

*Substituted for
HF 254 3/3/97
P. 471*

*2-17-97 Local Gov.
2-26-97 Do Pass*

FILED FEB 17 1997

SENATE FILE **145**
BY JUDGE, BLACK of Kossuth,
and REDWINE

(COMPANION TO LSB 2273HH
BY MERTZ)

Passed Senate, ^(P. 409) Date 2-27-97 Passed House, Date 3/3/97 ^(P. 471)
Vote: Ayes 48 Nays 0 Vote: Ayes 94 Nays 0
Approved March 6, 1997

A BILL FOR

1 An Act relating to the county mental health, mental retardation,
2 and developmental disabilities services fund levy by providing
3 a procedure for a county to make revisions affecting the
4 services fund levy and other levies, and providing an
5 effective date.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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S.F. 145

1 Section 1. MENTAL HEALTH, MENTAL RETARDATION, AND
2 DEVELOPMENTAL DISABILITIES SERVICES FUND LEVY REVISIONS.

3 1. For the purposes of this section, "base year
4 expenditures" and "qualified mental health, mental
5 retardation, and developmental disabilities services" mean the
6 same as provided in section 331.438, and "services fund" means
7 the same as provided in section 331.424A.

8 2. A county may request approval of the county finance
9 committee in accordance with this section for revision of the
10 county's base year expenditures amount. A county is eligible
11 for a revision if the county made a major error in
12 establishing the county's base year expenditures amount by
13 underreporting the county's qualified mental health, mental
14 retardation, and developmental disabilities services
15 expenditures to the county finance committee and the
16 underreported expenditures amount was also included in the
17 county's final budget certified for the fiscal year beginning
18 July 1, 1995. For the purposes of this section, a major error
19 is a failure to include qualified mental health, mental
20 retardation, and developmental disabilities services
21 expenditures associated with the operation of a county care
22 facility, group home, or similar program.

23 3. A county's revision request shall be submitted to the
24 county finance committee which may approve or reject the
25 request in whole or in part, based upon the committee's
26 determination as to the extent to which an underreporting
27 error occurred. The revision request must be submitted within
28 ten days of the effective date of this Act, and a decision by
29 the county finance committee to approve or reject the revised
30 amount must be issued within twenty days of the effective date
31 of this Act. The decision of the county finance committee is
32 final.

33 4. If the county's request for revision of the county's
34 base year expenditures amount is approved under subsection 3,
35 the county board may by resolution provide for transfer of

1 moneys from the county's general fund to the county's services
2 fund for the fiscal year beginning July 1, 1996. The amount
3 of the transfer shall not exceed the net revision amount of
4 the request approved under subsection 3.

5 5. For the fiscal year beginning July 1, 1997, for a
6 county for which a revision is approved under this section, to
7 the extent the county uses the revision to increase the
8 maximum levy authorized for the services fund of the county in
9 excess of the services fund levy certified in the county's
10 final budget for the fiscal year beginning July 1, 1996, the
11 amount of increase shall be offset by an equivalent decrease
12 in the levy amount certified by the county for general county
13 services.

14 Sec. 2. EFFECTIVE DATE. This Act, being deemed of
15 immediate importance, takes effect upon enactment.

16 EXPLANATION

17 This bill relates to the county mental health, mental
18 retardation, and developmental disabilities services fund levy
19 by providing a procedure for a county to make revisions
20 affecting the county's services fund levy and other levies.

21 The bill applies to counties which made a major error in
22 establishing the county's base year expenditures amount which
23 is used to establish the maximum levy for the county's
24 services fund. According to the bill, underreporting may
25 result from failure to include qualified expenditures
26 associated with the operation of a county care facility, group
27 home, or similar program.

28 To be eligible, a county must submit a revision request to
29 the county finance committee within 10 days of the bill's
30 effective date. Based upon the county finance committee's
31 determination as to the extent of an underreporting error, the
32 county finance committee may approve or reject the revision
33 request in whole or in part. The committee's decision must be
34 issued within 20 days of the bill's effective date. A county
35 is authorized to transfer up to the approved net revision

1 amount from the county's general fund to the county's services
2 fund for fiscal year 1996-1997.

3 To the extent a county approved for a revision increases
4 its levy askings for the services fund for fiscal year 1997-
5 1998 from the amount originally certified for the previous
6 year, the county must decrease its general fund levy askings
7 in an equivalent amount for that fiscal year.

