The governor ~~with the approval of the executive council~~ may remove the commissioner for malfeasance in office, or for any cause that renders the commissioner ineligible, incapable, or unfit to discharge the duties of the office.

Sec. 1990. Section 565.3, Code 1985, is amended to read as follows:

565.3 GIFTS TO STATE.

A gift, devise, or bequest of property, real or personal, may be made to the state, to be held in trust for and applied to any specified purpose within the scope of its authority, but the same shall not become effectual to pass the title in such property unless accepted by ~~the executive council in governor on~~ behalf of the state.

Sec. 1991. Section 601A.5, subsection 11, Code 1985, is amended to read as follows:

11. To receive, administer, dispense and account for any funds that may be voluntarily contributed to the commission and any grants that may be awarded the commission for furthering the purposes of this chapter ~~with the approval of the executive council.~~

Sec. 1992. Sections 19.16, 29A.59, and 111.1, Code 1985, are repealed.

LEGISLATIVE OVERSIGHT

Sec. 2001. Section 2.9, Code 1985, is amended to read as follows:

2.9 JOURNALS.

The secretary of the senate and the clerk of the house of representatives shall preserve copies of the printed daily journals of their respective bodies, as corrected, certify to their correctness, and file them with the secretary of state at the adjournment of each session of the general assembly. The secretary of state shall cause the same journals to be bound and preserved as the original journals of the senate and the house in the manner as shall be specified by the president majority leader of the senate and speaker of the house.

Sec. 2002. Section 2.16, unnumbered paragraph 2, Code 1985, is amended to read as follows:

Departments and agencies of state government shall, at least ten forty-five days prior to the convening of each session of the general assembly, submit copies to the legislative service bureau of proposed legislative bills and joint resolutions which such departments desire to be considered by the general assembly. The proposed legislative bills and joint resolutions of the governor must be submitted by the Friday prior to the convening of the session of the general assembly, except in the year of the governor's initial inauguration. The legislative service bureau shall review such proposals and submit them in proper form to the presiding officer in each house of the general assembly for referral to the proper standing committee. Before submitting any proposal prepared under this section to the presiding officers, the legislative service bureau shall return it for review to, as appropriate, the relevant department or agency or the governor's office and such department or agency or the governor's office shall review and return it within seven days of such delivery.

Sec. 2003. Section 2.32, Code Supplement 1985, is amended by adding the following new subsection:

NEW SUBSECTION. 8. A gubernatorial appointee, whose appointment is subject to confirmation by the senate and who serves at the pleasure of the governor, is subject to reconfirmation by the senate during the regular session of the general assembly convening in January if the appointee will complete the appointee's fourth year in office on or before the following April 30. For the purposes of this section, the submission of an appointee for reconfirmation is deemed the same as the submission of an appointee for confirmation and the procedures of this section regarding confirmation and the consequences of refusal to confirm are the same for reconfirmation.

Sec. 2004. Section 2.35, unnumbered paragraph 1, Code 1985, is amended to read as follows:

There is established a A communications review committee which shall consist is established, consisting of three members of the senate appointed by the president majority leader of the senate and three members of the house of representatives appointed by the speaker of the house. The committee shall select a chairperson and vice chairperson. Meetings may be called by the chairperson or a majority of the members.

Sec. 2005. Section 2.41, Code 1985, is amended to read as follows:

2.41 LEGISLATIVE COUNCIL CREATED.

There is hereby created a A continuing legislative council of twenty members which shall be entitled the legislative council is created. The council shall be is composed of the president pro tempore of the senate, the speaker of the house of representatives, the majority and minority floor leaders of the senate, the chairperson of the senate committee on budget appropriations, the minority party ranking member of the senate committee on budget appropriations, five members of the senate appointed by the president majority leader of the senate, the majority and minority floor leaders of the house of representatives, the chairperson of the house committee on budget appropriations, the minority party ranking member of

the house committee on budget appropriations, and five members of the house of representatives appointed by the speaker of the house of representatives. The lieutenant governor shall be an ex officio nonvoting member of the council. Of the five members appointed by the president majority leader of the senate and speaker of the house, three from each house shall be appointed from the majority party and two from each house shall be appointed from the minority party. Members shall be appointed prior to the fourth Monday in January of the first regular session of each general assembly and shall serve for two-year terms ending upon the convening of the following general assembly or when their successors are appointed. Vacancies on the council, including vacancies which occur when a member of the council ceases to be a member of the general assembly, shall be filled by the president majority leader of the senate and the speaker of the house respectively. Insofar as possible at least two members of the council from each house shall be reappointed. The council shall hold regular meetings at a time and place fixed by the council and shall meet at any other time and place as the council may deem deems necessary.

Sec. 2006. Section 2.45, subsection 2, Code 1985, is amended to read as follows:

2. The legislative fiscal committee, ~~which shall be~~ composed of the chairpersons or their designated committee member and the ranking minority party members or their designated committee member of the committees of the house and senate responsible for developing a state budget and appropriating funds, the chairpersons or their designated committee ~~members member~~ and the ranking minority party members or their designated committee member of the committees on ways and means, and two members, one appointed from the majority party of the senate by the president majority leader of the senate and one appointed from the majority party of the house by the speaker of the house of representatives. In each house, unless one of the members who represent the committee on ways and means is also a member of the legislative council, the person appointed from the membership of the majority party in that house shall also be appointed from the membership of the legislative council. The legislative fiscal committee shall determine policies for the legislative fiscal bureau and shall direct the administration of performance audits and visitations, subject to the approval of the legislative council.

Sec. 2007. Section 2.52, Code Supplement 1985, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The director may issue subpoenas for production of any records, books, or papers to which the director is authorized to have access. If any person subpoenaed refuses to produce the records, books, or papers, the director may apply to the district court having jurisdiction over that person for the enforcement of the subpoena.

Sec. 2008. Section 2.55, Code Supplement 1985, is amended to read as follows:

2.55 PROGRAM EVALUATIONS GOVERNMENT ACCOUNTABILITY.

1. It is the intent of the general assembly to establish in the legislative branch of government the capability to independently and intensively review the performance of state agencies in operating the programs, to evaluate their efficiency and effectiveness, and to consider alternatives which may improve the benefits of a program or may reduce its costs to the citizens. The legislative fiscal bureau is intended to provide the technical and professional support for the general assembly's oversight responsibility.

1 2. The general assembly may by concurrent resolution or the legislative council may direct the legislative fiscal bureau to conduct a program evaluation or performance audit of any agency of the state government. Upon the passage of the concurrent resolution or receiving the direction of the legislative council, the legislative fiscal director shall inform the chairpersons of the committees responsible for appropriations of the anticipated cost of the program evaluation and the number and nature of additional personnel needed to conduct the program evaluation and shall notify the official responsible for the program to be evaluated. The director, after consulting with the responsible official and the requesting party, shall determine the goals and objectives of the agency or program for the purpose of the performance audit or program evaluation.

