

For the above reasons, I respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in House File 2421 are hereby approved as of this date.

Sincerely,
TERRY E. BRANSTAD, Governor

CHAPTER 1219

MISCELLANEOUS APPROPRIATIONS AND RELATED MATTERS - ECONOMIC DEVELOPMENT APPROPRIATIONS S.F. 2470

AN ACT relating to public levy, expenditure, and regulatory matters by making standing and other appropriations, and providing technical provisions, studies of runaway youth, physician utilization, and retirement system issues, and providing a penalty and effective dates.

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

DIVISION I REVERSIONS

Section 1. Section 8.62, Code 1995, is amended to read as follows:

8.62 USE OF REVERSIONS.

1. For the purposes of this section, "operational appropriation" means an appropriation from the general fund of the state providing for salary, support, administrative expenses, or other personnel-related costs.

2. Notwithstanding the provisions of section 8.33 or any other provision of law to the contrary, if on June 30 of ~~the a fiscal year ending in 1995 and 1996 year~~, a balance of an operational appropriation remains unexpended or unencumbered, not more than fifty percent of the balance may be encumbered by the agency to which the appropriation was made and used as provided in this section and the remaining balance shall be deposited in the cash reserve fund created in section 8.56. Moneys encumbered under this section shall only be used by the agency during the succeeding fiscal year for employee training and for technology enhancement. Unused moneys encumbered under this section shall be deposited in the cash reserve fund on June 30 of the succeeding fiscal year.

3. On or before June 30, ~~1996 and 1997~~ of the fiscal year following the fiscal year in which funds were encumbered under this section, an agency encumbering funds under this section shall report to the joint appropriations subcommittee which recommends funding for the agency, the legislative fiscal bureau, the department of management, and the legislative fiscal committee of the legislative council detailing how the moneys were expended. Moneys shall not be encumbered under this section from an appropriation which received a transfer from another appropriation pursuant to section 8.39.

4. This section is repealed on September 1, ~~1997~~ 1999.

Sec. 2. 1996 Iowa Acts, House File 2114,* section 2, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33, moneys appropriated in this section which remain unexpended or unobligated at the close of the fiscal year shall not revert to the general fund of the state but shall remain available for expenditure in the succeeding fiscal year.

* Chapter 1207 herein

Sec. 3. EFFECTIVE DATE. Section 2 of this division of this Act, amending 1996 Iowa Acts, House File 2114,* section 2, being deemed of immediate importance, takes effect upon enactment.

DIVISION II
EDUCATION PROVISIONS

Sec. 4. Section 261.12, Code Supplement 1995, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. The amount of a tuition grant to a qualified full-time student for the summer semester or trimester equivalent shall be one-half the amount of the tuition grant the student receives under subsection 1.

Sec. 5. Section 261.12, subsection 2, Code Supplement 1995, is amended to read as follows:

2. The amount of a tuition grant to a qualified part-time student enrolled in a course of study including at least three semester hours but fewer than twelve semester hours for the fall, ~~and~~ spring, ~~and~~ summer semesters, or the trimester or quarter equivalent, shall be equal to the amount of a tuition grant that would be paid to a full-time student times a number which represents the number of hours in which the part-time student is actually enrolled divided by twelve semester hours, or the trimester or quarter equivalent.

Sec. 6. Section 261.13, Code 1995, is amended to read as follows:
261.13 ANNUAL GRANT.

A tuition grant may be made annually for ~~both the fall, and spring, and summer~~ semesters or the trimester equivalent. Payments under the grant shall be allocated equally among the semesters or trimesters and shall be paid at the beginning of each semester or trimester upon certification by the accredited private institution that the student is admitted and in attendance. If the student discontinues attendance before the end of any semester or trimester after receiving payment under the grant, the entire amount of any refund due that student, up to the amount of any payments made under the annual grant, shall be paid by the accredited private institution to the state.

Sec. 7. Section 279.51, subsection 1, unnumbered paragraph 1, Code Supplement 1995, is amended to read as follows:

There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, ~~1990~~ 1996, and each succeeding fiscal year, the sum of eight fourteen million seven five hundred twenty thousand dollars. ~~For each fiscal year beginning on or after July 1, 1995, there is appropriated the sum which was appropriated for the fiscal year commencing July 1, 1994.~~

Sec. 8. Section 279.51, subsection 1, paragraphs b, c, d, e, and f, Code Supplement 1995, are amended to read as follows:

b. For the fiscal year beginning July 1, ~~1990~~ 1996, ~~four million six hundred twenty-five thousand dollars~~, and for each succeeding fiscal year thereafter, six seven million one six hundred twenty-five seventy thousand dollars of the funds appropriated shall be allocated to the child development coordinating council established in chapter 256A for the purposes set out in subsection 2 of this section and section 256A.3.

c. For each of the fiscal years during the fiscal period beginning July 1, ~~1994~~ 1996, and ending June 30, 1998, two million eight hundred thousand dollars of the funds appropriated shall be allocated for the school-based youth services education program established in subsection 3. For each of the fiscal years during the fiscal period beginning July 1, 1994, and ending June 30, 1998, twenty thousand dollars of the funds allocated ~~under~~ in this paragraph

* Chapter 1207 herein

shall be expended for staff development, research, and the development of strategies for coordination with community-based youth organizations and agencies. A school that received a grant during the fiscal year beginning July 1, 1993, is ineligible to receive a grant under this paragraph. Subject to the approval of the state board of education, the allocation made in this paragraph may be renewed for additional four-year periods of time.

d. For the fiscal year beginning July 1, ~~1990~~ 1996, ~~three million dollars~~, and for each fiscal year thereafter, ~~four~~ three million five hundred thousand dollars of the funds appropriated shall be allocated as grants to school districts that have elementary schools that demonstrate the greatest need for programs for at-risk students with preference given to innovative programs for the early elementary school years. The grant allocations made in this paragraph may be renewed for additional periods of time. Of the amount allocated under this paragraph for each fiscal year, seventy-five thousand dollars shall be allocated to school districts which have an actual student population of ten thousand or less and have an actual non-English speaking student population which represents greater than five percent of the total actual student population for grants to elementary schools in those districts.

e. ~~Additional funds available under this subsection as a result of additional growth provided to the appropriation in subsection 1 shall be distributed equally between paragraphs "b" and "d".~~

f. e. ~~For Notwithstanding paragraph "c",~~ for each of the fiscal years during the fiscal period beginning July 1, 1994, and ending June 30, 1998, fifty thousand dollars of the funds ~~appropriated~~ allocated in paragraph "c" shall be granted to each of the four schools that received grants under subsection 3 during the fiscal year beginning July 1, 1993, to allow for expansion and to include identified minimum services if the school submits a program plan pursuant to subsection 3.

Sec. 9. Section 279.51, subsection 1, paragraph g, Code Supplement 1995, is amended by striking the paragraph and inserting in lieu thereof the following:

g. Notwithstanding section 256A.3, subsection 6, of the amount appropriated in this subsection for the fiscal year beginning July 1, 1996, and for each succeeding fiscal year, two and one-fourth percent may be used for administrative costs. Any reduction of an allocation under this subsection as necessary to fund the provisions of this paragraph shall be made from the allocation in paragraph "b".

Sec. 10. Section 279.51, subsection 1, unnumbered paragraphs 3 and 4, Code Supplement 1995, are amended by striking the unnumbered paragraphs.

DIVISION III
CLAIMS AGAINST THE STATE

Sec. 11. CLAIMS APPROPRIATION. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1995, and ending June 30, 1996, to the following persons the indicated amount in full settlement of the claim filed by the person against the state of Iowa:

1. To Gordon Eklund for claim number G95-1326, relating to an agricultural land credit refund:

	\$ 22,697.00
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2. To William Broeker for claim number G95-2940, relating to a license refund:

	\$ 114.00
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3. To Ann and Bill Broeker for claim number G95-2941, relating to a license refund:

	\$ 85.36
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4. To Clyde Dalbey for a claim relating to an individual income tax refund:

	\$ 1,922.39
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5. To Cecil Travis of Ankeny for a claim relating to a mobile home use tax refund:

	\$ 420.00
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Sec. 12. DISAPPROVAL OF CLAIMS. The general assembly disapproves of all other claims submitted and considered by the claims committees of the senate and house of representatives as of April 22, 1996.

Sec. 13. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION IV
LOTTERY TRANSFER

Sec. 14. EXCESS LOTTERY REVENUES – FISCAL YEAR 1994-1995. Of the lottery revenues received during the fiscal year beginning July 1, 1994, which remain in the lottery fund following the transfers made pursuant to 1995 Iowa Acts, chapter 220, section 16, the following amounts are appropriated for use during the fiscal period beginning July 1, 1996, and ending June 30, 1998, as follows:

*1. To the Iowa agricultural development authority to support the establishment of an agriculture entrepreneurship education project to provide beginning agriculturists with an opportunity to gain experience in owning or operating agriculture-related businesses through entrepreneurship** loans to future farmers of America chapters or other organizations administering secondary education-related agricultural programs:

..... \$ 100,000*

2. To the department of education for contracting with the Iowa alliance for arts education to execute the local arts comprehensive educational strategies program:

..... \$ 125,000

*3. To the department of natural resources, to be combined with local matched funding of two dollars for every one state dollar, for repair and replacement costs associated with the spillway at Hickory Grove lake:

..... \$ 150,000

4. To the department of elder affairs for transfer to the Hawkeye area agency on aging to be used for a grant for a summer youth program:

..... \$ 10,000

5. To the department of cultural affairs to be used for restoration of the Louis Sullivan building in Algona:

..... \$ 25,000

6. To the department of agriculture and land stewardship for support of the Iowa cooperative foundation:

..... \$ 100,000

The moneys appropriated in this subsection shall be utilized for purposes of providing information, technical assistance, coordination, and legal advice to groups of farmers who desire to create a value-added cooperative. The primary goal shall be to assist the successful development of such cooperatives while minimizing the risks to the farmers involved.

7. To the state board of regents for an addition to the Iowa lakeside laboratory for costs of fixing a sewage line, expanding a phone system, and installing a natural gas pipeline:

..... \$ 70,000

8. To the department of economic development, in consultation with the department of cultural affairs, to be used for community grants related to historical and cultural preservation, including projects involving railroads, and related to the Iowa Sesquicentennial:

..... \$ 250,000

Not more than \$50,000 shall be provided for any community grant.

9. To the department of natural resources to be used for grants to communities for purchase or replacement of playground equipment:

..... \$ 250,000

10. To the department of transportation to be used for a grant to Boone county for costs associated with paving of Arboretum road:

..... \$ 50,000

* Item veto; see message at end of the Act

** According to enrolled Act

11. To the department of natural resources, to be combined with local matching funding of two dollars for every one state dollar, for the costs of dredging at Crystal lake in Hancock county:

..... \$ 200,000

12. To the department of natural resources for purposes of continuing natural lake preservation efforts:

..... \$ 100,000

The department shall award the amount transferred in this subsection to a city as defined in section 362.2. The department shall award the amount on a matching basis with the department contributing one dollar for each one dollar dedicated by the city, or the city acting in conjunction with a county, regardless of the source from which the city or county obtains the money, for the continuation of natural lake preservation efforts, if the city or county has previously received state funding for such purposes. However, the city, or the city and county, must have dedicated at least \$100,000 of local funds in order to qualify for the award. The city must also be located in a county having a population of less than 12,000.

13. To the department of education for continuation of a grant to Southeast Polk community school district to implement an interagency coalition strategy combining education, health, and social services in addressing the problems of children and families through school-linked services:

..... \$ 60,000

14. To the department of human services to be used for grants as provided in this subsection:

..... \$ 100,000

The funds appropriated in this subsection shall be used for grants to community or regional groups to develop at least five regional demonstration projects for youth between the ages of 13 and 17, to develop specific vocational skills through work-based learning experiences, with job placement as the ultimate goal. The programs shall include activities which assist the participant in developing basic academic, training, personal, interpersonal, and other occupational skills. Grants shall be awarded in a manner so that the projects are geographically representative of the state and are located in both rural and urban areas.

15. To the department of natural resources to be used for grants to assist local communities with removal of waste tires from facilities located within a city's limits:

..... \$ 150,000

16. To the community grant fund established under section 232.190, to be allocated by the division of criminal and juvenile justice planning of the department of human rights for a grant to an urban facility whose primary function is to provide shelter services for runaways ages 11 through 17:

..... \$ 150,000

17. To the department of cultural affairs for a grant to be combined with local match funding of one dollar for every one state dollar to be used for the Heartland Discovery Center:

..... \$ 100,000

18. To the department of natural resources for purposes of creating, improving, or enhancing recreational opportunities directly related to the restoration and development of lake Ahquabi and related facilities:

..... \$ 100,000

19. To the department of economic development for a grant for completion of the Cherokee area rural economic development center in Cherokee:

..... \$ 150,000*

Notwithstanding section 8.33, moneys appropriated in accordance with this section shall not revert to the lottery fund at the close of the fiscal year beginning July 1, 1996, but shall remain available for expenditure for the purposes designated. Unless otherwise provided in this section, moneys appropriated in this section which remain unobligated or unexpended for the purpose designated shall revert at the close of the succeeding fiscal year.

