

I am unable to approve the item designated as Section 33, in its entirety. This section provides that the state pay for the costs of detaining juveniles for more than 72 hours. Because no funds have been appropriated to pay for the cost of these services, which are estimated to be nearly \$900,000, this item cannot be approved.

I am unable to approve the item designated as Section 43, in its entirety. This section provides that the educational costs of foster care children placed in out-of-state group homes be paid from moneys appropriated to the School Foundation Program. Because funds are currently available from moneys appropriated to Court Ordered Services for Juveniles, I am unable to approve this item.

I am unable to approve the items designated as Sections 54 and 55, in their entirety. These sections provide for a new Juvenile Court Judges Commission. Since existing groups are available to provide these services, I am unable to approve these items.

For the above reasons, I hereby 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 2452 are hereby approved as of this date.

Sincerely,

TERRY E. BRANSTAD, *Governor*

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## CHAPTER 1232

### DEPARTMENTAL SUPPLEMENTAL APPROPRIATIONS AND REDUCTIONS AND OTHER PROVISIONS

*S.F. 2116*

**AN ACT** relating to the state budget by supplementing certain appropriations and reducing certain appropriations made for the fiscal year beginning July 1, 1991, making changes in the state aid to school corporations, imposing the sales, services, and use tax on solid waste collection and disposal services, consulting services, and additional services, and changing the registration fees for multipurpose vehicles, and providing effective and applicability dates.

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

#### DIVISION I ADDITIONAL REDUCTIONS

##### Section 100. ADDITIONAL REDUCTIONS OF FISCAL YEAR 1991-1992 APPROPRIATIONS.

1. After applying the reduction pursuant to executive order number 42, moneys appropriated from the general fund of the state for the fiscal year beginning July 1, 1991, by the Seventy-fourth General Assembly, 1991 Session, and standing limited and unlimited appropriations from the general fund of the state for the fiscal year beginning July 1, 1991, are reduced by \$2,600,000. However, moneys appropriated from the general fund of the state for the fiscal year beginning July 1, 1991, shall not be reduced if the appropriation is any of the following:

a. Made to the department of human services for programs as delineated in subsection 4, to the department of corrections as specified in subsection 5, to the office of the state public defender as specified in subsection 6, for property tax replacement or reimbursement as specified in subsection 7, and to school corporations as specified in subsection 8.

*\*b. Made pursuant to section 2.12.\**

c. Made to the judicial branch of the government.

2. The \$2,600,000 reduction in appropriations in subsection 1 shall be carried out uniformly and proportionately in the manner specified in section 8.31, except as provided in subsections

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

4 through 8, based upon the appropriated amounts after applying the reduction pursuant to executive order number 42, other reductions in this Act, and other executive branch reductions. Upon implementing the reduction specified in subsection 1, the department of management shall submit a report to the chairpersons and ranking members of the appropriations committees of each house and to the legislative fiscal bureau detailing how the reduction in subsection 1 was implemented.

3. Moneys which become available as a result of the reduction under subsection 1 shall revert to the general fund of the state on the effective date of this section.

4. The appropriation reduction in subsection 1 shall not be applied to reduce the appropriation allotments made in 1991 Iowa Acts, chapter 267, division I and in section 101 of this Act for any of the following department of human services programs: aid to dependent children under chapter 239, including the payment standard, emergency assistance, medical assistance under chapter 249A, including the medically needy program, other optional services and eligibility groups, enhanced services, and medical contracts, enhanced services and enhanced services county payment, state supplementary assistance, child day care assistance, transitional assistance, JOBS program, state juvenile institutions, foster care, home-based services, community-based programs, block grant supplementation, court-ordered services provided to juveniles, Iowa veterans home, state hospital-schools, state mental health institutes, family support subsidy program, special needs grants, and field operations.

5. Appropriations made to the department of corrections in 1991 Iowa Acts, chapter 267, section 404, subsection 1, for correctional facilities, in 1991 Iowa Acts, chapter 267, section 405, subsections 5 and 6 and in section 102 of this Act for annual payments relating to prison expansion, and in 1991 Iowa Acts, chapter 267, section 406, subsection 1, paragraphs "a" through "i" for the first through the eighth judicial district departments of correctional services shall not be reduced under subsection 1.

6. Appropriations made to the office of the state public defender in 1991 Iowa Acts, chapter 268, section 407, subsection 1, paragraph "b", for indigent court-appointed attorney fees shall not be reduced under subsection 1.

7. Appropriations made in section 405A.8 for personal property tax replacement, section 425.1, for homestead tax credit, section 425.39, for extraordinary property tax credit and reimbursement, and section 426.1 for agricultural land tax credit shall not be reduced under subsection 1.

8. Appropriations made to school corporations in chapter 257 for state aid to school districts and chapter 286A for state aid to area schools shall not be reduced under subsection 1.