2 3. In conducting the program evaluation or performance audit, the legislative fiscal bureau shall make certain determinations including but not limited to the following:

a. The organizational framework of the agency, its adequacy and relationship to the overall structure of state government, and whether the program under the agency's jurisdiction could be more effective if consolidated with another program, transferred to another program, modified, or abolished.

b. Whether the state agency is conducting programs and activities and expending funds appropriated to it in compliance with the Acts of the general assembly, the Code, and any federal, state, or local rules which are applicable, or policies assigned to it by the governor, and whether administrative or statutory changes are needed to achieve the intent of the general assembly.

c. Whether the state agency is conducting authorized activities and programs pursuant to goals and objectives intended by the general assembly established by statute, specific legislative intent, the budget, the governor, or a long-range plan, and whether alternatives which might produce the desired results at a lower cost have been considered.

d. Whether the state agency is conducting programs and activities and expending funds appropriated to it in an efficient and effective manner, has complied with all applicable laws and, if not, determine the causes.

e. Whether there are areas in which significant inconsistency, duplication, or overlapping of activities or programs occur either within the agency or with respect to other agencies or programs. Relationships within and among other governmental agencies and programs including financial exchanges, coordination, inconsistent programs, and areas of duplication or overlapping programs.

f. The productivity of the agency's operations measured in terms of cost-benefit relationships or other accepted measures of effectiveness.

g. Other criteria determined by the director.

3 4. Upon the completion of the program evaluation or performance audit, the legislative fiscal director shall provide a copy of the report to the governing official or board of the agency and afford the agency a reasonable opportunity to respond to the findings and recommendations of the report. The response shall be included in the report and the report released to the legislative council. Until its release the report shall be regarded as confidential by all persons properly having custody of it.

Sec. 2009. Section 2.91, subsection 1, and unnumbered paragraph 2, Code 1985, are amended to read as follows:

1. There is established an An Iowa boundary commission which shall consist is established, consisting of three members of the senate appointed by the president majority leader of the senate and three members of the house of representatives appointed by the speaker of the house. The commission shall select a chairperson and shall meet at the call of the chairperson.

For the initial board, the president of the senate and the speaker of the house shall each appoint pursuant to this section on July 1, 1978, one member to a two-year term and two members to a four-year term.

Sec. 2010. Section 2A.1, Code 1985, is amended to read as follows:

2A.1 COMMISSION ESTABLISHED.

There is established a A commission to be known as the commission on compensation, expenses, and salaries for elected state officials, hereinafter is established and is referred to in this chapter as "the commission". The commission shall be is composed of fifteen members, five of whom shall be appointed by the governor, five of whom shall be appointed by the president majority leader of the senate, and five of whom shall be appointed by the speaker of the house of representatives. Members of the commission shall be appointed without regard to political affiliation and shall not be state officials or employees, employees of any state department, board, commission, or agency or of any political subdivision of the state.

Sec. 2011. Section 3.4, Code 1985, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. An "appropriation bill" means a bill which has as its primary purpose the making of appropriations of money from the public treasury.

Sec. 2012. Section 7A.52, unnumbered paragraph 2, Code Supplement 1985, is amended to read as follows:

The commission ~~shall consist~~ consists of five public members, not more than two from the same political party, appointed by the governor subject to confirmation by the senate under section 2.32, and one senator to serve as an ex officio nonvoting member, appointed by the ~~president majority leader~~ of the senate, and one representative to serve as an ex officio nonvoting member, appointed by the speaker of the house of representatives.

Sec. 2013. **NEW SECTION. 8.35A LEGISLATIVE FISCAL BUREAU.**

1. By July 1 the executive director of the office of management shall provide a projected expenditure breakdown of each appropriation for the beginning fiscal year to the legislative fiscal bureau in the form and level of detail requested by the bureau. By the fifteenth of each month, the executive director shall transmit to the legislative fiscal bureau a record for each appropriation of actual expenditures for the prior month of the fiscal year and the fiscal year to date in the form and level of detail as requested by the bureau. By November 1 the executive director shall transmit the total record of an appropriation, including reversions and transfers for the prior fiscal year ending June 30, to the legislative fiscal bureau.

2. Commencing September 1, the executive director shall provide weekly budget tapes in the form and level of detail requested by the legislative fiscal bureau reflecting finalized agency budget requests for the following fiscal year as submitted to the governor. The executive director shall transmit all agency requests in final form to the legislative fiscal bureau by November 15. Final budget records containing the governor's recommendation and final agency requests shall be transmitted to the legislative fiscal bureau by January 1 or no later than the date the governor's budget document is delivered to the printer. The governor's recommendation included on this record shall be considered confidential by the legislative fiscal bureau until it is made public by the governor. The legislative fiscal bureau shall use this data in the preparation of information for the legislative appropriation process.

3. The executive director shall communicate any changes or anticipated changes to the budgeting system or the accounting system in writing to the legislative fiscal bureau prior to implementation.

4. A government agency which receives state funds directly from the state or indirectly through a political subdivision as directed by statute and which is not a city, county, or school district is subject to this subsection. A government agency which is subject to this subsection shall submit a copy of its budget to the legislative fiscal bureau, identifying it as being submitted under this subsection, when the budget of that government agency has received approval from the governing head or body of that agency. The copy of the budget submitted to the legislative fiscal bureau shall be on the budget forms provided by the department of management to state agencies under chapter 8. The government agency shall also submit a statement identifying any funds available to the agency which are not included in the budget.

Sec. 2014. Section 8.6, subsections 10, 13, 17, Code Supplement 1985, are amended to read as follows:

10. **REPORT OF STANDING APPROPRIATIONS.** To ~~biennially~~ annually prepare a separate report containing a complete list of all standing appropriations showing the amount of each appropriation and the purpose for which ~~such~~ the appropriation is made and furnish a copy of ~~such the~~ report to each member of the general assembly on or before the first day of each regular session.

13. **CERTIFICATION FOR LEVY.** On February 1 the ~~state comptroller~~ executive director shall, for each fiscal year of the biennium, certify to the department of revenue, the amount of money to be levied for general state taxes.