* Item veto; see message at end of the Act

Sec. 15. EXCESS LOTTERY REVENUES – FISCAL YEAR 1995-1996. Notwithstanding 1995 Iowa Acts, chapter 220, section 15, of the lottery revenues remaining after \$42,200,000 is transferred and credited to the general fund of the state during the fiscal year beginning July 1, 1995, the following amounts shall be transferred and appropriated in descending priority order for use during the fiscal period beginning July 1, 1995, and ending June 30, 1998, as follows:

1. To the treasurer of state for the continued funding of Iowa’s participation in the funding of the world food prize:

..... \$ 250,000

It is the intent of the general assembly that this appropriation of public funds will result in a commitment for additional funding for the world food prize from private sources.

The treasurer of state shall only provide the funds appropriated in this section to the world food prize foundation if sufficient private funds are raised to maintain the world food prize foundation in Iowa and the foundation is structured to include representation that reflects environmental concerns and sustainable agriculture.

2. To the department of natural resources for a grant to the city of Sioux City for expenses associated with the Perry creek flood control and greenway project:

..... \$ 100,000

3. To the department of cultural affairs for design and construction of a gothic house visitors center in Eldon, Iowa:

..... \$ 200,000

4. To the department of natural resources to be used for a grant to a city with a population of more than 200,000 to be used for costs associated with the development of the Riverview Nature Island environmental education project:

..... \$ 50,000

5. To the Iowa department of public health for the period beginning July 1, 1996, and ending June 30, 1998, to be used for purposes of supporting a program to assist counties in testing private wells and waters of the state for pollution caused by confinement feeding operations:

..... \$ 50,000

From moneys appropriated in this subsection, the department shall support testing programs administered by counties which may submit an application to the department to participate in the state assistance program, as provided by the department. The county shall perform testing within a test area. As used in this subsection, “test area” means an area within a two-mile radius of any structure used to store manure which is part of a confinement feeding operation. Iowa state university of science and technology shall adopt necessary standards, protocols, and criteria for testing by counties. The program shall be administered within each participating county by the county’s board of health or the board’s designee. The testing may be performed with volunteer assistance. However, all testing shall be performed under the supervision of a county official. The samples of the testing shall be analyzed by the state hygienic laboratory at the state university of Iowa. All moneys available under this subsection shall only be used for the following purposes:

a. Analyzing test samples by the state hygienic laboratory.

b. Performing tests by counties. However, not more than \$50 of the moneys available to a county under this subsection shall be used to pay for administering testing by the county within any test area, including labor and equipment costs, regardless of the number of tests performed by the county within the test area.

6. To the department of cultural affairs to be used for trail development at Blood Run national historic landmark:

..... \$ 75,000

7. To the department of economic development for operation and support of the Dows welcome center:

..... \$ 5,000

8. To the state department of transportation for the city of Durant to construct a curb on highway 927:

..... \$ 100,000

9. To the department of economic development for operation and support of the north and south gateway welcome centers on I-35:

..... \$ 20,000

10. To the department of cultural affairs for the restoration of the Heisermann memorial library in West Union:

..... \$ 100,000

Funds under this subsection shall be available upon a local match of two dollars for each one dollar of state moneys.

11. For the renovation of historical electric cars and the payment of renovation expenses incurred by the Mason City-Clear Lake electric trolley railroad historical society conditioned upon \$75,000 in local matching funds being raised:

..... \$ 100,000

12. To the department of education for allocation to Hawkeye community college for purposes of renovating the Martin Luther King building for use as an urban center with classrooms to prepare students for the workplace or to pursue postsecondary education:

..... \$ 100,000

13. To the department of economic development for a grant to America's agricultural/industrial heritage landscape, inc. for purchase, continued rehabilitation, and development of tourist information services at the national heritage orientation center and public market:

..... \$ 100,000

It is the intent of the general assembly that the project funded under this subsection which is located at the former Chicago great western railway freight station shall continue to serve as a pilot project for comprehensive regional economic development through agricultural heritage tourism.

14. To the department of cultural affairs for a grant to be combined with local match funding of one dollar for every one state dollar to be used for an area science center in Iowa City:

..... \$ 25,000

15. To the department of cultural affairs for a grant to be combined with local match funding of two dollars for every one state dollar to be used for costs associated with establishment of the Iowa fire fighters memorial:

..... \$ 50,000

16. To the department of commerce for the insurance division to continue the senior health insurance information program:

..... \$ 75,000

17. To the department of elder affairs for the older Iowans' legislature:

..... \$ 15,000

18. To the department of natural resources for testing of animal feeding operations and their structures, in accordance with this subsection:

..... \$ 185,000

The department of natural resources shall utilize the moneys appropriated in this subsection to perform testing of animal feeding operations and their structures, including confinement feeding operations and confinement feeding operation structures all as defined in section 455B.161, and manure management and disposal systems used by such operations. The operations and their structures or systems must have been constructed or installed on or before July 1, 1985. The testing shall be for the purpose of determining the extent to which operations and their structures and manure management and disposal systems contribute to point and nonpoint contamination of the state's groundwater and surface water. A person owning or operating an animal feeding operation may cooperate with the department in carrying out this subsection. The identity of the animal feeding operations shall be confidential and not subject to chapter 22. The findings of the testing shall not be used in a case or

proceeding brought against a person based upon a violation of state law. The department shall report its findings and recommendations to the general assembly not later than January 15, 1998.

Notwithstanding section 8.33, moneys transferred and appropriated in accordance with this section shall not revert at the close of the fiscal years beginning July 1, 1995, and July 1, 1996, but shall remain available for expenditure for the purposes designated. Unless otherwise provided in this section, moneys transferred in this section which remain unobligated or unexpended for the purpose designated shall revert at the close of the fiscal year beginning July 1, 1997, and ending June 30, 1998.

Sec. 16. LOTTERY REVENUE TRANSFER – FISCAL YEAR 1996-1997. Notwithstanding the requirement in section 99E.10, subsection 1, to transfer lottery revenue remaining after expenses are deducted, notwithstanding the requirement under section 99E.20, subsection 2, for the commissioner to certify and transfer a portion of the lottery fund to the CLEAN fund, and notwithstanding the appropriations and allocations in section 99E.34, all lottery revenues received during the fiscal year beginning July 1, 1996, and ending June 30, 1997, after deductions as provided in section 99E.10, subsection 1, and as appropriated under any Act of the Seventy-sixth General Assembly, 1996 Session, shall not be transferred to and deposited into the CLEAN fund but shall be transferred and credited to the general fund of the state.

**1*Sec. 17. Section 99E.10, subsection 1, Code 1995, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding any other provision, in determining the amount of lottery revenues to be transferred in a specific month as provided by law, not more than one million five hundred thousand dollars may be retained by the lottery fund.*1

Sec. 18. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION V TECHNICAL AMENDMENTS

Sec. 19. Section 88B.4, subsection 4, as enacted by 1996 Iowa Acts, House File 2308,*2 section 4, is amended to read as follows:

4. The permittee shall keep a record ~~containing information~~ of each asbestos project it performs and shall make the record available to the division at any reasonable time. Records shall contain information and be kept for a time prescribed in rules adopted by the division.

Sec. 20. Section 147.1, subsection 3, Code Supplement 1995, as amended by 1996 Iowa Acts, Senate File 2013,*3 section 4, is amended to read as follows:

3. "Licensed" or "certified" when applied to a physician and surgeon, podiatric physician, osteopath, osteopathic physician and surgeon, physician assistant, psychologist or associate psychologist, chiropractor, nurse, dentist, dental hygienist, optometrist, speech pathologist, audiologist, pharmacist, physical therapist, occupational therapist, respiratory care practitioner, practitioner of cosmetology arts and sciences, practitioner of barbering, funeral director, dietitian, marital and family therapist, mental health counselor, or social worker means a person licensed under this subtitle, excluding chapters ~~152B~~, 152C, and 152D.

Sec. 21. Section 321.34, subsection 27, paragraph b, as enacted by 1996 Iowa Acts, House File 514,*4 section 4, is amended to read as follows:

b. The special Iowa heritage fee for letter number designated plates is thirty-five dollars. The special fee for personalized Iowa heritage plates is twenty-five dollars which shall be paid in addition to the special fee of thirty-five dollars. ~~The special fee~~ The annual special Iowa

*1 Item veto; see message at end of the Act

*2 Chapter 1074 herein

*3 Chapter 1036 herein

*4 Chapter 1088 herein

heritage fee is ten dollars for letter number designated registration plates and is fifteen dollars for personalized registration plates which shall be paid in addition to the regular annual registration fee.

Sec. 22. Section 321.34, subsection 28, paragraphs a and b, as enacted by 1996 Iowa Acts, House File 514,^{*1} section 4, are amended by striking the paragraphs and inserting in lieu thereof the following:

a. An owner referred to in subsection 18, upon written application to the department, may order special registration plates with an education emblem. The education emblem shall be designed by the department in cooperation with the department of education.

Sec. 23. Section 321.34, subsection 28, paragraph c, as enacted by 1996 Iowa Acts, House File 514,^{*1} section 4, is amended to read as follows:

e- b. The special school transportation fee for letter number designated education plates is thirty-five dollars. The fee for personalized education plates is twenty-five dollars, which shall be paid in addition to the special school transportation fee of thirty-five dollars. The annual special school transportation fee is ten dollars for letter number designated registration plates and is fifteen dollars for personalized registration plates which shall be paid in addition to the regular annual registration fee. The fees collected by the director under this subsection shall be paid monthly to the treasurer of state and credited to the road use tax fund. Notwithstanding section 423.24, and prior to the crediting of revenues to the road use tax fund under section 423.24, subsection 1, paragraph "d", the treasurer of state shall transfer monthly from those revenues to the school budget review committee in accordance with section 257.31, subsection ~~16~~ 17, the amount of the special school transportation fees collected in the previous month for the education plates.

Sec. 24. Section 321.34, subsection 28, paragraph d, as enacted by 1996 Iowa Acts, House File 514,^{*1} section 4, is amended by striking the paragraph.

Sec. 25. Section 321.166, subsection 2, Code 1995, as amended by 1996 Iowa Acts, Senate File 2266,^{*2} section 7, is amended to read as follows:

2. Every registration plate or pair of plates shall display a registration plate number which shall consist of alphabetical or numerical characters or a combination thereof and the name of this state, which may be abbreviated. Every registration plate issued by the county treasurer shall display the name of the county including any plate issued pursuant to section 321.34, except Pearl Harbor, and purple heart registration plates issued prior to January 1, 1997, and collegiate, fire fighter, and congressional medal of honor registration plates. Special truck registration plates shall display the word "special".

Sec. 26. Section 321.457, subsection 2, paragraph f, Code 1995, as amended by 1996 Iowa Acts, House File 2066,^{*3} section 1, is amended to read as follows:

f. A motor vehicle or combination of vehicles may be operated upon the highways of this state, irrespective of the length and weight limitations imposed by the laws of this state, if the motor vehicle or combination of vehicles is operated within the corporate limits of a city abutting a border of this state and such operations have been approved by ordinance of the city council and if the length and weight of the motor vehicle or combination of vehicles is in conformity with the laws relating to length and weight of the abutting state. If a city council has authorized such operation upon highways within the corporate limits, then the limit of travel for such motor vehicles or combination of vehicles within the state is extended to the commercial zones as described by federal regulations concerning interstate commerce, 49 C.F.R. § 1048.101 and to the interstate system as provided in 23 U.S.C. § 127 and 49 U.S.C. § 31112(c), as amended by ~~1995~~ Pub. L. No. 104-59.

Sec. 27. Section 422.5, subsection 1, paragraph j, subparagraph (2), subparagraph subdivision (b), if enacted by 1996 Iowa Acts, Senate File 2449,^{*4} is amended to read as follows:

^{*1} Chapter 1088 herein

^{*2} Chapter 1152 herein

^{*3} Chapter 1004 herein

^{*4} Chapter 1197, §14 herein

(b) This subparagraph shall not affect the amount of the taxpayer's checkoff to the Iowa election campaign fund under section 56.18, the checkoff for the fish and game fund in section 407.16 ~~456A.16~~, the credits from tax provided in sections 422.10, 422.11A, and 422.12 and the allocation of these credits between spouses if the taxpayers filed separate returns or separately on combined returns.