\*9. *In implementing the appropriation reduction required in subsection 1, the departments and agencies of state government shall not eliminate employee positions unless each of the following means of achieving the reduction have already been implemented in the order specified and are insufficient to achieve the required reduction: deferral or elimination of travel, equipment purchases or nonessential expenses, and furlough of workers earning more than \$40,000 annually. If the preceding means have been implemented and are insufficient to achieve the required reduction so that elimination of employee positions is the only means remaining available, then the elimination of positions shall first apply to middle management staff consistent with the recommendations of the governor's committee on government spending reform.\**

SUPPLEMENTALS  
Department of Human Services

Sec. 101. SUPPLEMENTAL APPROPRIATIONS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, to supplement the appropriations made in 1991 Iowa Acts, chapter 267, division I, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

- 1. Aid to families with dependent children, in section 101:
- |  |    |           |
|--|----|-----------|
|  | \$ | 4,306,161 |
|--|----|-----------|

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

2. Emergency assistance to families with dependent children to match federal funding for homeless prevention programs in section 102:

.....	\$	375,000
3. Medical assistance, in section 103:	\$	20,605,610
4. Medical contracts, in section 104:	\$	295,104
5. State supplementary assistance, in section 107:	\$	1,117,613
6. Child day care assistance, in section 109:	\$	230,883
7. Transitional child care assistance, in section 110:	\$	10,508
8. Foster care, in section 114:	\$	11,525,652
9. Home-based services, in section 116:	\$	287,332
10. Community-based programs, in section 117:	\$	767,036
11. a. State mental health institute at Cherokee, in section 121, subsection 1:	\$	158,485
b. State mental health institute at Independence, in section 121, subsection 3:	\$	758,139

Department of Corrections

Sec. 102. There is appropriated from the general fund of the state to the department of corrections for the fiscal year beginning July 1, 1991, and ending June 30, 1992, to supplement the appropriations made in 1991 Iowa Acts, chapter 267, section 405, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For annual payment relating to prison expansion, in subsection 5:	\$	20,340
2. For annual payment relating to prison expansion, in subsection 6:	\$	102,156

Interstate Compact on Agricultural Grain Marketing

*\*Sec. 103. There is appropriated from the general fund of the state to the interstate agricultural grain marketing commission for the fiscal year beginning July 1, 1991, and ending June 30, 1992, to supplement the appropriation made in 1991 Iowa Acts, chapter 268, section 206, the following amount, or so much thereof as is necessary, to be used for the purpose designated:*

*For carrying out the duties of the commission under the interstate compact as provided in chapter 183:*

.....	\$	1,950*
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Department of Inspections and Appeals

Sec. 104. There is appropriated from the road use tax fund to the department of inspections and appeals for the fiscal year beginning July 1, 1991, and ending June 30, 1992, to supplement the appropriation made in 1991 Iowa Acts, chapter 268, section 414, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes:

.....	\$	100,000
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Sec. 105. 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, 1991, and ending June 30, 1992, to supplement the appropriation made in 1991 Iowa Acts, chapter 268, section 425, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

For salaries, support, maintenance, miscellaneous purposes, and for an increase of 2 full-time equivalent positions:

..... \$ 50,000  
Department of General Services

Sec. 106. There is appropriated from the use tax revenues credited to the road use tax fund under section 423.24, subsection 1, paragraph "c", to the department of general services for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the removal of the court avenue bridge:  
..... \$ 375,000  
Department of Justice

*\*Sec. 107. There is appropriated from the general fund of the state to the department of justice for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, for the purpose designated:*

*For expenses relating to the enforcement of odometer fraud laws:*  
..... \$ 130,000\*

Sec. 108. Notwithstanding section 8.33, unobligated and unencumbered moneys remaining on June 30, 1992, from the appropriations made for the fiscal year beginning July 1, 1991, in section 106 shall not revert but shall be available for expenditure for which appropriated during the fiscal year beginning July 1, 1992, and any unobligated and unencumbered moneys remaining on June 30, 1993, from such appropriations shall revert on August 31, 1993.

Sec. 109. NONREVERSION. Notwithstanding section 8.33, unobligated and unencumbered moneys remaining on June 30, 1992, from the appropriation to the prevention of disabilities policy council for the fiscal year beginning July 1, 1991, in 1991 Iowa Acts, chapter 169, section 8, shall not revert to the general fund of the state but shall remain available for the purpose for which appropriated in the succeeding fiscal year.