17. BUDGET REPORT. The ~~comptroller~~ executive director shall prepare and file in the ~~comptroller's~~ office of management, on or before the first day of December of each ~~even-numbered~~ year, a state budget report, which shall show in detail the following:

a. Classified estimates in detail of the expenditures necessary, in the ~~comptroller's~~ executive director's judgment, for the support of each department and each institution and department thereof for the ensuing biennium fiscal year.

b. A schedule showing a comparison of such estimates with the askings of the several departments for the current biennium fiscal year and with the expenditures of like character for the last two preceding bienniums fiscal years.

c. A statement setting forth in detail the reasons for any recommended increases or decreases in the estimated requirements of the various departments, institutions, and departments thereof.

d. Estimates of all receipts of the state other than from direct taxation and the sources thereof for the ensuing biennium fiscal year.

e. A comparison of such estimates and askings with receipts of a like character for the last two preceding bienniums fiscal years.

f. The expenditures and receipts of the state for the last completed fiscal year, and estimates of the expenditures and receipts of the state for the current fiscal year.

g. A detailed statement of all appropriations made during the two preceding bienniums fiscal years, also of unexpended balances of appropriations at the end of the last fiscal year and estimated balances at the end of the current fiscal year.

h. Estimates in detail of the appropriations necessary to meet the requirements of the several departments and institutions for the next biennium fiscal year.

i. Statements showing:

(1) The condition of the treasury at the end of the last fiscal year.

(2) The estimated condition of the treasury at the end of the current fiscal year.

(3) The estimated condition of the treasury at the end of the next biennium fiscal year, if the ~~comptroller's~~ executive director's recommendations are adopted.

(4) An estimate of the taxable value of all the property within the state.

(5) The estimated aggregate amount necessary to be raised by a state levy.

(6) The amount per thousand dollars of taxable value necessary to produce such amount.

(7) ~~Such other~~ Other data or information as the ~~comptroller may deem~~ deems advisable.

Sec. 2015. Section 8.21, Code 1985, is amended to read as follows:

8.21 BUDGET TRANSMITTED.

Not later than February 1 of the year of each biennial legislative session, the governor shall transmit to the legislature a document to be known as a budget, setting forth the governor's financial program for each of the fiscal years of the ensuing biennium fiscal year and having the character and scope hereinafter set forth in sections 8.22 through 8.29.

Sec. 2016. Section 8.22, Code 1985, is amended to read as follows:

8.22 NATURE AND CONTENTS.

The budget shall consist of three parts, the nature and contents of which shall be as follows:

PART I

GOVERNOR'S BUDGET MESSAGE. Part I shall consist of the governor's budget message, in which the governor shall set forth:

1. The governor's program for meeting all the expenditure needs of the government for each of the years of the biennium to which the budget relates fiscal year, indicating the classes of funds, general or special, from which ~~such~~ appropriations are to be made and the means through which ~~such~~ the expenditures shall be financed.

2. Financial statements giving in summary form:

a. The condition of the treasury at the end of the last completed fiscal year, the estimated condition of the treasury at the end of the year in progress, and the estimated condition of the treasury at the end of each of the two years to which the budget relates following fiscal year if the governor's budget proposals are put into effect.

b. Statements showing the bonded indebtedness of the government, debt authorized and unissued, debt redemption and interest requirements, and condition of the sinking funds, if any.

c. A summary of appropriations recommended for each of the two years of the biennium to which the budget relates following fiscal year for each department and establishment and for the government as a whole, in comparison with the actual expenditures for the last completed fiscal year and the estimated expenditures for the year in progress.

d. A summary of the revenue, estimated to be received by the government during each of the two years of the biennium to which the budget relates following fiscal year, classified according to sources, in comparison with the actual revenue received by the government during the last completed fiscal year and estimated income during the year in progress.

e. A statement of federal funds received in the form of block or categorical grants which were not included in the governor's budget for the previous fiscal biennium year and a statement of anticipated block grants and categorical grants. The budget shall indicate how the federal funds will be used and the programs to which they will be allocated. The amount of state funds required to implement the programs to which the federal funds will apply shall also be indicated. The departments shall provide information to the ~~comptroller~~ executive director on the anticipated federal block grants and categorical grants to be received on or before November 1 of each year. The ~~comptroller~~ executive director shall use this information to develop an annual update of the statement of federal funds received which shall be provided to the general assembly.

f. ~~Such other~~ Other financial statements, data, and comments as in the governor's opinion are necessary or desirable in order to make known in all practicable detail the financial condition and operation of the government and the effect that the budget as proposed by the governor will have on ~~such the financial condition and operations~~ operation.

If the estimated revenues of the government for the ensuing biennium fiscal year as set forth in the budget on the basis of existing laws, plus the estimated amounts in the treasury at the close of the year in progress, available for expenditure in the ensuing biennial period is fiscal year are less than the aggregate recommended for the ensuing biennial period fiscal year as contained in the budget, the governor shall make recommendations to the legislature in respect to the manner in which ~~such the~~ deficit shall be met, whether by an increase in the state tax or the imposition of new taxes, increased rates on existing taxes, or otherwise, and if the aggregate of ~~such the~~ estimated revenues, plus estimated balances in the treasury, is greater than ~~such the~~ recommended appropriations for the ensuing biennial period fiscal year, the governor shall make ~~such~~ recommendations in reference to the application of ~~such the~~ surplus to the reduction of debt or otherwise, to the reduction in taxation, or to such other action as in the governor's opinion is in the interest of the public welfare.

PART II

RECOMMENDED APPROPRIATIONS. Part II shall present in detail for each of the two years of the ensuing biennium fiscal year the governor's recommendations for appropriations to meet the expenditure needs of the government from each general class of funds, in comparison with actual expenditures for each of ~~said the~~ purposes during the last completed fiscal year and estimated expenditures for the year in progress, classified by departments and establishments and indicating for each the appropriations recommended for:

1. Meeting the cost of administration, operation, and maintenance of ~~such the~~ departments and establishments.

2. Appropriations for meeting the cost of land, public improvements, and other capital outlays in connection with ~~such the~~ departments and establishments.

Each item of expenditure, actual or estimated, and appropriations recommended for administration, operation, and maintenance of each department or establishment shall be supported by detailed statements showing the actual and estimated expenditures and appropriations classified by objects according to a standard scheme of classification to be prescribed by the state comptroller, ~~hereinabove provided for~~ executive director.

PART III

APPROPRIATION BILLS. Part III shall ~~embrace include~~ a draft or drafts of appropriation bills having for their purpose to give legal sanction to the appropriations recommended to be made in Parts I and II. ~~Such~~ The appropriation bills shall indicate the funds, general or special, from which ~~such the~~ appropriations shall be paid, but ~~such the~~ appropriations need not be in greater detail than to indicate the total appropriation to be made for:

1. Administration, operation, and maintenance of each department and establishment for ~~each the~~ fiscal year of the biennium.

2. The cost of land, public improvements, and other capital outlays for each department and establishment, itemized by specific projects or classes of projects of the same general character.