Sec. 28. Section 533.4, subsection 1, Code 1995, as amended by 1996 Iowa Acts, Senate File 376,* section 1, is amended to read as follows:

1. Receive from its members, nonmembers as prescribed by rule where the credit union is serving predominantly low-income members, other credit unions, and federal, state, county, and city governments, as payments on shares or as deposits. Rules adopted allowing non-member deposits in credit unions serving predominantly low-income members shall be designed solely to meet the needs of the low-income members.

Sec. 29. Section 542B.27, as enacted by 1996 Iowa Acts, House File 2318,** section 2, is amended to read as follows:

542B.27 CIVIL PENALTY.

1. a. In addition to any other penalties provided for in this section, the board may by order impose a civil penalty upon a person who is not ~~registered~~ licensed under this chapter as a professional engineer or a land surveyor and who does any of the following:

(1) a. Engages in or offers to engage in the practice of professional engineering or land surveying.

(2) b. Uses or employs the words "professional engineer" or "land surveyor", or implies authorization to provide or offer professional engineering or land surveying services, or otherwise uses or advertises any title, word, figure, sign, card, advertisement, or other symbol or description tending to convey the impression that the person is a professional engineer or land surveyor or is engaged in the practice of professional engineering or land surveying.

(3) c. Presents or attempts to use the certificate of ~~registration~~ licensure or the seal of a professional engineer or land surveyor.

(4) d. Gives false or forged evidence of any kind to the board or any member of the board in obtaining or attempting to obtain a certificate of ~~registration~~ licensure.

(5) e. Falsely impersonates any ~~registered~~ licensed professional engineer or land surveyor.

(6) f. Uses or attempts to use an expired, suspended, revoked, or nonexistent certificate of ~~registration~~ licensure.

(7) g. Knowingly aids or abets an ~~unregistered~~ unlicensed person who engages in any activity identified in this ~~paragraph~~ subsection.

b. 2. A civil penalty imposed shall not exceed one thousand dollars for each offense. Each day of a continued violation constitutes a separate offense.

e. 3. In determining the amount of a civil penalty to be imposed, the board may consider any of the following:

(1) a. Whether the amount imposed will be a substantial economic deterrent to the violation.

(2) b. The circumstances leading to the violation.

(3) c. The severity of the violation and the risk of harm to the public.

(4) d. The economic benefits gained by the violator as a result of noncompliance.

(5) e. The interest of the public.

d. 4. Before issuing an order under this section, the board shall provide the person written notice and the opportunity to request a hearing on the record. The hearing must be requested within thirty days of the issuance of the notice and shall be conducted in the same manner as provided in section 542B.22.

e. 5. The board, in connection with a proceeding under this ~~subsection~~ section, may issue subpoenas to compel the attendance and testimony of witnesses and the disclosure of evidence, and may request the attorney general to bring an action to enforce the subpoena.

* Chapter 1012 herein

** Chapter 1055 herein

~~f. 6.~~ A person aggrieved by the imposition of a civil penalty under this ~~subsection~~ section may seek judicial review in accordance with section 17A.19.

~~g. 7.~~ If a person fails to pay a civil penalty within thirty days after entry of an order under ~~paragraph "a"~~ subsection 1, or if the order is stayed pending an appeal within ten days after the court enters a final judgment in favor of the board, the board shall notify the attorney general. The attorney general may commence an action to recover the amount of the penalty, including reasonable attorney's fees and costs.

~~h. 8.~~ An action to enforce an order under this section may be joined with an action for an injunction.

Sec. 30. NEW SECTION. 554.8116 SECURITIES INTERMEDIARY AS PURCHASER FOR VALUE.

A securities intermediary that receives a financial asset and establishes a security entitlement to the financial asset in favor of an entitlement holder is a purchaser for value of the financial asset. A securities intermediary that acquires a security entitlement to a financial asset from another securities intermediary acquires the security entitlement for value if the securities intermediary acquiring the security entitlement establishes a security entitlement to the financial asset in favor of an entitlement holder.

Sec. 31. Section 607A.3, subsection 2A, as enacted by 1996 Iowa Acts, Senate File 2207,* section 1, is amended to read as follows:

2A. "~~Disabled Person with a disability~~" means a person who is not physically able to operate a motor vehicle or use public transportation without assistance due to a physical disability.

Sec. 32. Section 607A.8, Code 1995, as amended by 1996 Iowa Acts, Senate File 2207,* section 2, is amended to read as follows:

607A.8 FEES AND EXPENSES FOR JURORS.

Grand jurors and petit jurors in all courts shall receive ten dollars as compensation for each day's service or attendance, including attendance required for the purpose of being considered for service, reimbursement for mileage expenses at the rate specified in section 602.1509 for each mile traveled each day to and from their residences to the place of service or attendance, and reimbursement for actual expenses of parking, as determined by the clerk. A juror who is ~~disabled~~ a person with a disability may receive reimbursement for the costs of alternate transportation from the ~~disabled~~ juror's residence to the place of service or attendance. A juror shall not receive reimbursement for mileage expenses or actual expenses of parking when the juror travels in a vehicle for which another juror is receiving reimbursement for mileage and parking expenses.

Sec. 33. Section 910A.9A, Code Supplement 1995, as amended by 1996 Iowa Acts, Senate File 2080,** section 67, is amended to read as follows:

910A.9A NOTIFICATION BY DEPARTMENT OF HUMAN SERVICES.

The department of human services shall notify a victim registered with the department, regarding a juvenile adjudicated delinquent for a violent crime, committed to the custody of the department of human services, and placed at the state training school at Eldora or Toledo, ~~or regarding a person determined to be a sexually violent predator under chapter 709C, and committed to the custody of the department of human services,~~ of the following:

1. The date on which the juvenile ~~or sexually violent predator~~ is expected to be temporarily released from the custody of the department of human services, and whether the juvenile ~~or sexually violent predator~~ is expected to return to the community where the registered victim resides.

2. The juvenile's ~~or the sexually violent predator's~~ escape from custody.

3. The recommendation by the department to consider the juvenile ~~or sexually violent predator~~ for release or placement.

* Chapter 1163 herein

** Chapter 1034 herein

4. The date on which the juvenile ~~or sexually violent predator~~ is expected to be released from a facility pursuant to a plan of placement.

Sec. 34. 1996 Iowa Acts, Senate File 2348,*¹ section 15, subsection 1, is amended to read as follows:

1. Except as provided in subsection 2, this Act takes effect on January 1, 1997. However, until January 1, 1998, a person holding an inventory of packaged agricultural liming material on January 1, 1997, may continue to sell that inventory as labeled under chapter 201 as the chapter existed on December 31, ~~1997~~ 1996.

Sec. 35. INSTITUTE REFERENCE. The reference to the "institute of public leadership" in 1996 Iowa Acts, House File 2477,*² section 12, subsection 3, paragraph "a", if enacted, means the Iowa institute for public leadership.

Sec. 36. 1996 Iowa Acts, House File 2306,*³ section 1, subsection 2, is amended to read as follows:

2. This section applies to ~~artificial lakes~~ Big Creek lake from May 24, 1996, through September 2, 1996, both dates inclusive.

Sec. 37. VERTICAL INFRASTRUCTURE TASK FORCE. Notwithstanding the membership specified for the vertical infrastructure definition task force as created in 1996 Iowa Acts, House File 2421, if enacted,*⁴ a representative from the national electrical contractors association, Iowa chapter, shall be a member of the task force rather than a representative from the Iowa chapter, national electrical association.

Sec. 38. 1996 Iowa Acts, Senate File 2080,*⁵ section 62, is repealed.

Sec. 39. 1996 Iowa Acts, Senate File 2351,*⁶ section 3, amending section 15.343, subsection 1, paragraph "c", Code Supplement 1995, is repealed.

Sec. 40. EFFECTIVE DATE. Section 554.8116, as enacted in this Act, takes effect July 1, 1997.

DIVISION VI
STATE APPROPRIATIONS FOR FY 1995-1996

*⁷Sec. 41. STATE HYGIENIC LABORATORY. *There is appropriated from the general fund of the state to the state board of regents for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amount, or so much thereof as is necessary, to be used by the state hygienic laboratory at the state university of Iowa for the purpose designated:*

For conducting analyses of test samples for alcohol or illegal controlled substances:
..... \$ 200,000*⁷

Sec. 42. SENATE FILE 13.*⁸ There is appropriated from the general fund of the state to the Iowa department of public health for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For expenditures relating to the establishment of a prospective minor parents decision-making assistance program in accordance with chapter 135L, as enacted by 1996 Iowa Acts, Senate File 13:*⁸
..... \$ 200,000

Sec. 43. STATEWIDE FIRE AND POLICE RETIREMENT SYSTEM - VOLUNTARY BENEFIT PROGRAMS. There is appropriated from the general fund of the state to the statewide fire and police retirement system established in chapter 411, for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

*¹ Chapter 1096 herein
*² Chapter 1215 herein
*³ Chapter 1116 herein
*⁴ Chapter 1218, §45 herein item vetoed by Governor

*⁵ Chapter 1034 herein
*⁶ Chapter 1180 herein
*⁷ Item veto; see message at end of the Act
*⁸ Chapter 1011 herein

For implementation of voluntary benefit programs as provided in 1996 Iowa Acts, Senate File 2245, if enacted:*

..... \$ 75,000

It is the intent of the general assembly that the statewide fire and police retirement system shall reimburse the general fund of the state for the appropriation provided by this section from contributions to the voluntary benefit fund, as established in 1996 Iowa Acts, Senate File 2245, if enacted.*

Sec. 44. RELOCATION. There is appropriated from the general fund of the state to the department of general services for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For relocation of offices and other transition costs associated with renovation of the Lucas state office building and the old historical building:

..... \$ 300,000

Sec. 45. STATE PUBLIC DEFENDER. There is appropriated from the general fund of the state to the office of the state public defender of the department of inspections and appeals for the fiscal year beginning July 1, 1995, and ending June 30, 1996, to supplement the appropriation made in 1995 Iowa Acts, chapter 207, section 16, subsection 2, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For court-appointed attorney fees for indigent adults and juveniles, as specified in law by the general assembly:

..... \$ 6,400,000

Sec. 46. DEPARTMENT OF HUMAN SERVICES - LOCAL PURCHASE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For replacement of federal social services block grant funding allocated in 1995 Iowa Acts, chapter 208, section 10, subsection 3, paragraphs "d" and "g", and subsequently reduced by the federal government, for local administrative costs and other local services and for local purchase of services for persons with mental illness or mental retardation or other developmental disability:

..... \$ 1,600,000

Sec. 47. DEPARTMENT OF HUMAN SERVICES - SPECIAL AUTHORIZATION. Notwithstanding sections 8.33 and 8.62, and any other provision of law to the contrary, not more than \$2,200,000 of moneys appropriated to the department of human services for the fiscal year beginning July 1, 1995, and ending June 30, 1996, which remain unobligated or unexpended shall not revert to the fund from which appropriated but shall remain available in the succeeding fiscal year for use as follows:

1. For the adolescent tracking and monitoring program, \$1,200,000.
2. For upgrading computer hardware, \$1,000,000.

If the actual amount of moneys available pursuant to this section is less than \$2,200,000, the department shall prorate the actual amount based upon the relative amounts allocated in subsections 1 and 2.

Sec. 48. NONREVERSION. Notwithstanding section 8.33, unobligated moneys remaining on June 30, 1996, from moneys appropriated pursuant to this division of this Act shall not revert but shall be available for expenditure for the following fiscal year for the purposes for which appropriated.

* Chapter 1187 herein

DIVISION VII
STATE APPROPRIATIONS FOR FY 1996-1997

Sec. 49. PUBLIC EMPLOYEES' RETIREMENT SYSTEM - DEFINED CONTRIBUTION OPTION. There is appropriated from the Iowa public employees' retirement fund to the Iowa public employees' retirement system for the fiscal year beginning July 1, 1996, and ending June 30, 1997, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For costs associated with studies and reports required in 1996 Iowa Acts, Senate File 2245, if enacted:*

..... \$ 60,000

2. For costs associated with the development of a proposal for establishing a defined contribution option under the Iowa public employees' retirement system in accordance with the provisions of this subsection:

..... \$ 25,000

The Iowa public employees' retirement system, in consultation with the public retirement systems committee established in section 97D.4, shall develop a proposal concerning various alternatives for establishing a defined contribution option for members of the Iowa public employees' retirement system. On or before September 1, 1997, the system shall file a report with the legislative service bureau, for distribution to the public retirement systems committee, which contains a proposal, or proposals, for establishing a defined contribution option. The report shall also contain actuarial information concerning the costs of the proposal or proposals.

Sec. 50. VALUE-ADDED AGRICULTURAL PRODUCTS. Notwithstanding contrary provisions of sections 15E.111 and 15E.112 and related eligibility requirements for participation in the value-added agricultural products and processes financial assistance program, for the fiscal year beginning July 1, 1996, and ending June 30, 1997, the department of economic development shall allocate not more than \$700,000 from the value-added agricultural products and processes financial assistance fund for use in planning, marketing, or constructing a new state-of-the-art beef processing facility to be located in southwest Iowa.