Sec. 110. Notwithstanding section 8.39, it is the intent of the general assembly that if funds are unavailable to implement the purposes of the supplemental appropriations for the 1991-1992 fiscal year made in this Act, the executive branch of government may make transfers of unexpended general fund appropriation balances to the general fund of the state during the 1991-1992 fiscal year. *\*At least two weeks before such transfers are made, the executive branch shall file a report with the appropriate joint appropriations subcommittee chairpersons, the chairpersons of appropriations committees, the executive council, and the legislative fiscal bureau. This report shall state the amount of each transfer, identify the agency affected, the effect on that agency, and the reasons for the transfer.\**

Sec. 111. EFFECT OF APPROPRIATION REDUCTIONS. The moneys appropriated to supplement the appropriations for the fiscal year beginning July 1, 1991, and ending June 30, 1992, made in this division are not subject to the allotment reduction pursuant to executive order number 42. However, these supplemental appropriations shall be subject to reduction under section 100 of this Act to the extent not otherwise exempt under that section.

DIVISION II  
REDUCTIONS

Department of Agriculture and Land Stewardship

Sec. 201. The appropriation from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 1991, and ending June 30, 1992, in 1991 Iowa Acts, chapter 268, section 201, is reduced, as a result of the governor's item veto in section 201, by the following amount for the purpose designated:

Soil conservation division, in subsection 6:  
..... \$ 250,000

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

Iowa Communications Network

Sec. 202. Notwithstanding the nonreversion provision in section 18.137, the unobligated and unencumbered moneys remaining in the Iowa communications network fund of the amount appropriated, as a result of the governor's item veto of 1991 Iowa Acts, chapter 267, section 507, subsection 17, under section 18.137 to the fund for the fiscal year beginning July 1, 1991, and ending June 30, 1992, shall revert to the general fund of the state on the effective date of this Act.

Sec. 203. EFFECT OF APPROPRIATION REDUCTIONS. The reductions in appropriations for the fiscal year beginning July 1, 1991, and ending June 30, 1992, made in this division are in addition to the allotment reduction pursuant to executive order number 42.

DIVISION III  
STATE AID TO EDUCATION

Sec. 301. Section 11.6, subsection 1, unnumbered paragraph 1, Code Supplement 1991, is amended to read as follows:

The financial condition and transactions of all cities and city offices, counties, county hospitals organized under chapters 347 and 347A, memorial hospitals organized under chapter 37, entities organized under chapter 28E having gross receipts in excess of one hundred thousand dollars in a fiscal year, merged areas, area education agencies, and all school offices in school districts, shall be examined at least once each year, except that cities having a population of seven hundred or more but less than two thousand shall be examined at least once every four years, and cities having a population of less than seven hundred may be examined as otherwise provided in this section. The examination shall cover the fiscal year next preceding the year in which the audit is conducted. The examination of school offices shall include an audit of all school funds, the certified annual financial report, and the certified enrollment as provided in section 257.14 257.6. Examinations of community colleges shall include an audit of eligible and noneligible contact hours as defined in section 286A.2. Eligible and noneligible contact hours and the certified enrollment shall be certified to the department of management.

Sec. 302. Section 257.13, Code 1991, is amended by adding after unnumbered paragraph 1, the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding the amount computed under the first paragraph, for the budget year beginning July 1, 1991, each school district shall receive an amount equal to the product of the applicable percentage times ninety-nine and one-half percent of the amount computed under the first paragraph based upon the following schedule:

<u>Percent Increase</u> <u>in Enrollment</u>	<u>Applicable Percentage</u>
1. Less than .5% .....	0%
2. .5%, but not more than 1% .....	25%
3. 1%, but not more than 3% .....	50%
4. More than 3% .....	75%

Sec. 303. Section 257.16, unnumbered paragraph 2, Code Supplement 1991, is amended to read as follows:

All state aids paid under this chapter, unless otherwise stated, shall be paid in monthly installments beginning on September 15 of a budget year and ending on June 15 of the budget year and the installments shall be as nearly equal as possible as determined by the department of management, taking into consideration the relative budget and cash position of the state resources. However, an amount of state school foundation aid equal to the general allocation of the school district as determined under section 405A.2 and the amount of the tax credit for livestock pursuant to section 442.2, subsection 2, as it appeared in the 1987 Code, shall be paid to the school district on July 15 of the subsequent fiscal year, and the appropriation for

this amount shall be made for the fiscal year during which the payment is made. However, the state aid paid to school districts under section 257.13 shall be paid in monthly installments beginning on December 15 and ending on June 15 of a budget year.

Sec. 304. Notwithstanding the repeal of chapter 442 as of July 1, 1991, the provision of section 442.26 that requires an amount of school aid equal to the general allocation to a school district under section 405A.2 and the amount of tax credit for livestock to be paid to school districts on July 15 of the subsequent fiscal year remains effective for the school budget year beginning July 1, 1990, and such amounts shall be paid to the school districts on July 15, 1991.