Sec. 2017. Section 8.23, Code 1985, is amended to read as follows:

8.23 BIENNIAL DEPARTMENTAL ESTIMATES.

On, or before, September 1, next prior to each ~~biennial~~ legislative session, all departments and establishments of the government shall transmit to the ~~state comptroller~~ executive director, ~~hereinabove provided for~~, on blanks to be furnished by the ~~comptroller~~ executive director, estimates of their expenditure requirements, including every proposed expenditure, for each fiscal year of the ensuing ~~biennium~~ fiscal year, classified so as to distinguish between expenditures estimated for (1) administration, operation, and maintenance, and (2) the cost of each project involving the purchase of land or the making of a public improvement or capital outlay of a permanent character, together with ~~such~~ supporting data and explanations as may be called for by the ~~state comptroller, hereinabove provided for~~ executive director. The estimates of expenditure requirements shall be based upon seventy-five percent of the funding provided for the current fiscal year accounted for by program and the remainder of the estimate of expenditure requirements prioritized by program. The estimates shall be accompanied with performance measures for evaluating the effectiveness of the program. In case of the failure of any If a department or establishment fails to submit ~~such~~ estimates within the time ~~above~~ specified, the governor shall cause to be prepared ~~such~~ estimates to be prepared for ~~such that~~ that department or establishment as in ~~his the~~ governor's opinion are reasonable and proper. The ~~state comptroller~~ executive director shall furnish standard budget request forms to each department or agency of state government.

Sec. 2018. Section 8.24, Code 1985, is amended to read as follows:

8.24 BIENNIAL ESTIMATE OF INCOME.

On, or before, October 1, next prior to each ~~biennial~~ legislative session, the ~~state comptroller~~ executive director, ~~hereinabove provided for~~, shall prepare an estimate of the total income of the government for each fiscal year of the ensuing ~~biennium~~ fiscal year, in which the several items of income shall be listed and classified according to sources or character, and departments or establishments producing ~~said the~~ funds, and brought into comparison with the income actually received during the last completed fiscal year and the estimated income to be received during the year in progress.

Sec. 2019. Section 8.30, Code 1985, is amended to read as follows:

8.30 AVAILABILITY OF APPROPRIATIONS.

The appropriations made ~~shall~~ are not be available for expenditure until allotted as provided for in section 8.31. All appropriations ~~now or hereafter made~~ are hereby declared to be

maximum and proportionate appropriations, the purpose being to make the appropriations payable in full in the amounts named in the event that if the estimated budget resources during each the fiscal year of the biennium for which such the appropriations are made, are sufficient to pay all of the appropriations in full. The governor shall restrict allotments only to prevent an overdraft or deficit in any fiscal year for which appropriations are made.

Sec. 2020. Section 8.33, Code 1985, is amended to read as follows:

8.33 TIME LIMIT ON OBLIGATIONS — REVERSION.

No obligation of any kind shall be incurred or created subsequent to the last day of the fiscal term year for which an appropriation is made, except when specific provision otherwise is made in the Act making the appropriation. On September 30, or as otherwise provided in an appropriation Act, following the close of each fiscal term year, all unencumbered or unobligated balances of appropriations made for that fiscal term shall revert to the state treasury and to the credit of the fund funds from which the appropriation or appropriations were made, except that capital expenditures for the purchase of land or the erection of buildings or new construction shall continue in force until the attainment of the object or the completion of the work for which such the appropriations were made unless the Act making the an appropriation for the capital expenditure contains a specific provision relating to a time limit for incurring an obligation or reversion of funds. This section shall does not be construed to repeal sections 19.11 through 19.14.

No payment of an obligation for goods and services shall be charged to an appropriation subsequent to the last day of the fiscal term year for which the appropriation is made unless such the goods or services are received on or before September 15 of the following fiscal year, except that repair projects, purchase of specialized equipment and furnishings, and other contracts for services and capital expenditures for the purchase of land or the erection of buildings or new construction or remodeling, which were committed and in progress prior to the end of the fiscal term year are excluded from this provision.

Sec. 2021. Section 8.37, Code 1985, is amended to read as follows:

8.37 BIENNIAL FISCAL TERM.

The biennial fiscal term of the state ends on the thirtieth day of June in each odd-numbered year, and the succeeding biennial fiscal term begins on the day following.

Sec. 2022. Section 8.39, Code 1985, is amended to read as follows:

8.39 USE OF APPROPRIATIONS — TRANSFER.

1. No Except as otherwise provided by law, an appropriation nor or any part thereof of it shall not be used for any other purpose than that for which it was made except as otherwise provided by law; provided that. However, with the prior written consent and approval of the governor and the executive director of the office of management, the governing board or head of any state department, institution, or agency may, with the written consent and approval of the governor and state comptroller first obtained, at any time during the biennial fiscal term year, partially or wholly use make a whole or partial intradepartmental transfer of its unexpended appropriations for purposes within the scope of such department, institution, or agency.

2. Provided, further, when If the appropriation of any department, institution, or agency is insufficient to properly meet the legitimate expenses of such department, institution, or agency of the state, the state comptroller executive director, with the approval of the governor, is authorized to transfer make an interdepartmental transfer from any other department, institution, or agency of the state having an appropriation in excess of its necessity, sufficient funds to meet that deficiency.

3. Prior to any transfer of funds pursuant to subsection 1 or 2 of this section or a transfer of an allocation from a subunit of a department which statutorily has independent budgeting

authority, the ~~state comptroller~~ executive director shall notify the chairpersons of the standing committees on budget of the senate and the house of representatives and the chairpersons of subcommittees of such committees of the proposed transfer. The notice from the ~~state comptroller~~ executive director shall include information concerning the amount of the proposed transfer, the departments, institutions or agencies affected by the proposed transfer and the reasons for the proposed transfer. Chairpersons notified shall be given at least two weeks to review and comment on the proposed transfer before the transfer of funds is made.

4. Any transfer made under the provisions of this section shall be reported to the legislative fiscal committee on a monthly basis. The report shall cover each calendar month and shall be due the tenth day of the following month. The report shall contain the following: The amount of each transfer; the date of each transfer; ~~the department to which the transfer was made; the department and fund from which the transfer was made~~ the departments and funds affected; a brief explanation of the reason for the transfer; and such other information as may be required by the committee. A summary of all transfers made under the provisions of this section shall be included in the annual report of the legislative fiscal committee.

Sec. 2023. Section 8.41, subsection 2, Code 1985, is amended to read as follows:

2. Federal funds deposited in the state treasury as provided in subsection 1 shall either be included as part of the governor's budget required by section 8.22 or shall be included in a separate recommendation made by the governor to the general assembly. If federal funds received in the form of block grants or categorical grants have not been included in the governor's budget for the current fiscal ~~biennium~~ year because of time constraints or because a budget is not being submitted for the ~~second year of a biennium~~ next fiscal year, the governor shall submit a supplemental statement to the general assembly listing the federal funds received and including the same information for the federal funds required by section 8.22, part I, subsection 2, paragraph "e", for the statement of federal funds in the governor's budget.

Sec. 2024. Section 17A.8, subsection 1, paragraph a, Code 1985, is amended to read as follows:

a. Three senators appointed by the ~~president~~ majority leader of the senate.

Sec. 2025. Section 18A.1, Code 1985, is amended to read as follows:

18A.1 COMMISSION CREATED.