Sec. 51. COMMUNICATIONS SERVICES REGULATION. There is appropriated from the general fund of the state to the department of commerce for the fiscal year beginning July 1, 1996, and ending June 30, 1997, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For consulting services to assist the utilities board with implementation of 1995 Iowa Acts, chapter 199, to assist in the regulatory transition of the communications industry, and for implementation of the federal Telecommunications Act of 1996, Pub. L. No. 104-104:

..... \$ 120,000

The utilities division shall recover the moneys appropriated in this section pursuant to the assessment procedures in section 476.10.

Sec. 52. PHYSICIAN UTILIZATION STUDY. There is appropriated from the general fund of the state to the insurance division of the department of commerce for the fiscal year beginning July 1, 1996, and ending June 30, 1997, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For a study of physician utilization in accordance with this section:

..... \$ 25,000

1. As part of the study, the commissioner of insurance shall conduct a review of existing research and literature regarding the utilization of various types of physicians, as defined in section 135.1, in individual, small group, and managed care settings. The study shall determine the costs and effectiveness of including under individual and small group health care

* Chapter 1187 herein

reforms certain forms of treatment and methodologies utilized by types of physicians which are not currently included under the reforms.

2. The commissioner of insurance shall submit a final report and recommendations, including proposed rules changes, to the general assembly on or before January 2, 1997.

1*Sec. 53. **E911 COMMUNICATIONS COUNCIL. *There is appropriated from the general fund of the state to the E911 communications council for the fiscal year beginning July 1, 1996, and ending June 30, 1997, the following amount, or so much thereof as is necessary, to be used for the purpose designated:*

For the implementation, support, and maintenance of the E911 communications council established pursuant to section 34A.15 as enacted by this Act:

..... \$ 70,000*1

Sec. 54. **GOVERNOR.** There is appropriated from the general fund of the state to the office of the governor for the fiscal year beginning July 1, 1996, and ending June 30, 1997, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For use of the office of the governor:

..... \$ 25,000

The appropriation in this section is in addition to any other appropriation made for the use of the office of the governor.

Sec. 55. **WORKFORCE DEVELOPMENT FUND.** There is appropriated from the workforce development fund account, as established in 1996 Iowa Acts, Senate File 2351,*2 section 1, for the fiscal year beginning July 1, 1996, and ending June 30, 1997, to the workforce development fund created in section 15.343, the following amount for the purposes of the workforce development fund:

..... \$ 3,152,000

Sec. 56. **DEPARTMENT OF INSPECTIONS AND APPEALS.**

1. The investigations division of the department of inspections and appeals is authorized 1.00 FTE for the fiscal year beginning July 1, 1996, and ending June 30, 1997. This authorization of 1.00 FTE is in addition to the number of full-time equivalent positions authorized the investigations division in 1996 Iowa Acts, House File 2416,*3 section 8, subsection 4.

2. There is appropriated from the general fund of the state to the racing and gaming commission of the department of inspections and appeals for the fiscal year beginning July 1, 1996, and ending June 30, 1997, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes for administration and enforcement of the excursion boat gambling laws, and for not more than the following full-time equivalent position:

..... \$ 39,804
..... FTEs 1.00

The appropriation and full-time equivalent position authorization provided in this subsection is in addition to the appropriation and full-time equivalent position authorization provided in 1996 Iowa Acts, House File 2416,*3 section 10.

Sec. 57. **DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP.** The department of agriculture and land stewardship shall utilize not more than \$82,000 of the moneys appropriated to the department's administrative division in 1996 Iowa Acts, Senate File 2446,*4 section 1, subsection 1, if enacted, for the acquisition of laboratory equipment, including but not limited to a rapid fat analyzer and a nitrogen protein combustion analyzer.

Sec. 58. **DEPARTMENT OF HUMAN SERVICES CONTINGENT REDUCTION.** Notwithstanding contrary provisions of section 8.41, subsection 3, as enacted by 1996 Iowa Acts, House File 2256,*5 if during the fiscal year beginning July 1, 1996, the department of human

*1 Item veto; see message at end of the Act

*2 Chapter 1180 herein

*3 Chapter 1211 herein

*4 Chapter 1214 herein

*5 Chapter 1105 herein

services receives federal funding for child day care assistance which is unanticipated and has not been budgeted, the funding shall be used as provided in 1996 Iowa Acts, Senate File 2442,* section 6, if enacted, and the appropriation in that section is, reduced by up to an equivalent amount, to the extent that federal funding for child day care is not jeopardized by the reduction of the appropriation in that section.

Sec. 59. **GROUP FOSTER CARE TARGET.** Notwithstanding 1996 Iowa Acts, Senate File 2442,* section 10, subsection 2, paragraph "a", if enacted, the amount allocated as the statewide expenditure target under section 242.143** for group foster care maintenance and services is \$23,601,280.

Sec. 60. 1996 Iowa Acts, House File 2472,*** section 21, subsection 2, paragraph b, unnumbered paragraph 2, if enacted, is amended to read as follows:

The department of public safety, with the approval of the department of management, may employ no more than two special agents and four gaming enforcement officers for each additional riverboat regulated after March 31, 1996, and one special agent for each racing facility which becomes operational during the fiscal year beginning July 1, 1996. One additional gaming enforcement officer, up to a total of four per boat, may be employed for each riverboat that has extended operations to 24 hours and has not previously operated with a 24-hour schedule. Positions authorized in this paragraph are in addition to the full-time equivalent positions authorized in this subsection.

DIVISION VIII OTHER STATUTORY PROVISIONS

Sec. 61. **NEW SECTION. 8A.2 INNOVATION ZONES.**

1. The purpose of this section is to enable local jurisdictions to establish community partnerships to redirect existing public funds to achieve improved outcomes for children and their families. The state and local jurisdictions shall negotiate new relationships in the decategorization of funding appropriated and available to local jurisdictions which share the risk related to and responsibility for achieving improved outcomes.

2. An innovation zone board is created within the council on human investment. The staff of the council on human investment shall act as staff to the board. The board shall select a chairperson, annually, from its membership. A simple majority of the members of the board shall constitute a quorum. On or before June 30, 1997, the board shall do all of the following:

a. Issue a request for applications to be submitted by local jurisdictions to participate in innovation zones in order to develop new, community-based strategies which are cross-system in focus, to improve outcomes for children and their families.

b. Select from the requests received, at least three jurisdictions to develop and implement innovation zone plans. The board shall establish criteria for selection of the jurisdictions. Selection criteria shall include a component which measures the comprehensiveness of the plan and the capacity of the jurisdiction to implement the plan.

c. Provide technical assistance, if requested, to assist selected jurisdictions in developing and implementing the innovation zone plans, including but not limited to assistance in providing information regarding state and federal funding directed to the local jurisdiction for use in implementation of the plans.

d. Negotiate with local jurisdictions the state and local jurisdiction duties in implementing the innovation zone plans. The negotiations shall include methods to evaluate the performance of the innovation zones. The board shall coordinate and respond to any requests from a local jurisdiction relating to waiver of existing rules or regulations, the pooling and redirecting of existing state funds, and the seeking of federal waivers.

e. Provide for maximum flexibility and creativity in the designing and implementation of innovation zone plans with an emphasis on the plans' potential for improving outcomes for children and their families.

* Chapter 1213 herein

** Section 232.143 probably intended

*** Chapter 1216 herein

f. Review and approve or disapprove any provision in an innovation zone plan submitted which requires the waiver or superseding of any state rule relating to local jurisdiction actions or expenditure of funds for services provided to children and their families.

g. Report provisions included in a local jurisdiction's innovation zone plan which require the waiver or superseding of a state law or rule to the general assembly for review and necessary action.

3. A local jurisdiction seeking to develop and implement an innovation zone plan shall do all of the following:

a. Define the geographic service area of the local jurisdiction.

b. Establish a local jurisdiction innovation zone governing body which shall develop and implement the innovation zone plan. The governing body shall be representative of the local jurisdiction.

c. Develop a budget for the development and implementation of the innovation zone plan which includes a commitment of ongoing local funding and which also involves the commitment of other private and public resources to the innovation zone.

d. Negotiate the specific requirements of the innovation zone plan and implementation of the plan including the specific duties of the state and local jurisdictions. The plans may include provisions for local jurisdiction actions or expenditure of funds under the plan which involve waiver of state rules relating to services to children and their families.

4. The innovation zone board shall include all of the following members:

a. The directors, or their designees, of the department of human services, the department of human rights, the department of education, the Iowa department of public health, the department of employment services, the department of management, and any other state departments or agencies, as necessary, as determined by the board.

b. Four members of the general assembly shall serve as ex officio, nonvoting members. The legislative members shall be appointed by the majority leader of the senate, by the minority leader of the senate, by the speaker of the house, and by the minority leader of the house of representatives. Appointments shall comply with sections 69.16 and 69.16A. Vacancies shall be filled by the original appointing authority and in the manner of the original appointments. Legislative members shall serve terms of two years and shall receive compensation pursuant to section 2.12.

c. Additional members, which the governor shall appoint, who are not affiliated with a state agency but who are members of the general public with expertise or interest in children and family issues.

5. For the purposes of this section, "local jurisdiction" or "jurisdiction" means one or more cities, counties, or school districts or a combination of any of these entities.

Sec. 62. NEW SECTION. 28E.41 EMERGENCY SERVICES – CONTRACTS FOR MUTUAL AID.

1. A city fire department, benefited fire district, or township fire department may enter into contracts providing for mutual aid regarding emergency services provided by such department or district. The contracts that are agreed upon may provide for compensation from the parties and other terms that are agreeable to the parties and may be for an indefinite period as long as they include a sixty-day cancellation notice by any party. The contracts agreed upon shall not be entered into for the purpose of reducing the number of employees of any party.

2. A city fire department, benefited fire district, or township fire department may provide assistance to any other such department or district in the state at the time of a significant emergency such as a fire, earthquake, flood, tornado, hazardous material incident, or other such disaster. The chief or highest ranking fire officer of an assisting department or district may render aid to a requesting department or district as long as the chief or officer is acting in accordance with the policies and procedures set forth by the governing board of the assisting department or district.

3. The chief or highest ranking officer of the city fire department, benefited fire district, or township fire department of the district within which the incident occurs shall maintain

control of the incident in accordance with the provisions of chapter 102. The chief or highest ranking officer of the department or district giving mutual aid shall be in charge of the assisting departmental or district personnel.

*Sec. 63. Section 34A.3, subsection 1, unnumbered paragraph 1, Code 1995, is amended to read as follows:

The board of supervisors of each county shall establish a joint 911 service board not later than January 1, 1989. Each political subdivision ~~of the state having a public safety agency serving territory~~ within the county is entitled to voting membership on the joint 911 service board. Each ~~private public safety agency operating within the area is entitled to nonvoting voting membership on the board. A township which does not operate its own public safety agency, but contracts~~ Each private safety agency under contract with a political subdivision within the county for the provision of public safety services, is not entitled to membership on the joint 911 service board, but its contractor is entitled to membership according to the contractor's status as a public or private safety agency is entitled to voting membership on the board. The board of supervisors of the county establishing the board is also entitled to voting membership on the board. The joint 911 service board shall develop an enhanced 911 service plan encompassing at minimum the entire county, unless an exemption is granted by the administrator permitting a smaller E911 service area. The administrator may grant a discretionary exemption from the single county minimum service area requirement based upon an E911 joint service board's or other E911 service plan operating authority's presentation of evidence which supports the requested exemption if the administrator finds that local conditions make adherence to the minimum standard unreasonable or technically infeasible, and that the purposes of this chapter would be furthered by granting an exemption. The minimum size requirement is intended to prevent unnecessary duplication of public safety answering points and minimize other administrative, personnel, and equipment expenses. An E911 service area must encompass a geographically contiguous area. No exemption shall be granted from the contiguous area requirement. The administrator may order the inclusion of a specific territory in an adjoining E911 service plan area to avoid the creation by exclusion of a territory smaller than a single county not serviced by surrounding E911 service plan areas upon request of the joint 911 service board representing the territory. The E911 service plan operating authority shall submit the plan on or before January 1, 1994, to all of the following:*

Sec. 64. NEW SECTION. 34A.15 E911 COMMUNICATIONS COUNCIL ESTABLISHED - DUTIES.