Sec. 305. APPLICABILITY. Sections 301 and 303 of this division apply retroactively to school budget years beginning on or after July 1, 1991. Section 302 of this division applies retroactively to the school budget year beginning July 1, 1991, only and is repealed July 1, 1992. Section 304 of this division applies retroactively to the school budget year beginning July 1, 1990.

#### DIVISION IV TAX AND OTHER CODE CHANGES

Sec. 401. Section 321.109, subsection 1, Code 1991, is amended to read as follows:

1. The annual fee for all motor vehicles including multipurpose vehicles and vehicles designated by manufacturers as station wagons, except motor trucks, motor homes, ~~multipurpose vehicles~~, ambulances, hearses, motorcycles, and motor bicycles, shall be equal to one percent of the value as fixed by the department plus forty cents for each one hundred pounds or fraction thereof of weight of vehicle, as fixed by the department. The weight of a motor vehicle, fixed by the department for registration purposes, shall include the weight of a battery, heater, bumpers, spare tire, and wheel. Provided, however, that for any new vehicle purchased in this state by a nonresident for removal to the nonresident's state of residence the purchaser may make application to the county treasurer in the county of purchase for a transit plate for which a fee of ten dollars shall be paid. And provided, however, that for any used vehicle held by a registered dealer and not currently registered in this state, or for any vehicle held by an individual and currently registered in this state, when purchased in this state by a nonresident for removal to the nonresident's state of residence, the purchaser may make application to the county treasurer in the county of purchase for a transit plate for which a fee of three dollars shall be paid. The county treasurer shall issue a nontransferable certificate of registration for which no refund shall be allowed; and the transit plates shall be void thirty days after issuance. Such purchaser may apply for a certificate of title by surrendering the manufacturer's or importer's certificate or certificate of title, duly assigned as provided in this chapter. In this event, the treasurer in the county of purchase shall, when satisfied with the genuineness and regularity of the application, and upon payment of a fee of ten dollars, issue a certificate of title in the name and address of the nonresident purchaser delivering the same to the person entitled to the title as provided in this chapter.

Sec. 402. Section 321.124, subsection 3, Code 1991, is amended to read as follows:

3. The annual registration fee for motor homes ~~and multipurpose vehicles~~ is as follows:

- a. For class "A" motor homes with a list price of eighty thousand dollars or more as certified to the department by the manufacturer, four hundred dollars for registration each year through five model years and three hundred dollars for each succeeding registration.
- b. For class "A" motor homes with a list price of forty thousand dollars or more but less than eighty thousand dollars as certified to the department by the manufacturer, two hundred dollars for registration each year through five model years and one hundred fifty dollars for each succeeding registration.
- c. For class "A" motor homes with a list price of twenty thousand dollars or more but less than forty thousand dollars as certified to the department by the manufacturer, one hundred forty dollars for the first five registrations and one hundred five dollars for each succeeding registration.

d. For class "A" motor homes with a list price of less than twenty thousand dollars as certified to the department by the manufacturer, one hundred twenty dollars for registration each year through five model years and eighty-five dollars for each succeeding registration.

e. For a class "A" motor home which is a passenger-carrying bus which has been registered at least five times as a motor truck and which has been converted, modified or altered to provide temporary living quarters, ninety dollars for registration each year through ten model years and sixty-five dollars for each succeeding registration. In computing the number of registrations, the registrations shall be cumulative beginning with the registration of the class "A" motor home as a motor truck prior to its conversion, modification, or alteration to provide temporary living quarters.

f. For class "B" motor homes, ninety dollars for registration each year through five model years and sixty-five dollars for each succeeding registration.

g. For class "C" motor homes, one hundred ten dollars for registration each year through five model years and eighty dollars for each succeeding registration.

~~h. For multipurpose vehicles, seventy-five dollars for registration each year through five model years and fifty-five dollars for each succeeding registration.~~

Sec. 403. Section 422.42, Code 1991, is amended by adding the following new subsection:  
**NEW SUBSECTION. 17.** "Nonresidential commercial operations" does not include apartment complexes, mobile home parks, or other rental operations where the primary purpose is for human habitation.

Sec. 404. Section 422.43, Code Supplement 1991, is amended by adding the following new subsection:

**NEW SUBSECTION. 13. a.** A tax of four percent is imposed upon the gross receipts from the sales, furnishing, or service of solid waste collection and disposal service.

For purposes of this subsection, "solid waste" means garbage, refuse, sludge from a water supply treatment plant or air contaminant treatment facility, and other discarded waste materials and sludges, in solid, semisolid, liquid, or contained gaseous form, resulting from industrial, nonresidential commercial, mining, and agricultural operations, and from community activities, but does not include hazardous waste; animal waste used as fertilizer; earthen fill, boulders, rock; foundry sand used for daily cover at a sanitary landfill; sewage sludge; solid or dissolved material in domestic sewage or other common pollutants in water resources, such as silt, dissolved or suspended solids in industrial waste water effluents or discharges which are point sources subject to permits under section 402 of the federal Water Pollution Control Act, dissolved materials in irrigation return flows; or source, special nuclear, or by-product material defined by the federal Atomic Energy Act of 1954.