~~There is created the~~ The capitol planning commission is created, composed of eleven members as follows: (1)

1. Four members of the general assembly serving as ex officio nonvoting members, two thereof to be appointed by the speaker of the house from the membership ~~thereof of the house~~, and two to be appointed by the ~~lieutenant governor~~ senate majority leader from the membership of the senate, and (2) ~~six~~.

2. Six residents of the state of Iowa to be appointed by the governor, and (3) ~~the~~.

3. The director of the department of general services or the director's designee.

Sec. 2026. Section 18A.2, subsection 2, Code 1985, is amended to read as follows:

2. The legislative members of the commission shall be appointed to four-year terms of office, two of which shall expire every two years unless sooner terminated by a commission member ceasing to be ~~members~~ a member of the general assembly. Vacancies shall be filled by appointment of the speaker of the house or the ~~lieutenant governor~~ majority leader of the senate, as the case may be, for the unexpired term of their predecessors.

Sec. 2027. Section 28B.1, subsection 1, and unnumbered paragraph 3, Code 1985, are amended to read as follows:

1. Five members of the senate to be appointed by the ~~president thereof~~ majority leader of the senate.

The governor, the ~~president~~ majority leader of the senate, and the speaker of the house of representatives shall be are ex officio honorary nonvoting members of the commission.

Sec. 2028. Section 28C.2, subsection 2, paragraph b, and subsections 5 and 6, Code 1985, are amended to read as follows:

b. Two state senators appointed by the ~~president~~ majority leader of the senate.

5. The members shall be appointed to two-year staggered terms. ~~However, of the members of the initial commission, eight of the members appointed by the governor shall be appointed to an initial term of one year and one legislative member appointed by the speaker of the house and the president of the senate shall be appointed to initial terms of one year.~~ If a vacancy occurs, a successor shall be appointed to serve the unexpired term. If a member ceases to be an officer or employee of the governmental unit or agency which qualifies the person for membership on the commission, a vacancy ~~shall exist~~ exists and a successor shall be appointed in the same manner and subject to the same qualifications as the original appointment to serve the unexpired term.

6. Of the members who are county officers appointed by the governor, not more than two shall be members of the same political party. Of the members appointed by the ~~president~~ majority leader of the senate and the speaker of the house of representatives, not more than one from each house shall be a member of the same political party.

Sec. 2029. Section 80B.6, unnumbered paragraph 2, Code 1985, is amended to read as follows:

One senator appointed by the ~~lieutenant governor~~ majority leader of the senate and one representative appointed by the speaker of the house ~~shall~~ are also be ex officio, nonvoting members of the council.

Sec. 2030. Section 145.2, unnumbered paragraph 2, Code 1985, is amended to read as follows:

The commission consists of the commissioners of health, insurance, and human services, one state senator and one state representative who shall not be of the same party, shall be nonvoting members, and shall be appointed each year by the ~~president~~ majority leader of the senate and speaker of the house, respectively, and the chairperson of the board of directors of the corporation or the head of the association or other entity providing staff for the commission as provided by section 145.3 who shall be a nonvoting member. The commissioner members shall annually select the chairperson of the commission from among the three voting commissioner members. A majority of the six members including at least two voting members constitute a quorum.

Sec. 2031. Section 249A.4, subsection 8, unnumbered paragraph 1, Code 1985, is amended to read as follows:

Shall advise and consult at least semiannually with a council composed of the president, or the president's representative who is a member of the professional organization represented by the president, of the Iowa medical society, the Iowa society of osteopathic physicians and surgeons, the Iowa state dental society, the Iowa state nurses association, the Iowa pharmacists association, the Iowa podiatry society, the Iowa optometric association, the community mental health centers association of Iowa, the Iowa psychological association, the Iowa hospital association, the Iowa osteopathic hospital association, opticians' association of Iowa, Inc., the Iowa health care association, the Iowa assembly of home health agencies, the Iowa council of health care centers, and the Iowa association of homes for the aging, together with one person designated by the Iowa state board of chiropractic examiners; one state representative from each of the two major political parties appointed by the speaker of the house, one state senator from each of the two major political parties appointed by the ~~lieutenant governor~~ majority leader of the senate, each for a term of two years; the president or the president's

representative of the association for retarded citizens; four public representatives, appointed by the governor for staggered terms of two years each, none of whom shall be members of, or practitioners of, or have a pecuniary interest in any of the professions or businesses represented by any of the several professional groups and associations specifically represented on the council under this subsection, and at least one of whom shall be a recipient of medical assistance; the commissioner of public health, or a representative designated by the commissioner, and the dean of the college of medicine, university of Iowa, or a representative designated by the dean.

Sec. 2032. Section 261.1, subsection 4, Code Supplement 1985, is amended to read as follows:

4. A member of the senate to be appointed by the ~~president~~ majority leader of the senate to serve as an ex officio nonvoting member for a term of four years beginning on July 1 of the year of appointment.

Sec. 2033. Section 272B.2, Code 1985, is amended to read as follows:

272B.2 EDUCATION COMMISSION OF THE STATES.

The ~~provisions of article~~ Article III, paragraph 1, of the compact notwithstanding, the members of the education commission of the states representing this state shall consist of the governor, two nonlegislative members appointed by the governor, two members of the senate appointed by the ~~president~~ majority leader of the senate, and two members of the house of representatives appointed by the speaker of the house of representatives. The members shall serve four-year terms ~~and for the initial appointments, half of the membership shall be appointed to two-year terms and half shall be appointed to four-year terms.~~ Nonlegislative members shall serve on the education commission of the states without compensation, but shall receive their actual and necessary expenses and travel. Legislative members shall receive actual and necessary expenses and travel pursuant to sections 2.10 and 2.12. Vacancies on the commission shall be filled for the unexpired portion of the term in the same manner as the original ~~appointment~~ appointments. If a member ceases to be a member of the general assembly, the member shall no longer serve as a member of the education commission of the states.

Sec. 2034. Section 306.6, subsection 2, unnumbered paragraph 1, Code 1985, is amended to read as follows:

2. ~~There is created a~~ A state functional classification review board ~~which shall consist is created, consisting of~~ one state senator appointed by the ~~president~~ majority leader of the senate, one state representative appointed by the speaker of the house of representatives, one supervisor appointed by the Iowa state association of county supervisors, one engineer appointed by the Iowa county engineers' association, two persons appointed by the league of Iowa municipalities, one of whom shall be a licensed professional engineer, and two persons appointed by the department, one of whom shall be a commissioner and the other a staff member. This board shall select a permanent chairperson from among its members by majority vote of the total membership. Except as otherwise provided, the members of the board shall serve without additional compensation to the salary and expenses authorized for the office or position held by the member. The supervisor appointed by the Iowa state association of county supervisors, the engineer appointed by the Iowa county engineers' association, and the two persons appointed by the league of Iowa municipalities shall be reimbursed for their actual and necessary expenses incurred in the performance of their official duties as members of the board from funds allocated under section 312.2, subsection 12. The legislative members shall be paid for their actual and necessary expenses and, when the general assembly is not in session, per diem as provided in sections 2.10 and 2.12. The department's members of the board shall be reimbursed for their actual and necessary expenses from the funds appropriated pursuant to section 313.5.