1. An E911 communications council is established. The council consists of the following eleven members:

- a. One person appointed by the commissioner of public safety.
- b. One person appointed by the Iowa state sheriffs' and deputies' association.
- c. One person appointed by the Iowa association of chiefs of police and peace officers.
- d. One person appointed by the Iowa emergency medical services association.
- e. One person appointed by the Iowa association of professional firefighters.
- f. One person appointed by the Iowa firemen's association.
- g. One person appointed by the Iowa chapter of the national emergency number association.
- h. One person appointed by the Iowa chapter of the association of public safety communications officials-international, inc.
- i. One person appointed by the Iowa emergency management directors association.
- j. Two persons appointed by the Iowa telephone association, with one person appointed to represent telephone companies having fifteen thousand or more customers and one person appointed to represent telephone companies having less than fifteen thousand customers.

2. The council shall coordinate the development of and mediate disputes relating to E911 systems and service in this state. The council shall oversee the planning, implementation, and operation of E911 communications services. The council shall mediate issues relating to

* Item veto; see message at end of the Act

addressing, call routing, E911 database, E911 network, equipment, and surcharge collection which arise between and among E911 service boards, telephone companies, and other providers and users of E911 communications services.

3. The authority of the council is limited to the issues specifically identified in this section and does not preempt the authority of the utilities board, created in section 474.1, to act on issues within the jurisdiction of the utilities board.

Sec. 65. Section 159.29, subsection 2, unnumbered paragraph 1, Code 1995, is amended to read as follows:

An owner of an agricultural drainage well and a landholder whose land is drained by the well or wells of another person shall develop, in consultation with the department of agriculture and land stewardship and the department of natural resources, a plan which proposes alternatives to the use of agricultural drainage wells by July 1, ~~1996~~ 1998.

*Sec. 66. Section 232.2, Code Supplement 1995, is amended by adding the following new subsection:

NEW SUBSECTION. 6A. "Chronic runaway" means a child who is reported to law enforcement as a runaway more than once in any month or three or more times in a year.*

*Sec. 67. Section 232.19, subsection 1, paragraph c, Code 1995, is amended to read as follows:

c. ~~By a peace officer for the purpose of reuniting a child with the child's family or removing the child to a shelter care facility or a juvenile court officer, when the peace officer or juvenile court officer has reasonable grounds to believe the child has run away from the child's parents, guardian, or custodian, for the purposes of determining whether the child shall be reunited with the child's parents, guardian, or custodian, placed in shelter care, or, if a chronic runaway, placed in a runaway assessment and treatment center under section 232.196.*~~

*Sec. 68. NEW SECTION. 232.195 RUNAWAY TREATMENT PLAN.

A county, multicounty, or nonprofit organization may develop a runaway treatment plan to address problems with chronic runaway children in the area served by the organization. The organization shall submit the plan to the department of human rights, division of criminal and juvenile justice planning for approval for funding. The plan shall identify the problems with chronic runaway children and specific solutions to be implemented, including the development of a runaway assessment and treatment center and may include a request for funding. The division may award funds appropriated for implementation of the runaway treatment plan to shelter care homes which are licensed or approved by the department of human services.*

*Sec. 69. NEW SECTION. 232.196 RUNAWAY ASSESSMENT AND TREATMENT CENTER.

1. As part of a county, multicounty, or nonprofit organization's runaway treatment plan under section 232.195, the organization may establish a runaway assessment and treatment center. A center shall be operated by an entity which is licensed or approved by the department to operate a shelter care home. A center shall provide services to assess a child who is referred to the center for being a chronic runaway and intensive family counseling designed to address any problem causing the child to run away.

2. a. If a child is a chronic runaway and is not sent home with the child's parent, guardian, or custodian, the child may be placed in a runaway assessment and treatment center by a peace officer, juvenile court officer, or the child if the officer, juvenile court officer, or the child believes it to be in the child's best interest after consulting with the child's parent, guardian, or custodian.

b. Within forty-eight hours of being placed in the center the child shall be assessed by a center counselor to determine the reasons why the child is a chronic runaway and whether child in need of assistance or family in need of assistance proceedings are appropriate. As soon as practicable following the assessment, the child and the child's parent, guardian, or custodian

* Item veto; see message at end of the Act

shall be provided the opportunity for counseling sessions to identify the underlying causes of the runaway behavior and to develop a plan to address those causes.

c. A child shall be released from a runaway assessment and treatment center to the child's parent, guardian, or custodian not later than forty-eight hours after being placed in the center unless the child is placed in shelter care under section 232.21 or an order is entered under section 232.78. A child whose parent, guardian, or custodian failed to attend counseling or who fails to take custody of the child at the end of placement in the center may be the subject of a child in need of assistance petition or such other order as the juvenile court finds to be in the child's best interest.

3. The department of human services may establish a special category within rules applicable to a juvenile shelter care home licensed or approved by the department which provides for operation of a runaway assessment and treatment center by such a home. Any rules applicable to the special category shall be jointly developed by the department of human services and the division of criminal and juvenile justice planning of the department of human rights.*

Sec. 70. NEW SECTION. 279.8A TRAFFIC AND PARKING.

The board may make necessary rules to provide for the policing, control, and regulation of traffic and parking of vehicles and bicycles on school grounds. The rules may provide for the use of institutional roads, driveways, and grounds; registration of vehicles and bicycles; the designation of parking areas; the erection and maintenance of signs designating prohibitions or restrictions; the installation and maintenance of parking control devices; and assessment, enforcement, and collection of reasonable penalties for the violation of the rules.

Rules made under this section may be enforced under procedures adopted by the board. Penalties may be imposed for violation of the rules, including, but not limited to, a reasonable monetary penalty. The rules made under this section may also be enforced by the impoundment of vehicles and bicycles for violation of the rules. The board shall establish procedures for the determination of controversies in connection with the imposition of penalties. The procedures must require giving notice of the violation and the penalty prescribed and providing the opportunity for an administrative hearing.

The board may contract with a city or county to enforce rules made under this section by ordinance of the city or county, and shall consult with local government transportation officials to ensure that rules made pursuant to this section are not in conflict with city or county parking and traffic ordinances.

Sec. 71. Section 356.7, as enacted by 1996 Iowa Acts, Senate File 2352,** section 1, is amended to read as follows:

356.7 CHARGE FOR ROOM AND BOARD – LIEN.

1. The county sheriff may charge a prisoner who is eighteen years of age or older for the room and board provided to the prisoner while in the custody of the county sheriff. Moneys collected by the sheriff under this section shall be credited to the county general fund and distributed as provided in this section. If a prisoner fails to pay for the room and board, the sheriff may file a room and board reimbursement lien as provided in subsection 2. The county attorney may file the room and board reimbursement lien on behalf of the sheriff and the county. This section does not apply to prisoners who are paying for their room and board by court order pursuant to sections 356.26 through 356.35.

2. The sheriff or the county attorney, on behalf of the sheriff, may file a room and board reimbursement lien with the clerk of the district court which shall include all of the following information, if known:

a. The name and date of birth of the person whose property or other interests are subject to the lien.

b. The present address of the residence and principal place of business of the person named in the lien.

c. The criminal proceeding pursuant to which the lien is filed, including the name of the court, the title of the action, and the court's file number.

* Item veto; see message at end of the Act

** Chapter 1081 herein

d. The name and address of the sheriff or the name and address of the county attorney who is filing the lien on behalf of the sheriff.

e. A statement that the notice is being filed pursuant to this section.

f. The amount of room and board reimbursement the person has been ordered to pay or is likely to be ordered to pay.

3. The filing of a room and board reimbursement lien in accordance with this section creates a lien in favor of the sheriff in any personal or real property identified in the lien to the extent of the interest held in that property by the person named in the lien.

4. This section does not limit the right of the sheriff to obtain any other remedy authorized by law.

5. Of the moneys collected and credited to the county general fund as provided in this section, sixty percent of the moneys collected shall be used for the following purposes:

a. Courthouse security equipment and law enforcement personnel costs.

b. Infrastructure improvements of a jail including new or remodeling costs.

c. Infrastructure improvements of juvenile detention facilities, including new or remodeling costs.

The sheriff may submit a plan or recommendations to the county board of supervisors for the use of the funds as provided in this subsection or the sheriff and board may jointly develop a plan for the use of the funds. Subject to the requirements of this subsection, funds may be used in the manner set forth in an agreement entered into under chapter 28E.

The county board of supervisors shall review the plan or recommendations submitted by the sheriff during the normal budget process of the county.

Sec. 72. Section 602.8107, subsection 2, paragraph d, Code Supplement 1995, is amended to read as follows:

d. Court costs, including correctional fees assessed pursuant to sections 356.7 and 904.108, court-appointed attorney fees, or public defender expenses.

Sec. 73. Section 476.1D, subsection 10, Code Supplement 1995, is amended to read as follows:

10. The board, at the request of a long distance telephone company, shall classify such company as a competitive long distance telephone company if more than half of the company's revenues from its Iowa intrastate telecommunications services and facilities are received from services and facilities that the board has determined to be subject to effective competition, or if more than half of the company's revenues from its Iowa intrastate telecommunications services and facilities are received from intralata interexchange services and facilities. For purposes of this subsection, "intralata interexchange services" means those interexchange services that originate and terminate within the same local access transport area.

PARAGRAPH DIVIDED. The board shall promptly notify the director of revenue and finance that a long distance telephone company has been classified as a competitive long distance telephone company. Upon such notification by the board, the director of revenue and finance shall assess the property of such competitive long distance telephone company, which property is first assessed for taxation in this state on or after January 1, 1996, in the same manner as all other property assessed as commercial property by the local assessor under chapters 427, 427A, 427B, 428, and 441. As used in this section, "long distance telephone company" means an entity that provides telephone service and facilities between local exchanges, but does not include a cellular service provider or a local exchange utility holding a certificate issued under section 476.29, subsection 12.

Sec. 74. Section 613.17, Code 1995, is amended to read as follows:

613.17 EMERGENCY ASSISTANCE IN AN ACCIDENT.

A person, who in good faith renders emergency care or assistance without compensation, shall not be liable for any civil damages for acts or omissions occurring at the place of an emergency or accident or while the person is in transit to or from the emergency or accident

or while the person is at or being moved to or from an emergency shelter unless such acts or omissions constitute recklessness. For purposes of this section, if a volunteer fire fighter, a volunteer operator or attendant of an ambulance or rescue squad service, a volunteer paramedic, a volunteer emergency medical technician, or a volunteer registered member of the national ski patrol system receives nominal compensation not based upon the value of the services performed, that person shall be considered to be receiving no compensation. The operation of a motor vehicle in compliance with section 321.231 by a volunteer fire fighter, volunteer operator, or attendant of an ambulance or rescue squad service, a volunteer paramedic, or volunteer emergency medical technician shall be considered rendering emergency care or assistance for purposes of this section. For purposes of this section, a person rendering emergency care or assistance includes a person involved in a workplace rescue arising out of an emergency or accident.

Sec. 75. Section 710.8, Code 1995, is amended by adding the following new subsection: **NEW SUBSECTION.** 4. A person shall not harbor a runaway child with the intent of allowing the runaway child to remain away from home against the wishes of the child's parent, guardian, or custodian. However, the provisions of this subsection do not apply to a shelter care home which is licensed or approved by the department of human services.

Sec. 76. Section 904.108, Code 1995, is amended by adding the following new subsection: **NEW SUBSECTION.** 7. The director may charge an inmate a correctional fee for custodial expenses incurred or which may be incurred while the inmate is in the custody of the department. The custodial expenses may include, but are not limited to, board and room, medical and dental fees, education costs, clothing costs, and the costs of supervision, services, and treatment to the inmate. The correctional fee shall not exceed the actual cost of keeping the inmate in custody. The correctional fees shall be assessed as court costs and any correctional fees collected pursuant to this subsection shall be credited to the general fund of the state. The correctional fees shall be collected as other court costs pursuant to section 602.8107. This subsection does not limit the right of the director to obtain any other remedy authorized by law.

Sec. 77. **REPEAL – INNOVATION ZONE BOARD.** Section 8A.2, subsections 2 and 4, as enacted by this division of this Act, relating to the innovation zone board, are repealed June 30, 1998.