A recycling facility that separates or processes recyclable materials and that reduces the volume of the waste by at least eighty-five percent is exempt from the tax imposed by this subsection if the waste exempted is collected and disposed of separately from other solid waste.

b. A person who transports mixed municipal solid waste generated by that person or another person without compensation shall pay the tax imposed by this subsection at the collection or disposal facility based on the disposal charge or tipping fee. However, the costs of a service or the portion of a service to collect and manage recyclable materials separated from mixed municipal solid waste by the waste generator is exempt from the tax imposed by this subsection. For purposes of this paragraph, "mixed municipal solid waste" means garbage, refuse, and other solid waste from commercial, industrial, and community activities which is generated and collected in aggregate, but does not include auto hulks, street sweepings, ash, construction debris, mining waste, sludges, tree and agricultural wastes, tires, lead acid batteries, used oil, and other materials collected, processed, and disposed of as separate waste streams.

Sec. 405. Section 422.43, subsection 11, unnumbered paragraph 1, Code Supplement 1991, is amended to read as follows:

The following enumerated services are subject to the tax imposed on gross taxable services: ~~Alteration~~ alteration and garment repair; armored car; automobile repair; battery, tire

and allied; investment counseling; service charges of all financial institutions; barber and beauty; boat repair; car wash and wax; carpentry; roof, shingle, and glass repair; consultant services; dance schools and dance studios; dating services; dry cleaning, pressing, dyeing, and laundering; electrical and electronic repair and installation; rental of tangible personal property, except mobile homes which are tangible personal property; excavating and grading; farm implement repair of all kinds; flying service; furniture, rug, upholstery repair and cleaning; fur storage and repair; golf and country clubs and all commercial recreation; house and building moving; household appliance, television, and radio repair; jewelry and watch repair; limousine service, including driver; machine operator; machine repair of all kinds; motor repair; motorcycle, scooter, and bicycle repair; oilers and lubricators; office and business machine repair; painting, papering, and interior decorating; parking facilities; pipe fitting and plumbing; wood preparation; licensed executive search agencies; private employment agencies, excluding services for placing a person in employment where the principal place of employment of that person is to be located outside of the state; sewage services for nonresidential commercial operations; sewing and stitching; shoe repair and shoeshine; sign construction and installation; storage of household goods, mini-storage, and warehousing of raw agricultural products; swimming pool cleaning and maintenance; taxidermy services; telephone answering service; test laboratories, except tests on humans or animals; termite, bug, roach, and pest eradicators; tin and sheet metal repair; turkish baths, massage, and reducing salons; weighing; welding; well drilling; wrapping, packing, and packaging of merchandise other than processed meat, fish, fowl and vegetables; wrecking service; wrecker and towing; pay television; campgrounds; carpet and upholstery cleaning; gun and camera repair; janitorial and building maintenance or cleaning; lawn care, landscaping and tree trimming and removal; pet grooming; reflexology; security and detective services; tanning beds or salons; and water conditioning and softening.

Sec. 406. Section 422.43, subsection 11, Code Supplement 1991, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. For purposes of this subsection, "consultant services" means services provided, except as otherwise stated in this paragraph, by a person who purports to give expert or professional advice on any subject including, but not limited to, advice on audiovisual, business, computer and data processing, insurance, management, marketing, security, and weather and meteorology. "Consultant services" does not mean services provided by a person licensed, registered, or certified by boards listed in section 258A.1, or licensed under chapter 80A, 152A, 154C, 522, or 602, article 10, if the services provided come within the purview of such person's license, registration, or certification.

Sec. 407. Section 422.45, subsection 2, Code Supplement 1991, is amended to read as follows:

2. The gross receipts from the sales, furnishing, or service of transportation service except the rental of recreational vehicles or recreational boats, ~~and~~ except the rental of motor vehicles subject to registration which are registered for a gross weight of thirteen tons or less for a period of sixty days or less, and except the rental of aircraft for a period of sixty days or less.