Sec. 2035. All appointments made by a lieutenant governor to a term of office under a section amended by this Act remain in effect until the expiration of the term.

Sec. 2036. Section 17A.2, subsection 7, unnumbered paragraph 1, Code 1985, is amended to read as follows:

"Rule" means each agency statement of general applicability that implements, interprets, or prescribes law or policy, or that describes the organization, procedure or practice requirements of any agency. Notwithstanding any other provision of law, the term includes an executive order or directive of the governor which creates an agency or establishes a program or which transfers a program between agencies established by statute or rule. The term includes the amendment or repeal of an existing rule, but does not include:

Sec. 2037. Section 17A.3, subsection 1, paragraph a, Code 1985, is amended to read as follows:

a. Adopt as a rule a description of the organization of the agency which states the general course and method of its operations, the administrative subdivisions of the agency and the programs implemented by each of them, a statement of the mission of the agency and the methods by which and location where the public may obtain information or make submissions or requests.

Sec. 2038. Section 17A.4, subsection 4, paragraph a, and subsection 6, Code 1985, are amended to read as follows:

a. If the administrative rules review committee created by section 17A.8, the governor or the attorney general finds objection to all or some portion of a proposed or adopted rule because that rule is deemed to be unreasonable, arbitrary, capricious or otherwise beyond the authority delegated to the agency, the committee, governor or attorney general may, in writing, notify the agency of the objection prior to the effective date of such a rule. In the case of a rule issued under subsection 2, or a rule made effective under the terms of section 17A.5, subsection 2, paragraph "b", the committee, governor or attorney general may notify the agency of such an objection within seventy days of the date such a rule became effective. The committee, governor or the attorney general shall also file a certified copy of such an objection in the office of the Code editor within the above time limits and a notice to the effect that an objection has been filed shall be published in the next issue of the Iowa administrative bulletin and in the Iowa administrative code when that rule is printed in it. The burden of proof shall then be on the agency in any proceeding for judicial review or for enforcement of the rule heard subsequent to the filing to establish that the rule or portion of the rule timely objected to according to the above procedure is not unreasonable, arbitrary, capricious or otherwise beyond the authority delegated to it.

6. The governor may rescind an adopted rule by executive order within thirty-five seventy days of the publication of the rule becoming effective. The governor shall provide a copy of the executive order to the Code editor who shall include it in the next publication of the Iowa administrative bulletin.

Sec. 2039. Section 17A.8, subsection 9, Code 1985, is amended to read as follows:

9. Upon a vote of two-thirds of its members, the administrative rules review committee may delay the effective date of a rule until the expiration of forty-five calendar days, excluding legal holidays, during which the general assembly is in regular session adjournment of the next regular session of the general assembly. If a rule is delayed during the last twenty-one calendar days preceding the adoption of a resolution for sine die adjournment of a regular session, the forty-five day period shall begin to run upon the convening of the next regular session of the general assembly. The committee shall refer a rule whose effective date has been delayed to the speaker of the house of representatives and the president of the senate who shall refer the rule to the appropriate standing committees of the general assembly. If at the expiration of that period the general assembly has not disapproved of the rule by a joint resolution approved by the governor, the rule shall become effective. If a rule is disapproved, it shall not become effective and the agency shall withdraw the rule. This section shall not apply to rules made effective under section 17A.5, subsection 2, paragraph "b".

Sec. 2040. Section 69.16, unnumbered paragraph 2, Code 1985, is amended to read as follows:

In the case where the appointment of members of the general assembly is allowed, and the law does not otherwise provide, if an even number of legislators are appointed they shall be equally divided by political party affiliation; if an odd number of members of the general assembly is appointed, the number representing a certain political party shall not exceed by more than one the legislative members of the other political party who may be appointed. If there are multiple appointing authorities for a board, commission or council, the appointing authorities shall consult to avoid a violation of this section. This section shall not apply to any board, commission, or council established by the Code for which other restrictions regarding the political affiliations of members are provided by law ~~or for which the membership is appointed by more than one person.~~

Sec. 2041. NEW SECTION. 69.16A GENDER BALANCE.

It is a policy of the state of Iowa that all boards, commissions, committees and councils shall reflect, as much as possible, a gender balance. If there are multiple appointing authorities for a board, commission, or council, they shall consult each other to avoid a violation of this section.

Sec. 2042. Sections 2.76 through 2.81, Code 1985, are repealed.

Sec. 2043. A legislative reorganization oversight committee is established consisting of six senators and six representatives to study and monitor the transition of state agencies under the reorganization contained in this Act and further implementation of the governor's reorganization proposal. Not more than three of the senators or three of the representatives shall be of the same political party. The members of the committee shall be appointed by the respective majority and minority leaders of the senate and the speaker and minority leader of the house, and the committee shall make reports as required by the council. Members of the committee are entitled to receive per diem and expenses for committee meetings as authorized by section 2.10. This section is repealed July 1, 1988.

Sec. 2044. The Code editor shall explore the feasibility of and report to the legislative council on computerizing the text of the Iowa administrative code and republishing the Iowa administrative code after the transfer of rules required by this Act.

Sec. 2045. NEW SECTION. REVENUE ESTIMATING CONFERENCE.

The state revenue estimating conference is created consisting of the governor or the governor's designee, the director of the legislative fiscal bureau, and a third member agreed to by the other two.

The conference shall meet as often as deemed necessary, but shall meet at least quarterly. The conference may use sources of information deemed appropriate.

By December 15, 1986 and each succeeding year the conference shall agree to a revenue estimate for the fiscal year beginning the following July 1. That estimate shall be used by the governor in the preparation of the budget message under section 8.22 and by the legislature in the budget process.

Sec. 2046. Section 421.31, subsection 4, in its requirement that the government's accounts be in accordance with generally accepted accounting principles, takes effect with the fiscal year beginning July 1, 1992.

The governor, auditor of state and the department of management shall phase in the implementation of generally accepted accounting principles, as defined by the governmental accounting standards board, which includes fund reclassifications, revenue recognition, and recognition of all appropriate liabilities beginning with the fiscal year beginning July 1, 1987.