**DIVISION IX
ECONOMIC DEVELOPMENT AND RELATED APPROPRIATIONS
AND STATUTORY CHANGES**

Sec. 78. There is appropriated from the general fund of the state and other designated funds to the department of economic development for the fiscal year beginning July 1, 1996, and ending June 30, 1997, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

- 1. **ADMINISTRATIVE SERVICES DIVISION**
 - a. **General administration**

For salaries, support, maintenance, miscellaneous purposes, and for providing that a business receiving moneys from the department for the purpose of job creation shall make available ten percent of the new jobs created for promise jobs program participants who are qualified for the jobs created and for not more than the following full-time equivalent positions:

	\$	1,405,687
	FTEs	23.75

The director shall coordinate efforts with the workforce coordinator and the department of workforce development if enacted by Senate File 2409,* to implement the intent of the general assembly regarding businesses receiving job creation moneys and shall report to the joint

* Chapter 1186 herein

appropriations subcommittee on economic development regarding the number of jobs to be created by each business, the number of qualified promise jobs participants applying with the business, and the number of promise jobs participants hired.

b. Film office

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

.....	\$	199,341
.....	FTEs	2.00

2. BUSINESS DEVELOPMENT DIVISION

a. Business development operations

For salaries, support, maintenance, miscellaneous purposes, for not more than the following full-time equivalent positions, for allocating \$495,000 to the heartland technology network, \$150,000 to the graphic arts center, and \$100,000 to the university of northern Iowa for operation of industrial technology programs at the Iowa plastics technology center located in Waverly, Iowa, for allocating \$75,000 for the purposes of the regulatory assistance program, and for allocating \$60,000, and up to a 0.50 full-time equivalent position to administer the heartland technology network, the graphic arts technology center, and the plastics technology center:

.....	\$	3,890,775
.....	FTEs	17.75

b. Small business programs

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions for the small business program, the small business advisory council, and targeted small business program:

.....	\$	498,756
.....	FTEs	6.00

c. Federal procurement office

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

.....	\$	96,492
.....	FTEs	3.00

Notwithstanding section 8.33, moneys remaining unencumbered or unobligated on June 30, 1997, shall not revert and shall be available for expenditure during the fiscal year beginning July 1, 1997, for the same purposes.

d. Strategic investment fund

For deposit in the strategic investment fund for salaries, support, for not more than the following full-time equivalent positions, and for allocating from the funds remaining unobligated in the Wallace technology transfer foundation fund on June 30, 1996, notwithstanding section 8.33, \$200,000 for a study regarding the feasibility of establishing an Iowa-based airline:

.....	\$	6,707,638
.....	FTEs	10.50

As a condition of any portion of the appropriation made under this lettered paragraph being used for awards from the community economic betterment account, the department shall provide that awards under the program of \$500,000 or more must be to businesses able to pay at least 130 percent of the average county wage, shall review the wage cap in high wage counties and provide that it is tied to an appropriate inflator for determining eligibility for awards, and shall provide, in addition to all other existing requirements for awards from the community economic betterment account, that the remaining 10 percent of the funds shall be transferred by the department to other programs within the strategic investment fund and used for purposes other than the community economic betterment program if, after 90 percent of funds in the account have been obligated for the fiscal year, **either of** the following conditions have not been met:

* Item veto; see message at end of the Act

(1) All projects approved have starting wages not less than 90 percent of the lesser of either the average county wage or the average regional wage, as compiled annually by the department for the community economic betterment program. For the purposes of this lettered paragraph, the average regional wage shall be compiled based upon the service delivery areas in section 84B.2, if enacted by 1996 Iowa Acts, Senate File 2409.

(2) The average starting wage for the businesses for which the awards were made under the program shall exceed 100 percent of the statewide average wage.

Additionally, the department shall provide an annual report on the progress made by the department in making the community economic betterment program a self-sustaining, revolving loan program.

e. Targeted small business incubator

Moneys appropriated for fiscal year 1995-1996 and not expended by June 30, 1996, shall not revert but shall be held by the department for funding, with local matching funds, the targeted small business incubator in Des Moines for the fiscal year beginning July 1, 1996, and ending June 30, 1997.

f. Insurance economic development

There is appropriated from moneys collected by the division of insurance in excess of the anticipated gross revenues under section 505.7, subsection 3, to the department for the fiscal year beginning July 1, 1996, and ending June 30, 1997, the following amount, or so much thereof as is necessary, for insurance economic development and international insurance economic development:

..... \$ 200,000

g. Value-added agriculture

There is appropriated from the moneys available to support value-added agricultural products and processes, four percent, or so much thereof as is necessary, of the total moneys available to support value-added agricultural products and processes pursuant to section 423.24 each quarter for administration of the value-added agricultural products and processes financial assistance program as provided in section 15E.111, including salaries, support, maintenance, miscellaneous purposes, and for not more than 2.00 FTEs.

3. COMMUNITY DEVELOPMENT DIVISION

a. Community assistance

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions for administration of the community economic preparedness program, the Iowa community betterment program, and the city development boards:

..... \$ 578,943

..... FTEs 8.50

There is also appropriated from the rural community 2000 program revolving fund established in section 15.287 to the community assistance program for the purposes of the community economic preparedness program:

..... \$ 50,000

b. Main street/rural main street program

For salaries and support for not more than the following full-time equivalent positions:

..... \$ 413,530

..... FTEs 3.00

Notwithstanding section 8.33, moneys committed to grantees under contract from the general fund of the state that remain unexpended on June 30 of the fiscal year shall not revert to any fund but shall be available for expenditure for purposes of the contract during the succeeding fiscal year.

c. Rural development program

For salaries, support, maintenance, miscellaneous purposes, for not more than the following full-time equivalent positions, for rural resource coordination, rural community leadership, rural innovations grant program, and the rural enterprise fund and for allocating

*Item veto; see message at end of the Act

\$100,000 for the purposes of the microbusiness rural enterprise assistance program under section 15.114:

.....	\$	711,181
.....	FTEs	4.50

There is also appropriated from the rural community 2000 program revolving fund established in section 15.287 to the rural development program for the purposes of the program including the rural enterprise fund and collaborative skills development training:

.....	\$	351,000
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Notwithstanding section 8.33, moneys committed to grantees under contract from the general fund of the state or through transfers from the Iowa community development loan fund or from the rural community 2000 program revolving fund that remain unexpended at the end of the fiscal year shall not revert but shall be available for expenditure for purposes of the contract during the succeeding fiscal year.

d. Community development block grant and HOME

For administration and related federal housing and urban development grant administration for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	403,974
.....	FTEs	18.75

e. Councils of governments

There is appropriated from the rural community 2000 program revolving fund established in section 15.287 to provide to Iowa's councils of governments funds for planning and technical assistance funds to assist local governments to develop community development strategies for addressing long-term and short-term community needs:

.....	\$	178,000
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*f. Councils of governments

For distributing on a per capita basis to each council of governments:

.....	\$	50,000*
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g. Housing development fund

For providing technical assistance to communities of all sizes and local financial institutions to help meet local housing needs and to provide and transfer matching funds for the HOME program:

.....	\$	1,300,000
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Notwithstanding section 8.33, moneys committed to grantees under contract from the housing development fund and moneys transferred for matching funds for the HOME program that remain unexpended or unobligated on June 30 of the fiscal year shall not revert to any fund but shall be available for obligation and expenditure for purposes of those programs during the succeeding fiscal year.

4. INTERNATIONAL DIVISION

a. International trade operations

For salaries, support, maintenance, miscellaneous purposes, for not more than the following full-time equivalent positions, and for allocating \$100,000 to promote trade opportunities in Korea and the Pacific rim:

.....	\$	1,027,950
.....	FTEs	10.00

From among the full-time equivalent positions authorized by this paragraph, one position shall concentrate on the export sale of grain, one on the export sale of livestock, and one on the export sale of value-added agricultural products.

b. Foreign trade offices

For salaries, support, maintenance, and miscellaneous purposes:

.....	\$	595,250
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* Item veto; see message at end of the Act

c. Export trade assistance program

For export trade activities, including a program to encourage and increase participation in trade shows and trade missions by providing financial assistance to businesses for a percentage of their costs of participating in trade shows and trade missions, by providing for the lease/sublease of showcase space in existing world trade centers, by providing temporary office space for foreign buyers, international prospects, and potential reverse investors, and by providing other promotional and assistance activities, including salaries and support for not more than the following full-time equivalent position:

.....	\$	275,000
.....	FTEs	0.25

d. Agricultural product advisory council

For support, maintenance, and miscellaneous purposes:

.....	\$	1,300
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e. For transfer to the partner state program which the department may use to contract with private groups or organizations which are the most appropriate to administer this program and the groups and organizations participating in the program shall, to the fullest extent possible, provide the funds to match the appropriation made in this subsection of the funds transferred:

.....	\$	100,000
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5. TOURISM DIVISION

a. Tourism operations

For salaries, support, maintenance, miscellaneous purposes, for not more than the following full-time equivalent positions, **and for allocating \$100,000 for a grant program for annual community celebrations of Iowa's agricultural heritage,** provided that the appropriation shall not be used for advertising placements for in-state and out-of-state tourism marketing:

.....	\$	825,212
.....	FTEs	18.52

b. Tourism advertising

For contracting exclusively for tourism advertising for in-state and out-of-state tourism marketing services, tourism promotion programs, electronic media, print media, and printed materials:

.....	\$	2,737,000
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The department shall not use the moneys appropriated in this lettered paragraph, unless the department develops public-private partnerships with Iowa businesses in the tourism industry, Iowa tour groups, Iowa tourism organizations, and political subdivisions in this state to assist in the development of advertising efforts. The department shall, to the fullest extent possible, develop cooperative efforts for advertising with contributions from other sources.

c. Welcome center program

To provide tourism materials for welcome centers:

.....	\$	100,000
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Sec. 79. Notwithstanding section 15E.120, subsections 5, 6, and 7, and section 15.287, there is appropriated from the Iowa community development loan fund all the moneys available during the fiscal year beginning July 1, 1996, and ending June 30, 1997, to the department of economic development for the rural development program to be used by the department for the purposes of the program.

Sec. 80. Notwithstanding section 15.251, subsection 2, there is appropriated from the job training fund to the department of economic development for the fiscal year beginning July 1, 1996, and ending June 30, 1997, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

For administration of chapter 260E, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	160,000
.....	FTEs	2.40

*Item veto; see message at end of the Act

Appropriations to the department of economic development for administration of chapter 260E and the department of employment services for the target alliance program shall be funded on a proportional basis if receipts to the job training fund are insufficient to fund both appropriations in their entirety.

Sec. 81. Of all funds appropriated to or receipts credited to the job training fund created in section 260F.6, subsection 1, up to \$125,000 for the fiscal year beginning July 1, 1996, and ending June 30, 1997, and not more than 1.30 of the full-time equivalent positions may be used for the administration of the Iowa small business new job training Act.

Sec. 82. Notwithstanding section 423.24, subsection 1, paragraph "b", subparagraph (1), there is appropriated for the fiscal year beginning July 1, 1996, and ending June 30, 1997, \$100,000 of the total revenues collected pursuant to section 423.7 and deposited in the value-added agricultural products and processes financial assistance fund, pursuant to section 423.24, subsection 1, paragraph "b", subparagraph (1), to the Iowa cooperative extension service in agriculture and home economics at Iowa state university of science and technology for administration of the Iowa grain quality initiative.

Sec. 83. The Iowa seed capital corporation is authorized up to 5.00 FTEs. The seed capital corporation shall not make any new investments after June 30, 1997. The portfolio of investments held by the seed capital corporation on June 30, 1997, shall be transferred to a private entity for management of the investments.

Sec. 84. There is appropriated from the general fund of the state to the Iowa state university of science and technology for the fiscal year beginning July 1, 1996, and ending June 30, 1997, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For funding and maintaining in their current locations the existing small business development centers, and for not more than the following full-time equivalent positions:

.....	\$	1,216,245
.....	FTEs	5.80

2. For funding the institute for physical research and technology, provided that \$318,358 shall be allocated to the industrial incentive program in accordance with the intent of the general assembly, and for not more than the following full-time equivalent positions:

.....	\$	4,124,607
.....	FTEs	46.42

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

Iowa state university shall report annually to the joint appropriations subcommittee on economic development of the senate and house appropriations committees the total amounts of private contributions, the proportion of contributions from small businesses and other businesses, and the proportion for directed contract research and nondirected research of benefit to Iowa businesses and industrial sectors.

Notwithstanding section 8.33, moneys appropriated for any fiscal year which remain unobligated and unexpended at the end of the fiscal year shall not revert but shall be available for expenditure the following fiscal year.

* Item veto; see message at end of the Act

Sec. 85. There is appropriated from the general fund of the state to the state university of Iowa for the fiscal year beginning July 1, 1996, and ending June 30, 1997, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For funding the advanced drug development program at the Oakdale research park and for not more than the following full-time equivalent positions:

.....	\$	319,169
.....	FTEs	2.85

The board of regents shall submit a report on the progress of regents institutions in meeting the strategic plan for technology transfer and economic development to the chairpersons of the joint appropriations subcommittee on economic development, the joint appropriations subcommittee on education, the majority leader and minority leader of the senate, the majority and minority leaders of the house of representatives, the secretary of the senate, the chief clerk of the house of representatives, and the legislative fiscal bureau by December 1, 1996.