Sec. 408. Section 422.45, subsection 5, unnumbered paragraph 1, Code Supplement 1991, is amended to read as follows:

The gross receipts from services rendered, furnished, or performed and of all sales of goods, wares, or merchandise used for public purposes to a tax-certifying or tax-levying body of the state or a governmental subdivision of the state, including regional transit systems, as defined in section 601J.1, the state board of regents, department of human services, state department of transportation, any municipally owned solid waste facility which sells all or part of its processed waste as fuel to a municipally owned public utility, and all divisions, boards, commissions, agencies, or instrumentalities of state, federal, county, or municipal government which have no earnings going to the benefit of an equity investor or stockholder, except sales of goods, wares, or merchandise or from services rendered, furnished, or performed and used by or in connection with the operation of any municipally owned public utility engaged in selling gas, electricity, heat, or pay television service to the general public; except the sales, furnishing



or providing of sewage services to a county or municipality on behalf of nonresidential commercial operations; and except the sales, furnishing, or service of solid waste collection and disposal service to a county or municipality on behalf of industrial, nonresidential commercial, mining, and agricultural operations located within the county or municipality.

Sec. 409. Section 422.45, subsection 20, Code Supplement 1991, is amended to read as follows:

20. The gross receipts from sales or services rendered, furnished, or performed by a county or city. This exemption does not apply to the tax specifically imposed under section 422.43 on the gross receipts from the sales, furnishing, or service of gas, electricity, water, heat, pay television service, and communication service to the public by a municipal corporation in its proprietary capacity, does not apply to the sales, furnishing, or service of solid waste collection and disposal service to industrial, nonresidential commercial, mining, and agricultural operations; does not apply to the sales, furnishing, or service of sewage service for nonresidential commercial operations; does not apply to fees paid to cities and counties for the privilege of participating in any athletic sports.

Sec. 410. 1991 Iowa Acts, chapter 260, section 1103, unnumbered paragraph 2, is amended to read as follows:

The transfers under this section shall be made during the period beginning April 16, 1991, and ending June 30, 1991. However, state general fund cash balances shall be available from the general fund of the state for cash flow purposes to enable the timely payment of obligations incurred for purposes for which moneys in the funds designated in subsections 1 through 4 are to be used for the fiscal years ending June 30, 1992, and June 30, 1993.

Sec. 411. 1991 Iowa Acts, chapter 266, section 19, is amended to read as follows:

SEC. 19. There is appropriated from the health insurance reserve fund to the general fund of the state, on or before June 30, 1991, the following amount:

..... \$ 6,000,000  
However, state general fund cash balances shall be available from the general fund of the state for cash flow purposes to enable the timely payment of obligations incurred for purposes of the health insurance reserve fund for the fiscal years ending June 30, 1992, and June 30, 1993.

Sec. 412. EFFECTIVE DATE. Sections 401 through 409 of this division take effect April 1, 1992.

DIVISION V  
DEPARTMENT OF PUBLIC SAFETY

Sec. 501. DIVISION OF HIGHWAY SAFETY, UNIFORMED FORCE, AND RADIO COMMUNICATIONS. The department of public safety, department of personnel, and the department of management shall make every reasonable effort to fill the entire complement of positions authorized for the division of highway safety, uniformed force, and radio communications under the appropriation made to the division as constituted on July 1, 1991, from the road use tax fund in 1991 Iowa Acts, chapter 268, section 504, subsection 1, as soon after the effective date of this Act as practicable.

Sec. 502. RADIO COMMUNICATIONS. There is appropriated from the road use tax fund to the division of highway safety, uniformed force, and radio communications of the department of public safety for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For purposes relating to radio communications, including but not limited to reimbursement of the general fund of the state for expenditures for radio communications made before the effective date of this Act pursuant to 1991 Iowa Acts, chapter 268, section 503, subsection 2, and for not more than the following full-time equivalent positions:

..... \$ 3,039,150  
..... FTEs 79.00

Reimbursement under the appropriation from the road use tax fund to the general fund of the state shall be made for expenditures for radio communications made before the effective date of this Act pursuant to 1991 Iowa Acts, chapter 268, section 503, subsection 2. For the fiscal year beginning July 1, 1991, charges pursuant to section 421.17, subsection 33, or any comparable statute, by the department of revenue and finance, department of personnel, or other state agencies, for indirect costs, including but not limited to accounting, workers' compensation, and unemployment compensation, shall not be charged to this appropriation.

Sec. 503. Section 80.36, Code 1991, is amended to read as follows:

80.36 MAXIMUM AGE.

The maximum age for a person to be employed as a peace officer in the divisions of highway safety, ~~and uniformed force and radio communications~~, criminal investigation and bureau of identification, ~~and drug law enforcement, and beer and liquor law enforcement~~ is sixty-five years of age.

Sec. 504. Section 97A.1, subsection 6, Code 1991, is amended to read as follows:

6. "Membership service" shall mean service as a peace officer in the division of highway safety, ~~and uniformed forces or force, and radio communications~~, the division of criminal investigation and bureau of identification, ~~or division of drug law enforcement~~ in the department of public safety and arson investigators rendered since last becoming a member, or, where membership is regained as provided in this chapter, all of such service.