8 The bill takes effect upon enactment.

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SENATE FILE 145
FISCAL NOTE

A fiscal note for Senate File 145 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 145 provides a procedure for a county to make revisions affecting the county's services fund levy and other levies, requires a revision be submitted within 10 days of the Bill's effective date, allows the County Finance Committee to approve or reject the revision request in whole or in part within 20 days, and is effective upon enactment.

ASSUMPTIONS

1. The State contribution to the Mental Health, Mental Retardation, and Developmental Disabilities Services Fund would remain at \$95.0 million in FY 1998. A county's share of the fund may change after any adjustments are approved by the County Finance Committee based on the established distribution formula.
2. The three counties with a known fiscal impact omitted a combined total of \$806,000 from their original FY 1996 base calculations.
3. Any other county applying for an adjusted base calculation would alter the estimated growth factor impact. It is unknown how many counties may apply for a base calculation adjustment.
4. The allowed growth factor indicated in HF 255 is 2.89% which is applied to the Fund base. (HF 255 passed the House on February 20 but has not been considered by the Senate.) Application of the 2.89% assumed growth factor to the adjusted base could result in an annual General Fund increase of \$23,000. However, there has been no appropriation for the increase. Without an increased appropriation for the Fund adjustment, the only change would be the individual county shares of the appropriated growth factor.
5. Long term fiscal effects would include a State increase of \$403,000 (50.0% of the known expenditures omitted in the county base) in reaching the 50.0% goal of State contribution to the Fund. Because it is unknown when the State will reach the 50.0% contribution, the maximum potential General Fund impact cannot be determined.

FISCAL IMPACT

The General Fund impact of SF 145, without a corresponding increased appropriation, would be zero for FY 1998 and FY 1999.

SOURCES

Department of Human Services
Kossuth, Plymouth, and Wayne County Central Point Coordinators

(LSB 2273SS, MMB)

FILED FEBRUARY 24, 1997

BY DENNIS PROUTY, FISCAL DIRECTOR

SENATE FILE 145

AN ACT

RELATING TO THE COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND DEVELOPMENTAL DISABILITIES SERVICES FUND LEVY BY PROVIDING A PROCEDURE FOR A COUNTY TO MAKE REVISIONS AFFECTING THE SERVICES FUND LEVY AND OTHER LEVIES, AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. MENTAL HEALTH, MENTAL RETARDATION, AND DEVELOPMENTAL DISABILITIES SERVICES FUND LEVY REVISIONS.

1. For the purposes of this section, "base year expenditures" and "qualified mental health, mental retardation, and developmental disabilities services" mean the same as provided in section 331.438, and "services fund" means the same as provided in section 331.424A.

2. A county may request approval of the county finance committee in accordance with this section for revision of the county's base year expenditures amount. A county is eligible for a revision if the county made a major error in establishing the county's base year expenditures amount by

underreporting the county's qualified mental health, mental retardation, and developmental disabilities services expenditures to the county finance committee and the underreported expenditures amount was also included in the county's final budget certified for the fiscal year beginning July 1, 1995. For the purposes of this section, a major error is a failure to include qualified mental health, mental retardation, and developmental disabilities services expenditures associated with the operation of a county care facility, group home, or similar program.

3. A county's revision request shall be submitted to the county finance committee which may approve or reject the request in whole or in part, based upon the committee's determination as to the extent to which an underreporting error occurred. The revision request must be submitted within ten days of the effective date of this Act, and a decision by the county finance committee to approve or reject the revised amount must be issued within twenty days of the effective date of this Act. The decision of the county finance committee is final.

4. If the county's request for revision of the county's base year expenditures amount is approved under subsection 3, the county board may by resolution provide for transfer of moneys from the county's general fund to the county's services fund for the fiscal year beginning July 1, 1996. The amount of the transfer shall not exceed the net revision amount of the request approved under subsection 3.

5. For the fiscal year beginning July 1, 1997, for a county for which a revision is approved under this section, to the extent the county uses the revision to increase the maximum levy authorized for the services fund of the county in excess of the services fund levy certified in the county's final budget for the fiscal year beginning July 1, 1996, the amount of increase shall be offset by an equivalent decrease in the levy amount certified by the county for general county services.

Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

Mary E. Kramer

MARY E. KRAMER

President of the Senate

RON J. CORBETT

Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 145, Seventy-seventh General Assembly.

MARY PAT GUNDERSON

Secretary of the Senate

Approved March 6, 1997

TERRY E. BRANSTAD

Governor