Sec. 86. DEPARTMENT OF EMPLOYMENT SERVICES OR DEPARTMENT OF WORKFORCE DEVELOPMENT. As used in this section, references to the department of employment services shall include the department of workforce development if enacted by Senate File 2409.* There is appropriated from the general fund of the state, to the department of employment services for the fiscal year beginning July 1, 1996, and ending June 30, 1997, the following amounts, or so much thereof as is necessary, for the purposes designated **, including that the department of employment services, the department of personnel, and the department of management shall ensure that all nonsupervisory full-time equivalent positions authorized and funded for the department of employment services in this section will be utilized during the fiscal year beginning July 1, 1996, and ending June 30, 1997, and during future fiscal years, and will not be held vacant, to ensure that the backlog of cases in that department will be reduced as rapidly as possible**:

1. DIVISION OF LABOR SERVICES

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions contingent upon the enactment of section 88 of this Act and the provision which requires moneys appropriated from the special employment security contingency fund to first be used to fully fund the appropriation of \$296,000 to the division of labor services in subsection 1 of section 89 of this Act prior to funding the appropriation in section 89 of this Act to the division of industrial services:

.....	\$	2,729,542
.....	FTEs	89.50

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

2. DIVISION OF INDUSTRIAL SERVICES

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

.....	\$	2,131,389
.....	FTEs	33.00

3. For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent position for a workforce development coordinator and council:

.....	\$	141,606
.....	FTEs	1.00

4. For the workforce development initiative to be used to create model workforce development centers and provide an integrated management information system:

.....	\$	275,000
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5. For salaries, support, maintenance, miscellaneous purposes for collection of labor market information, and for not more than the following full-time equivalent positions:

.....	\$	173,250
.....	FTEs	3.20

* Chapter 1186 herein

** Item veto; see message at end of the Act

6. For salaries, support, maintenance, and miscellaneous purposes for the mentoring project for family investment program participants, and for not more than the following full-time equivalent positions:

.....	\$	72,000
.....	FTEs	1.50

7. a. Youth workforce programs

For purposes of the conservation corps, *including allocating \$800,000 for a summer youth program for cities of over 150,000 in population,* salary, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	1,718,661
.....	FTEs	2.40

Notwithstanding section 8.33, moneys committed to grantees under contract that remain unexpended on June 30 of the fiscal year shall not revert to any fund but shall be available for expenditure for purposes of the contract during the succeeding fiscal year.

b. Workforce investment program

For allocating \$425,000 to the workforce development fund under section 15.343 for funding, to the extent possible, the currently existing high technology apprenticeship programs, under section 260C.44 at the community colleges, for the purposes of the workforce investment program, and for a competitive grant program by the department for projects that increase Iowa's pool of available labor via training and support services with priority given to projects which serve displaced homemakers or welfare recipients, including salaries and support, and not more than the following full-time equivalent position:

.....	\$	903,000
.....	FTEs	0.90

The department shall ensure that the workforce investment program is coordinated with services provided under the federal Job Training Partnership Act and that welfare recipients receive priority for services under both programs.

Notwithstanding section 8.33, moneys committed to grantees under contract that remain unexpended at the end of the fiscal year, shall not revert to any fund but shall be available for expenditure for purposes of the contract during the succeeding fiscal year.

c. Labor management councils

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent position:

.....	\$	100,338
.....	FTEs	0.50

Notwithstanding section 8.33, moneys committed to grantees under contract that remain unexpended on June 30 of the fiscal year shall not revert to any fund but shall be available for expenditure for purposes of the contract during the succeeding fiscal year. The department shall not use moneys appropriated in this lettered paragraph for grants to grantees who do not facilitate the active participation of labor as members of labor management councils or who fail to make a good faith effort to either schedule meetings during nonworking hours or obtain voluntary agreements with employers to allow employees time off to attend labor management council meetings with no loss of pay or other benefits.

Sec. 87. Notwithstanding section 15.251, subsection 2, there is appropriated from the job training fund to the department of employment services for the fiscal year beginning July 1, 1996, and ending June 30, 1997, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the target alliance program:

.....	\$	30,000
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Sec. 88. ADMINISTRATIVE CONTRIBUTION SURCHARGE FUND. There is appropriated from the administrative contribution surcharge fund of the state to the department of employment services for the fiscal year beginning July 1, 1996, and ending June 30, 1997, the following amount, or so much thereof as is necessary, for the purposes designated:

* Item veto; see message at end of the Act

DIVISION OF JOB SERVICE

Notwithstanding section 96.7, subsection 12, paragraph "c", for salaries, support, maintenance, conducting labor availability surveys, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	6,310,000
.....	FTEs	141.54

*1. The department of employment services shall provide services throughout the fiscal year beginning July 1, 1996, and ending June 30, 1997, in all communities in which workforce centers were operating on July 1, 1993. However, this provision shall not prevent the consolidation of multiple offices within the same city or the colocation of workforce centers with another public agency.

2. The division of industrial services shall not reduce the number of scheduled hearings of contested cases or eliminate the venue of such hearings, as established by the division for the period beginning January 1, 1996, and ending January 20, 1997. The division shall also establish a substantially similar schedule for such hearings for the period beginning January 20, 1997, and ending June 30, 1997. The division shall report to the legislative fiscal bureau concerning any modification of the established schedule, or any changes which the division determines are necessary in establishing the schedule for the period beginning January 20, 1997, and ending June 30, 1997.*

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

Sec. 89. EMPLOYMENT SECURITY CONTINGENCY FUND. There is appropriated from the special employment security contingency fund to the department of employment services for the fiscal year beginning July 1, 1996, and ending June 30, 1997, the following amounts, or so much thereof as is necessary, for the purposes designated and subject to the requirement that the appropriation to the division of labor services under this section be fully funded from the special employment security contingency fund prior to any amounts being used to fund the appropriation made to the division of industrial services under this section:

1. DIVISION OF LABOR SERVICES

For salaries, support, maintenance, and miscellaneous purposes:

.....	\$	296,000
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2. DIVISION OF INDUSTRIAL SERVICES

For salaries, support, maintenance, and miscellaneous purposes:

.....	\$	175,000
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Any additional penalty and interest revenue may be used to accomplish the mission of the department.

Sec. 90. PUBLIC EMPLOYMENT RELATIONS BOARD. There is appropriated from the general fund of the state to the public employment relations board for the fiscal year beginning July 1, 1996, and ending June 30, 1997, the following amount, or so much thereof as is necessary, for the purposes designated:

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

.....	\$	777,164
.....	FTEs	12.80

Sec. 91. There is appropriated from the general fund of the state to the Iowa finance authority for the fiscal year beginning July 1, 1996, and ending June 30, 1997, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For deposit in the housing improvement fund created in section 16.100 for purposes of the fund:

.....	\$	400,000
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*Item veto; see message at end of the Act

Sec. 92. There is allocated from the unobligated funds remaining in the Wallace technology transfer foundation fund, after the allocation in section 78, subsection 2, paragraph "d", of this Act, on June 30, 1996, \$100,000 for deposit in the housing improvement fund created in section 16.100 for the purposes of the fund. Any funds remaining shall not revert to any fund, notwithstanding section 8.33. Unobligated funds remaining on June 30, 1997, shall revert to the general fund of the state.

Sec. 93. NEW SECTION. 15.113 ECONOMIC DEVELOPMENT ASSISTANCE - REPORT.

In order for the general assembly to have accurate and complete information regarding expenditures for economic development and job training incentives and to respond to the job training needs of Iowa workers, the department shall provide to the legislative fiscal bureau by January 15 of each year data on all assistance or benefits provided under the community economic betterment program, the new jobs and income program, and the Iowa industrial new jobs training Act during the previous calendar year. The department shall meet with the legislative fiscal bureau prior to submitting the data to assure that its form and specificity are sufficient to provide accurate and complete information to the general assembly. The department shall also contact other state agencies providing financial assistance to Iowa businesses and, to the extent practical coordinate the submission of the data to the legislative fiscal bureau.

Sec. 94. NEW SECTION. 15.114 MICROBUSINESS RURAL ENTERPRISE ASSISTANCE.

1. As used in this section:

a. "Department" means the department of economic development.

b. "Microbusiness" or "microbusiness enterprise" means a business producing services with five or fewer full-time equivalent employee positions and with assistance requirements of not more than twenty-five thousand dollars.

c. "Microbusiness organization" means a nonprofit corporation organized under chapter 504A which is exempt from taxation pursuant to section 501 (c) of the Internal Revenue Code and which has a principal mission of actively engaging in microbusiness development, training, technical assistance, and capital access for the start-up or expansion of microbusinesses.

2. The department shall contract with a microenterprise organization actively engaged in microbusiness enterprise to assist in the establishment of this program. In order to qualify for the contract, the microenterprise organization shall do all of the following:

a. Demonstrate a past performance of and a capacity to successfully engage in microbusiness development.

b. Have a statewide commitment to and focus on microbusiness development.

c. Provide training and technical assistance.

d. Demonstrate an ability to provide access to capital for start-up or expansion of a microbusiness.

e. Have established linkages with financial institutions.

f. Demonstrate an ability to provide follow-up technical assistance after a microbusiness start-up or expansion.

3. Moneys allocated pursuant to this section which remain unexpended or unobligated at the end of a fiscal year shall remain available to the department to support the assistance program or may be credited to the value-added agricultural products and processes financial assistance fund created in section 15E.112 and shall not revert notwithstanding section 8.33.

4. The department shall submit a report in accordance with section 7A.11 not later than November 1 of each year detailing the activities of the microenterprise organization and describing the success of the project.

Sec. 95. Section 15.313, subsection 2, Code 1995, is amended by adding the following new paragraphs:

NEW PARAGRAPH. g. The entrepreneurs with disabilities program, which provides technical and financial assistance to help persons with disabilities become self-sufficient and create additional employment opportunities by establishing or expanding small business ventures.

NEW PARAGRAPH. h. The job opportunities for persons with disabilities program, which provides service and technical assistance to rehabilitation organizations or agencies that create, expand, or spin off business ventures for persons with disabilities.

Sec. 96. NEW SECTION. 15A.4 COMPETITIVE PROGRAMS – GOOD NEIGHBOR AGREEMENT – ADDITIONAL CONSIDERATION.

For any program providing financial assistance for economic development in which the assistance is provided on a competitive basis, a business which enters into a good neighbor agreement shall receive extra consideration of at least ten points or the equivalent. A good neighbor agreement is an enforceable contract between the business and a community group or coalition of community groups which requires the business to adhere to negotiated environmental, economic, labor, or other social and community standards.

A business which fails to abide by the good neighbor agreement shall repay all financial assistance received under the program.

Sec. 97. Section 15E.112, subsection 1, Code 1995, is amended to read as follows:

1. A value-added agricultural products and processes financial assistance fund is created within the state treasury under the control of the department. The fund shall consist of any money appropriated by the general assembly and any other moneys available to and obtained or accepted by the department from the federal government or private sources for placement in the fund. ~~Until July 1, 2000, moneys shall be deposited in the fund as provided in section 423.24. Not more than one percent of the total moneys available to support value-added agricultural products and processes pursuant to section 423.24 during each quarter shall be used by the department for administration of the value-added agricultural products and processes financial assistance program, as provided in section 15E.111.~~ The assets of the fund shall be used by the department only for carrying out the purposes of section 15E.111.

Sec. 98. For the fiscal year beginning July 1, 1996, and ending June 30, 1997, section 15.343, subsection 2, paragraph “d”, as amended in Senate File 2351, if enacted,* shall be available for the funding of innovative training and career opportunity programming for minorities, provided such funding is matched on a dollar-for-dollar basis by a participating community college.

Sec. 99. Notwithstanding sections 15.108, 15.224 through 15.230, 15.347, 15.348, and 239.22, the department of employment services shall administer the following programs: job training partnership Act, Iowa conservation corps, americorps, mentoring for promise jobs, food stamp employment and training, and the labor/management co-op programs.

Sec. 100. FEDERAL GRANTS. All federal grants to and the federal receipts of agencies appropriated funds under this Act, not otherwise appropriated, are appropriated for the purposes set forth in the federal grants or receipts unless otherwise provided by the general assembly.

DIVISION X SPECIAL REGISTRATION PLATES – SURVIVING SPOUSE

Sec. 101. The state department of transportation shall allow the surviving spouse of a person who was issued prisoner of war plates pursuant to section 321.34, subsection 8, to continue to use the special plates, subject to registration of the special plates in the surviving spouse's name and upon payment of the annual registration fee. If the surviving spouse remarries, the surviving spouse shall return the special plates to the department and the department shall issue regular registration plates to the surviving spouse.

* Chapter 1180, §5 herein

This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION XI
COUNTY PROVISIONS

Sec. 102. Section 331.424, subsection 1, paragraph a, subparagraph (1), Code Supplement 1995, is amended to read as follows:

(1) The costs of inpatient or outpatient substance abuse admission, commitment, transportation, care, and treatment at any of the following:

(a) ~~Care and treatment of persons at the~~ The alcoholic treatment center at Oakdale. However, the county may require that an admission to the center shall be reported to the board by the center within five days as a condition of the payment of county funds for that admission.

(b) A state mental health institute, or a community-based public or private facility or service.