The fiscal impact to the state general fund of implementing fund reclassifications, and recognizing additional liabilities shall be phased in according to the following schedule for the fiscal years beginning July 1:

1987	ten percent
1988	twenty percent
1989	forty percent
1990	sixty percent
1991	eighty percent
1992	one hundred percent

Sec. 2047. If it is determined by the attorney general that a provision of this Act is inconsistent with federal law, or would cause the denial of federal funds or services which would otherwise be available to an agency of this state, the attorney general shall report the provision to the legislative oversight committee. Upon review by the legislative oversight committee, the provision may be suspended to the extent necessary to prevent denial of federal funds or services, or to eliminate inconsistency with federal law. If the legislative oversight committee determines that suspension of a provision of this Act is necessary, the legislative oversight committee shall report the necessary suspension to the general assembly upon convention of the next legislative session. The report of the legislative oversight committee shall include recommendations for corrective legislation which would eliminate the inconsistencies with federal law or regulations.

This section shall have temporary effect only, and is repealed effective July 1, 1987.

Sec. 2048. The department of management shall conduct a study of the feasibility of creating a department of professional and occupational licensing to include the powers, duties, and functions of all professional and occupational licensing boards in the state. The department of management shall conduct the study and report its findings and recommendations to the legislative council not later than December 1, 1987.

CONCLUDING PROVISIONS — REPEALED AGENCIES

Sec. 2049. Section 18.133, subsection 3, Code 1985, is amended by striking the subsection.

Sec. 2050. Section 83A.2, subsection 2, Code Supplement 1985, is amended by striking the subsection.

Sec. 2051. Section 148D.1, subsection 5, Code 1985, is amended by striking the subsection.

Sec. 2052. Section 2.91, Code 1985, is repealed effective July 1, 1990.

Sec. 2053. Sections 18.141, 18.142, 18.143, 83A.4, 83A.5, 93.2, 148D.3, 148D.4, 148D.5, 187.16, 241.4, and 241.5, Code 1985, and sections 18.136, 83A.3, and 83A.6, Code Supplement 1985, are repealed.

Sec. 2054. Chapter 2B, Code 1985, is repealed.

COMPENSATION OF BOARD AND COMMISSION MEMBERS

Sec. 2055. NEW SECTION. 7E.3 COMPENSATION OF MEMBERS OF BOARDS, COMMITTEES, COMMISSIONS, AND COUNCILS.

1. a. Any position of membership on any board, committee, commission, or council in the executive branch of state government which is compensated by the payment of a per diem to the holder of that position under the statutory law in effect on January 1, 1986, shall continue to be compensated by per diem in the amount so set, notwithstanding any other law to the contrary.

b. Reimbursement of expenses to the holder of any position governed by this subsection shall be as provided in the applicable law.

c. In regard to any board, committee, commission, or council which has its name or organizational location altered after January 1, 1986, the statutory provision on the subject of per diem

compensation which was applicable to it on January 1, 1986, shall continue to govern such agency and its successor agency, notwithstanding the change in name or organizational location.

2. Any position of membership on any board, committee, commission, or council in the state government which has a compensation level limited to expenses only is eligible to receive, in addition to such actual expense reimbursement, an additional expense allowance of forty dollars per day if the holder of any such position applies for such additional expense allowance and the holder of the position has an income level of one hundred fifty percent or less of the United States poverty level as defined by the most recently revised poverty income guidelines published by the United States department of health and human services.

3. Any position of membership on the lottery board which currently receives a salary shall receive during the 1986-1987 fiscal year a salary at one-half of the level received in the 1985-1986 fiscal year and a compensation of forty dollars per day and expenses in the 1987-1988 fiscal year and each fiscal year thereafter. Any position of membership on the racing commission which currently receives a salary shall receive that salary during the 1986-1987 fiscal year, and a compensation of forty dollars per day and expenses in the 1987-1988 fiscal year and each fiscal year thereafter.

4. Any position of membership on the transportation commission shall be compensated at an annual rate of ten thousand dollars.

5. Any position of membership on the health facilities council shall be compensated at an annual rate of three thousand dollars.

6. Any position of membership on the board of parole, the public employment relations board, the commerce commission, and the employment appeal board shall be compensated as otherwise provided in law.

7. All of the compensation provisions of this section are subject to the proper appropriations being made in the state budget legislation.

8. The Code editor may change any reference to the compensation of any position of membership on any board, committee, commission, or council in the state government so that the reference is consistent with this section.

9. It is the intent of the general assembly that this section shall be the governing provision on the subject of the compensation of any position of membership on any board, committee, commission, or council in the state government and that the provisions of this section shall govern over any conflicting provision of law, notwithstanding the provisions of section 4.7.

Sec. 2056. Section 13A.2, Code 1985, is amended to read as follows:

13A.2 ESTABLISHMENT OF OFFICE AND COUNCIL.

1. The office of the prosecuting attorneys training ~~co-ordinator~~ coordinator is established as an ~~autonomous~~ entity in the department of justice.

2. The ~~head of the office~~ is the prosecuting attorneys training ~~co-ordinator~~ coordination council is established to consult with and advise the attorney general and the coordinator on the operation of the office.

3. The chief administrative officer of the office is the ~~executive director~~ prosecuting attorneys training coordinator who shall be a regular employee of the department of justice and appointed by the ~~council~~ attorney general. The ~~executive director~~ coordinator shall hold office at the pleasure of the ~~council~~ attorney general. The ~~executive director~~ coordinator, subject to the direction and supervision of the attorney general, shall perform the functions and duties assigned by the council. The council of the office and may employ other persons as it deems necessary to implement this chapter.

Sec. 2057. Section 13A.6, Code 1985, is amended to read as follows:

13A.6 REPORT REQUIRED.

The ~~council~~ prosecuting attorneys training coordinator shall make an annual report to the attorney general, the governor, and to the Iowa county attorneys association or its successor regarding its the efforts of the office to implement the purposes of this chapter.

Sec. 2058. Section 13A.8, Code 1985, is amended to read as follows:
13A.8 DUTIES.

The council office shall keep the prosecuting attorneys and assistant prosecuting attorneys of the state informed of all changes in law and matters pertaining to their office to the end that a uniform system of conduct, duty and procedure is established in each county of the state.

Sec. 2059. Section 13A.9, Code 1985, is amended to read as follows:
13A.9 AUTHORITY.

The council prosecuting attorneys training coordinator may:

1. Enter into agreements with other public or private agencies or organizations to implement this chapter.
2. Co-operate with and assist other public or private agencies or organizations to implement this chapter.
3. Make recommendations to the general assembly on matters pertaining to its the responsibilities of the office under this chapter.

Sec. 2060. Section 13A.10, Code 1985, is amended to read as follows:
13A.10 RECEIPT OF FUNDS.

The council office of the prosecuting attorneys training coordinator may accept funds, grants and gifts from any public or private source which shall be used to defray the expenses incident to implementing its the responsibilities of the office under this chapter.

Sec. 2061. NEW SECTION. 55.3 SERVICE ON BOARDS, COMMISSIONS, TASK FORCES, AND COMMITTEES.