Sec. 505. Section 97A.3, subsection 1, Code 1991, is amended to read as follows:

1. All members of the division of highway safety, ~~and uniformed force, and radio communications~~ and the division of criminal investigation and bureau of identification in the department of public safety, excepting the members of the clerical force, who are employed by the state of Iowa when this chapter becomes effective, and all persons thereafter employed as members of such divisions in the department of public safety or division of drug law enforcement and arson investigators, ~~or qualified members of the division of beer and liquor law enforcement in said department~~ except the members of the clerical force, shall be members of this system. Such members shall not be required to make contributions under any other pension or retirement system of the state of Iowa, anything to the contrary notwithstanding.

Sec. 506. Section 97A.4, unnumbered paragraph 2, Code Supplement 1991, is amended to read as follows:

Any member of the system who has been employed continuously prior to the passage of this chapter in the division of highway safety, ~~and uniformed force, and radio communications~~ or the division of criminal investigation and bureau of identification in the department of public safety, or as a member of the Iowa highway safety patrol, or as a peace officer or a member of the uniformed force in any department or division whose functions were transferred to, merged, or consolidated in the department of public safety at the time such department was created, shall receive credit for such service in determining retirement and disability benefits provided for in this chapter. Arson investigators who have contributed to this system prior to July 1, 1978 shall receive credit for such service in determining retirement and disability benefits.

Sec. 507. Section 97A.6, subsection 7, paragraph c, Code Supplement 1991, is amended to read as follows:

c. The commissioner of public safety may, subject to approval of the medical board, assign any former member of the division of highway safety, ~~and uniformed force, and radio communications~~ or the division of criminal investigation and bureau of identification or an arson investigator who is retired and drawing a pension for disability under the provisions of this chapter, to the performance of light duties in such division.

*\*Sec. 508. 1991 Iowa Acts, chapter 268, section 503, subsection 2, is amended by striking the subsection.\**

DIVISION VI  
DEPARTMENT OF ECONOMIC DEVELOPMENT

Sec. 601. 1991 Iowa Acts, chapter 267, section 301, subsection 1, paragraph b, unnumbered paragraph 3, is amended to read as follows:

As a condition, limitation, and qualification of the appropriation under this subsection, \$425,000 shall be allocated to the rural enterprise fund, and \$140,000 shall be allocated for rural community leadership. Notwithstanding section 8.33, moneys obligated or committed to grantees under contract 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 succeeding fiscal years.

Sec. 602. 1991 Iowa Acts, chapter 267, section 301, subsection 2, paragraph c, is amended to read as follows:

c. Federal procurement office

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

.....	\$	100,000
.....	FTEs	3.00

Notwithstanding section 8.33, moneys remaining unencumbered or unobligated on June 30, 1992, shall not revert and shall be available for expenditure during the fiscal year beginning July 1, 1992, for the same purposes.

Sec. 603. 1991 Iowa Acts, chapter 267, section 301, subsection 6, paragraph d, is amended by adding the following new unnumbered paragraph:

**NEW UNNUMBERED PARAGRAPH.** Notwithstanding section 8.33, moneys obligated or committed to grantees under contract 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 succeeding fiscal years.

Sec. 604. 1991 Iowa Acts, chapter 269, section 17, subsection 1, is amended to read as follows:

1. If funds received from the federal government in the form of block grants exceed the amounts appropriated in sections 1, 2, 3, 4, 6, 7, and 9 of this Act, the excess shall be prorated to the appropriate programs according to the percentages specified in those sections, except additional funds shall not be prorated for administrative expenses.

Sec. 605. Section 15.287, Code Supplement 1991, is amended by adding the following new unnumbered paragraph:

**NEW UNNUMBERED PARAGRAPH.** Notwithstanding the restrictions on the use of the revolving fund in this section, the director may use unallocated repayments to the revolving fund to pay for administration of programs under the Cranston-Gonzalez National Affordable Housing Act of 1990, Pub. L. No. 101-625.

DIVISION VII  
EFFECTIVE DATE

Sec. 701. Except for sections 401 through 409, this Act, being deemed of immediate importance, takes effect upon enactment.

*Approved March 10, 1992, except the items which I hereby disapprove and which are designated as Section 100, subsection 1, paragraph b in its entirety; Section 100, subsection 9 in its entirety; Section 103 in its entirety; Section 107 in its entirety; that portion of Section 110 which is herein bracketed in ink and initialed by me; and Section 508 in its entirety. My*

*reasons for vetoing these items are delineated in the item veto message pertaining to this Act to the President of the Senate this same date, a copy of which is attached hereto.*

TERRY E. BRANSTAD, *Governor*

Dear Mr. President:

I hereby transmit Senate File 2116, an Act relating to the state budget by supplementing certain appropriations and reducing certain appropriations made for the fiscal year beginning July 1, 1991, making changes in the state aid to school corporations, imposing the sales, services, and use tax on solid waste collection and disposal services, consulting services, and additional services, and changing the registration fees for multipurpose vehicles, and providing effective and applicability dates.