Sec. 103. Section 331.424A, subsection 4, Code Supplement 1995, as amended by 1996 Iowa Acts, Senate File 2030,* section 1, is amended to read as follows:

4. For the fiscal year beginning July 1, 1996, and for each subsequent fiscal year, the county shall certify a levy for payment of services. ~~Unless otherwise provided by state law, for~~ For each fiscal year, county revenues from taxes imposed by the county credited to the services fund shall not exceed an amount equal to the amount of base year expenditures for services as defined in section 331.438, less the amount of property tax relief to be received pursuant to section 426B.2, subsections 1 and 3, in the fiscal year for which the budget is certified. The county auditor and the board of supervisors shall reduce the amount of the levy certified for the services fund by the amount of property tax relief to be received. A levy certified under this section is not subject to the appeal provisions of sections 331.426 and 444.25B or to any other provision in law authorizing a county to exceed, increase, or appeal a property tax levy limit.

Sec. 104. Section 426B.1, Code Supplement 1995, is amended by adding the following new subsection:

NEW SUBSECTION. 3. There is annually appropriated from the property tax relief fund to the department of human services to supplement the medical assistance appropriation for the fiscal year beginning July 1, 1997, and for succeeding fiscal years, six million six hundred thousand dollars to be used for the nonfederal share of the costs of services provided to minors with mental retardation under the medical assistance program to meet the requirements of section 249A.12, subsection 4. The appropriation in this subsection shall be charged to the property tax relief fund prior to the distribution of moneys from the fund under section 426B.2 and the amount of moneys available for distribution shall be reduced accordingly. However, the appropriation in this subsection shall be considered to be a property tax relief payment for purposes of the combined amount of payments required to achieve fifty percent of the counties' base year expenditures as provided in section 426B.2, subsection 3.

Sec. 105. Section 444.25A, subsection 2, paragraph e, unnumbered paragraph 2, Code Supplement 1995, is amended to read as follows:

For purposes of this paragraph, the price index for government purchases by type for state and local governments is defined by the bureau of economic analysis of the United States department of commerce and published in table 7.11 of the national income and products accounts. For the fiscal years beginning July 1, 1995, and July 1, 1996, the price index used shall be the revision published in the November 1994 and November 1995 issues, respectively, of the United States department of commerce publication, "survey of current business". For purposes of this paragraph, tax dollars levied in the fiscal years beginning July 1, 1994, and July 1, 1995, shall not include funds levied for paragraphs "a", "b", and "c", and "d" of this subsection.

* Chapter 1205 herein

Sec. 106. Section 444.25B, subsection 1, unnumbered paragraph 1, Code Supplement 1995, is amended to read as follows:

The maximum amount of property tax dollars which may be certified by a county for taxes payable in the fiscal year beginning July 1, 1997, shall not exceed the amount of property tax dollars certified by the county for taxes payable in the fiscal year beginning July 1, 1996, ~~minus the amount by which the property tax relief moneys to be received by the county in the fiscal year beginning July 1, 1997, pursuant to section 426B.2, subsections 1 and 3, exceed the amount of the property tax relief moneys received in the fiscal year beginning July 1, 1996,~~ for each of the levies for the following, except for the levies on the increase in taxable valuation due to new construction, additions or improvements to existing structures, remodeling of existing structures for which a building permit is required, annexation, and phasing out of tax exemptions, and on the increase in valuation of taxable property as a result of a comprehensive revaluation by a private appraiser under a contract entered into prior to January 1, 1992, or as a result of a comprehensive revaluation directed or authorized by the conference board prior to January 1, 1992, with documentation of the contract, authorization, or directive on the revaluation provided to the director of revenue and finance, if the levies are equal to or less than the levies for the previous year, levies on that portion of the taxable property located in an urban renewal project the tax revenues from which are no longer divided as provided in section 403.19, subsection 2, or as otherwise provided in this section:

Sec. 107. Section 444.25B, subsection 2, Code Supplement 1995, is amended by adding the following new paragraph after paragraph d and relettering the subsequent paragraph:

NEW PARAGRAPH. dd. Mental health, mental retardation, and developmental disabilities services fund under section 331.424A.

Sec. 108. Section 444.25B, subsection 2, paragraph e, unnumbered paragraphs 1 and 2, Code Supplement 1995, are amended to read as follows:

Unusual need for additional moneys to finance existing programs which would provide substantial benefit to county residents or compelling need to finance new programs which would provide substantial benefit to county residents. The increase in taxes levied under this exception for the fiscal year beginning July 1, 1997, is limited to no more than the product of the total tax dollars levied in the fiscal year beginning July 1, 1996, and the percent change, computed to two decimal places, ~~in the price index for government purchases by type for state and local governments computed between the preliminary price index~~ for the third quarter of calendar year 1996 ~~from that computed~~ and the revised price index for the third quarter of calendar year 1995 as published in the same issue in which the preliminary 1996 third quarter price index is first published.

~~For purposes of this paragraph, the price index for government purchases by type for state and local governments is defined by the bureau of economic analysis of the United States department of commerce and published in table 7.11 of the national income and products accounts. For the fiscal year beginning July 1, 1997, the price index used shall be the revision published in the November 1996 edition of the United States department of commerce publication, "survey of current business" state and local government chain-type price index used in the quantity and price indexes for gross domestic product, as published by the bureau of economic analysis of the United States department of commerce in the national income and products accounts as published in "survey of current business".~~ For purposes of this paragraph, tax dollars levied in the fiscal year beginning July 1, 1996, shall not include funds levied for paragraphs "a", "b", and "c", "d", and "dd" of this subsection.

Sec. 109. Section 444.25B, Code Supplement 1995, is amended by adding the following new subsection:

NEW SUBSECTION. 5. MH/MR/DD LEVY ADJUSTMENT. A county which did not certify the maximum levy authorized for the county's mental health, mental retardation, and developmental disabilities services fund under section 331.424A, subsection 4, for the fiscal year beginning July 1, 1996, may certify up to the maximum authorized levy under the services fund for the fiscal year beginning July 1, 1997. However, any amount of increase in the certified services fund levy under this subsection over the amount certified for the services

fund in the previous fiscal year shall be offset by an equivalent decrease in the amount certified by the county for general county services.

Sec. 110. EFFECTIVE DATE. Section 102 of this division of this Act, relating to substance abuse treatment costs, being deemed of immediate importance, takes effect upon enactment.

Approved May 30, 1996, except the items which I hereby disapprove and which are designated as Section 14, subsection 1 in its entirety; Section 14, subsections 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, and 19 in their entirety; Section 17 in its entirety; Section 41 in its entirety; Section 53 in its entirety; Section 63 in its entirety; Sections 66, 67, 68, and 69 in their entirety; those portions of Section 78, subsection 2, paragraph d which are herein bracketed in ink and initialed by me; Section 78, subsection 3, paragraph f in its entirety; that portion of Section 78, subsection 5, paragraph a which is herein bracketed in ink and initialed by me; Section 83 in its entirety; that portion of Section 86, unnumbered and unlettered paragraph 1 which is herein bracketed in ink and initialed by me; that portion of Section 86, subsection 7, paragraph a, unnumbered and unlettered subparagraph 1 which is herein bracketed in ink and initialed by me; and Section 88, subsections 1 and 2 in their entirety. My reasons for vetoing these items are delineated in the item veto message pertaining to this Act to the Secretary of State this same date, a copy of which is attached hereto.

TERRY E. BRANSTAD, Governor

Dear Mr. Secretary:

I hereby transmit Senate File 2470, an Act relating to public levy, expenditure, and regulatory matters by making standing and other appropriations, and providing technical provisions, studies of runaway youth, physician utilization, and retirement system issues, and providing a penalty and effective dates.

Senate File 2470 is, therefore, approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the items designated as Section 14, subsections 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, and 19, in their entirety. These items make numerous appropriations from a one-time source of fiscal year 1995 lottery funds. With the exception of subsection 2 which I have approved, all of this spending is for items beyond what was included in my budget recommendations. It is in the state's financial interest to keep spending as low as possible. In addition, many of these items are for ongoing expenses that are inappropriately funded from a one-time source. As a result of these item vetoes, total state spending will be reduced by \$2.1 million.

I am unable to approve the item designated as Section 17, in its entirety. This item would provide that, in determining the amount of lottery revenues to be transferred to the general fund each month, not more than \$1.5 million could be retained by the lottery fund. The Iowa Lottery, the Iowa Department of Justice, and the State Auditor have all raised concerns about this language, suggesting the Iowa Lottery would be unable to pay prize winnings on a timely basis and possibly result in reporting negative retained earnings. Moreover, the Multi-State Lottery Association advises the Iowa Lottery would be expelled from the Multi-State Lottery Association and be prohibited from participating in Powerball, a \$1.25 billion per year sales organization headquartered in Iowa. As a result of this item veto, an estimated \$1.35 million of spending contained in Section 15 of this bill will not occur.

I am unable to approve the item designated as Section 41, in its entirety. This item would provide a fiscal year 1996 supplemental appropriation of \$200,000 for the State Hygienic Laboratory to conduct analyses of test samples for alcohol or controlled substances. This provision was added to the bill in anticipation of the passage of an employee drug testing bill. The bill did not pass and therefore the appropriation is unnecessary.

I am unable to approve the item designated as Section 53, in its entirety. This item provides a \$70,000 appropriation to the E911 communications council. This is spending beyond the level recommended in my budget.

I am unable to approve the item designated as Section 63, in its entirety. This item greatly expands the membership of county joint E911 boards at a time when most counties report difficulty in having a quorum of members present under the current membership requirements. Expanding membership to include political subdivisions that have no direct responsibilities for E911 services would reduce the ability of these service boards to carry out their duties, and for this reason should not be approved.

I am unable to approve the items designated as Sections 66, 67, 68, and 69, in their entirety. These items relate to a new runaway treatment program. According to the House Co-Chair of the Appropriations Committee, the funding for this program was struck, but the language creating the program was inadvertently left in the bill. Without the appropriation, the program provisions in Sections 66 through 69 are meaningless.

I am unable to approve the designated portions of Section 78, subsection 2, paragraph d. This item would impose a new wage requirement for all projects funded through the Community Economic Betterment Account (CEBA) Program. Ironically, the effect of this language would be to lower the wage requirement for eligibility in the larger cities and increase the wage requirement in rural areas where new jobs are most critically needed. It would damage development efforts in our rural areas while increasing the eligibility of lower wage projects in the more populous counties. The Department of Economic Development Board voted unanimously to oppose this provision and feels strongly it is not workable in its current form. The Board should be complimented on the progress it has made in raising the average wage of CEBA projects, and I am confident it will continue to make additional progress in the future.

I am unable to approve the item designated as Section 78, subsection 3, paragraph f, in its entirety. This item appropriates \$50,000 to councils of government for distribution on a per capita basis. This is spending beyond the level recommended in my budget.

I am unable to approve the designated portion of Section 78, subsection 5, paragraph a. This item earmarks \$100,000 from tourism operations for a grant program for annual community celebrations of Iowa's agricultural heritage. The practice of special-interest earmarking should be discouraged. As a result of this action, this \$100,000 will remain unspent and revert to the general fund at the end of the fiscal year that begins on July 1, 1996 and ends on June 30, 1997.

I am unable to approve the item designated as Section 83, in its entirety. This item requires the Iowa Seed Capital Corporation to cease making new investments and to transfer its portfolio to private sector management on June 30, 1997. I believe the Iowa Seed Capital Corporation needs to be reconfigured and moved to private sector management. However, the timetable provided in the bill may be too short to allow for adequate consideration of all options for accomplishing this change in a manner that best meets the full range of state objectives.

I am unable to approve the designated portion of Section 86, unnumbered and unlettered paragraph 1. This item would authorize the legislature to be involved in decisions relating to the staffing and organization of the Department of Workforce Development. Decisions concerning the personnel needs and structure of the department fall properly within the discretion of the director of the department. Legislative attempts to encroach into matters that are the prerogative of the executive branch cannot be approved.

I am unable to approve the designated portion of Section 86, subsection 7, paragraph a, unnumbered and unlettered subparagraph 1. This item would earmark \$800,000 from the youth conservation corps for a summer youth program in one city. The practice of special-interest earmarking should be discouraged. As a result of this action, this \$800,000 will remain unspent and revert to the general fund at the end of the fiscal year that begins on July 1, 1996 and ends on June 30, 1997.

I am unable to approve the items designated as Section 88, subsections 1 and 2, in their entirety. These items relate to the operations of workforce development centers and the management of workers' compensation hearings. These items would allow the legislative branch to interfere in decisions that are best made by the director of the Department of Workforce Development and for that reason, can not be approved.

For the above reasons, I respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in Senate File 2470 are hereby approved as of this date.

Sincerely,
TERRY E. BRANSTAD, *Governor*