For the purpose of this section, "state board" includes any board, commission, committee, council, or task force of the state government created by the constitution, or by statute, resolution of the general assembly, motion of the legislative council, executive order of the governor, or supreme court order, but does not include any such state board, commission, committee, council, or task force for which an annual salary is provided for its members. A person who is appointed to serve on a state board, upon written application to the person's employer, shall be granted leaves of absence from regular employment to attend the meetings of the state board, except if leaves of absence are prohibited by federal law. The leaves of absence may be granted without pay and shall be granted without loss of net credited service and benefits earned. This section does not apply if the employer employs less than twenty full-time employees.

Sec. 2062. Employees in positions that are transferred from merit system coverage to the exempt service coverage due to state government reorganization may return to a position comparable to the employee's last merit service status within one year of the date of the transfer. If a comparable position is not available, the employee may return to a lower level position in accordance with the rules adopted by the department of personnel.

Sec. 2063. A personnel action undertaken to implement state government reorganization or downsizing shall be done in such a manner as to prevent a disproportionate adverse effect on minorities or women. The legislative reorganization oversight committee created by section 2043 of this Act shall monitor state government reorganization and downsizing to ensure that this section is fully and properly implemented. Executive branch personnel and agencies shall cooperate fully in providing any data requested by the committee and shall make relevant personnel records available to the legislative fiscal bureau. For the purposes of this section, personnel action includes, but is not limited to, termination or transfer and a disproportionate adverse effect exists when a greater percentage of minorities and women is terminated or transferred within the same classification and subtitle than the percentage of women and minorities which held positions in that classification and subtitle prior to the termination or transfer. For contractual employees, such actions shall be taken in accordance

with and shall not supersede any relevant provision in a collective bargaining agreement as it existed on January 1, 1986.

Sec. 2064. The Code editor, in consultation with the reorganization legislative oversight committee, shall develop and implement by July 1, 1988, the uniform system of terminology, through the Code editor's bills and under section 14.13 of the Code, for the designation of the agencies, units, and positions of state government as established in sections 7E.2 and 7E.2B of the Code. This development and implementation may include recommendations for refinements in the uniform system of terminology. In cases of inconsistent usage of terminology, superseded terms shall be read to be consistent with the intent of this Act, until necessary changes in language are made under this section. The Code editor shall also develop a style manual to provide, to the extent practicable, for uniform statutory provisions in regard to the specifications of agencies, boards, committees, commissions, councils, and positions on the subjects of, as appropriate, offices, positions, meetings, quorums, reports, oaths, compensation, powers, and related matters for those agencies, bodies, and positions.

TRANSITION PROVISIONS

Sec. 2065.

1. Any rule, regulation, form, order, or directive promulgated by any state agency mentioned in this Act, including any agency abolished, merged, or altered in this Act, and in effect on the effective date of this Act shall continue in full force and effect until amended, repealed, or supplemented by affirmative action of the appropriate state agency under the duties and powers of state agencies as established in this Act and under the procedure established in subsection 2.

Any license or permit issued by any state agency mentioned in this Act, including any agency abolished, merged or altered, in this Act, and in effect on the effective date of this Act shall continue in full force and effect until expiration or renewal.

2. In regard to updating references and format in the Iowa administrative code in order to correspond to the restructuring of state government as established in this Act, the administrative rules coordinator and the administrative rules review committee, in consultation with the deputy Code editor, shall jointly develop a schedule for the necessary updating of the Iowa administrative code.

Sec. 2066. Any personnel in the state merit system of employment who are mandatorily transferred due to the effect of this Act shall be so transferred without any loss in salary, benefits, or accrued years of service.

Sec. 2067. The duties, powers, responsibilities, and missions of state agencies included in this Act shall be as specified in this Act and the provisions of this Act shall govern in that regard and shall supersede any provisions to the contrary elsewhere in the law.

Sec. 2068. Any replacement of signs, logos, stationery, insignia, uniforms, and related items that is made due to the effect of this bill should be done as part of the normal replacement cycle for such items.

Sec. 2069. The holder of any position of membership on any board, committee, commission, or council in state government shall continue to hold such position until the end of the member's term of office, notwithstanding any change in the name or organizational location of such agency that is made by this Act.

Sec. 2070. The department of cultural affairs shall submit to the governor and the legislature by January 1, 1988 a plan for the improvement of library services for state government. The plan shall consider, but not be limited to, coordinated collection development, acquisitions, library technical services, circulation, and reference and information service.

Sec. 2071. The department of general services shall submit a report to the legislature by January 1, 1987 on the implementation of the life cycle cost and energy efficiency standards by the department of general services, state board of regents, department of transportation and other state agencies. The department of general services shall include in its report recommendations from the other state agencies and from within the department as to any legislative changes that are necessary in order to improve the energy efficiency and reduce the life cycle cost of energy consuming products. For the purposes of this section, energy consuming products shall include buildings.

Sec. 2072. Notwithstanding any other provision of this Act, nothing in this Act shall be construed as making an appropriation. This Act is not an appropriation bill.

Approved May 29, 1986

CHAPTER 1246

STATE GOVERNMENT APPROPRIATIONS

H.F. 2484

AN ACT relating to and making appropriations to agencies, boards, commissions, departments, and programs of state government and making certain provisions retroactive.

Be It Enacted by the General Assembly of the State of Iowa:

DIVISION I

BUSINESS/TRADE/TRANSPORTATION

Section 1. There is appropriated from the general fund of the state to the department of economic development for the fiscal year beginning July 1, 1986 and ending June 30, 1987 the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

	1986-1987 Fiscal Year
1. For salaries, support, maintenance, and other operational purposes	\$ 3,000,000
2. For tourism and promotion programs	\$ 1,429,560

**Of the funds appropriated by this subsection, one hundred thousand (100,000) dollars, or so much thereof as is necessary, shall be expended to develop a state tourism marketing plan. The plan shall be provided to the legislative council upon completion. Of the funds appropriated by this subsection, one million (1,000,000) dollars shall not be expended prior to the completion of the state tourism marketing plan and presentation of the plan to the legislative council.*

There is created a tourism marketing plan task force. The director of the department of economic development or the director's designee shall serve as chairperson of the tourism marketing plan task force. The task force shall consist of five members. The director shall appoint a representative of the state conservation commission, a representative of the recreation, tourism, and leisure study committee, a representative of the department of cultural affairs, and a representative of the tourism industry from the private sector.

*The task force shall develop guidelines for the preparation of a comprehensive statewide tourism marketing plan and tourism information delivery system plan, recommendations from which shall be submitted by the task force to the legislative council for the release of withheld funds.**

The department shall actively pursue the acquisition of the Grant Wood Gothic House in Eldon, Iowa. The department shall cooperate with the historical division of the department of cultural affairs to acquire and maintain the Grant Wood Gothic House and to promote the property as a tourist attraction.

*Item veto; see message at end of the Act