Among other things, this bill provides supplemental funding for the human services entitlement programs. It is only because of the actions I took early in the fiscal year to implement a reduction in force that funds exist to pay for these needs. Despite the shortcomings in this bill, I am approving it because I cannot allow the human service needs of Iowans to go unmet.

I am disappointed in the General Assembly's unwillingness to face the reality of the state's fiscal situation. By spending the state budget down to a zero ending balance, which the General Assembly does in this bill, the state becomes vulnerable to the smallest deviation from projections on either the revenue or expenditure side of the budget. Given a \$3.2 billion budget, a zero ending balance is imprudent.

I am also disappointed that the General Assembly has chosen to reduce spending through an across-the-board reduction. An across-the-board reduction is the least desirable way to cut budgets and should be applied only when no other option is available, as was the situation last July when I ordered the 3.25 percent reduction in all state agency budgets. The General Assembly has had an opportunity since reconvening in January to make decisions to selectively reduce agency budgets and has chosen not to do so.

Finally, this bill exacerbates the problems confronting the General Assembly in the fiscal year 1993 budget. Given the inability of the General Assembly in this bill to resist the pressures from special interests and deal with the fiscal year 1992 budget, I am concerned about whether it can make the much tougher decisions that will be necessary for fiscal year 1993. My proposal for revenue from the cigarette tax would have provided a better alternative for both years.

Senate File 2116 is, therefore, approved on this date with the following exceptions which I hereby disapprove.

I am unable to approve the item designated as Section 100, subsection 1, paragraph b, in its entirety. This provision would exempt the legislative branch from the across-the-board reduction provided in the bill. The legislative branch should share in the difficult task of balancing the state budget, and therefore, should not be exempt from the budget reductions.

I am unable to approve the item designated as Section 100, subsection 9, in its entirety. This subsection specifies the means to implement the across-the-board reduction. Decisions such as these are the prerogative of the executive branch which is responsible for implementation.

I am unable to approve the item designated as Section 103, in its entirety. This section would restore the amount of the 3.25 percent reduction to the Interstate Grain Marketing Commission. The appropriation for this entity should not be treated any differently than the thousands of other appropriations in the state budget.

I am unable to approve the item designated as Section 107, in its entirety. This section makes a \$130,000 appropriation for the odometer fraud program. Given the current fiscal condition of the state, additional funding for this program cannot be approved.

I am unable to approve the designated portion of Section 110. This provision requires a two-week notice prior to the transfer of the reduction in force savings. The provision would unnecessarily delay the implementation of the across-the-board reduction, which applies to the appropriation base only after all other legislative and executive branch reductions have been effectuated. The Department of Management will make a timely report of the transfers to the appropriations committee and subcommittee chairs, and to the Legislative Fiscal Bureau.

I am unable to approve the item designated as Section 508, in its entirety. This provision strikes the general fund appropriation for radio communications, with the intent that it be replaced with an appropriation from the Road Use Tax Fund. However, it is necessary to retain the appropriation as a vehicle for receiving the reimbursement, therefore, an item veto of this section is necessary.

For the above reasons, I hereby 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 2116 are hereby approved as of this date.

Sincerely,  
TERRY E. BRANSTAD, Governor

**CHAPTER 1233**

**APPROPRIATIONS FOR ENERGY CONSERVATION  
AND ENVIRONMENTAL PROTECTION**

*S.F. 2361*

**AN ACT** relating to energy conservation including making appropriations of petroleum overcharge funds.

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

Section 1. There is appropriated from those funds designated within the energy conservation trust created in section 93.11, for disbursement under section 93.11 to the following named agencies for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. To the division of community action agencies of the department of human rights for qualifying energy conservation programs for low-income persons, including but not limited to energy weatherization projects, which target the highest energy users, and including administrative costs, to be expended first from the available balances in the Warner/Imperial fund and in the office of hearings and appeals second-stage settlement fund and then from the Exxon fund for a total appropriation not to exceed:

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

2. To the department of natural resources for the following purposes:

a. Reimbursement for costs incurred by the department of natural resources for carrying out the general provisions section of the groundwater protection Act pursuant to section 455E.8, from the Stripper Well fund:

..... \$ 770,000

b. For the state energy conservation program, and the energy extension service for purposes of maintaining their fiscal year 1989 funding levels, from the Exxon fund:

..... \$ 238,200

c. For development costs of the local government energy bank program, from the Exxon fund:

..... \$ 200,000

Sec. 2. There is appropriated an amount up to 5 percent, but not to exceed \$300,000, of the allowable petroleum overcharge money appropriated for the fiscal year beginning July 1, 1992, to be used for administration of the petroleum overcharge programs.