

CHAPTER 176

APPROPRIATIONS — AGRICULTURE AND NATURAL RESOURCES

H.F. 623

AN ACT relating to appropriations and revenue involving agriculture and natural resources, making related statutory changes, and providing effective dates.

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

DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP

Section 1. **GENERAL APPROPRIATION.** There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATIVE DIVISION

a. For salaries, support, maintenance, the support of the state 4-H foundation, support of the statistics bureau, and miscellaneous purposes:

..... \$ 1,031,045

Of the funds appropriated in this paragraph "a", \$35,000 shall be allocated to the state 4-H foundation to foster the development of Iowa's youth and to encourage them to study the subject of agriculture.

Of the funds appropriated in this paragraph "a", \$126,000 and 4.00 FTEs shall be allocated to the statistics bureau to provide county-by-county information on land in farms, production by crop, acres by crop, and county prices by crop. This information shall be made available to the department of revenue and finance for use in the productivity formula for valuing and equalizing the values of agricultural land.

b. For the operations of the dairy trade practices bureau:

..... \$ 70,565

c. For the operations of the agricultural marketing bureau:

..... \$ 817,276

Of the funds appropriated in this paragraph "c", \$313,880 and 7.00 FTEs shall be used to support horticulture.

d. For the purpose of performing commercial feed audits:

..... \$ 59,474

e. For the purpose of performing fertilizer audits:

..... \$ 59,474

f. Funds appropriated by this subsection are for the salaries and support of not more than the following full-time equivalent positions:

..... FTEs 50.20

2. REGULATORY DIVISION

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

..... \$ 3,687,904

..... FTEs 128.90

b. To cover the costs of inspection, sampling, analysis, and other expenses necessary for the administration of chapters 192, 194, and 195:

..... \$ 636,682

3. LABORATORY DIVISION

a. For salaries, support, maintenance, and miscellaneous purposes, including the administration of the gypsy moth program:

..... \$ 782,329

Of the amount appropriated under this paragraph "a", \$110,000 shall be used to administer a program relating to the detection, surveillance, and eradication of the gypsy moth. The department shall allocate and use the appropriation made under this paragraph before moneys other than those appropriated under this paragraph are used to support the program.

b. For the operations of the commercial feed programs:	\$	726,740
c. For the operations of the pesticide programs:	\$	1,186,603
d. For the operations of the fertilizer programs:	\$	624,317
e. Funds appropriated by this subsection are for the salaries and support of not more than the following full-time equivalent positions:	FTEs	78.00

4. SOIL CONSERVATION DIVISION

a. For salaries, support, maintenance, assistance to soil conservation districts, miscellaneous purposes, and for not more than the following full-time equivalent positions:	\$	5,138,029
	FTEs	170.52

Of the funds appropriated in this paragraph "a", \$330,000 shall be used to reimburse commissioners of soil and water conservation districts for administrative expenses. Moneys used for the payment of meeting dues by counties shall be matched on a dollar-for-dollar basis by the soil conservation division.

b. To provide financial incentives for soil conservation practices under chapter 161A:	\$	5,918,606
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c. The following requirements apply to the moneys appropriated in paragraph "b":

(1) Not more than 5 percent of the moneys appropriated in paragraph "b" may be allocated for cost sharing to abate complaints filed under section 161A.47.

(2) Of the moneys appropriated in paragraph "b", 5 percent shall be allocated for financial incentives to establish practices to protect watersheds above publicly owned lakes of the state from soil erosion and sediment as provided in section 161A.73.

(3) Not more than 30 percent of a district's allocation of moneys as financial incentives may be provided for the purpose of establishing management practices to control soil erosion on land that is row cropped, including but not limited to no-till planting, ridge-till planting, contouring, and contour strip-cropping as provided in section 161A.73.

(4) The state soil conservation committee created in section 161A.4 may allocate moneys to conduct research and demonstration projects to promote conservation tillage and nonpoint source pollution control practices.

(5) The financial incentive payments may be used in combination with department of natural resources moneys.

d. The provisions of section 8.33 shall not apply to the moneys appropriated in paragraph "b". Unencumbered or unobligated moneys remaining on June 30, 1997, from moneys appropriated in paragraph "b" for the fiscal year beginning July 1, 1993, shall revert to the general fund on August 31, 1997.

Sec. 2. FARMERS' MARKET COUPON PROGRAM. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes, to be used by the department to continue and expand the farmers' market coupon program by providing federal special supplemental food program recipients with coupons redeemable at farmers' markets, and for not more than the following full-time equivalent positions:	\$	186,751
	FTEs	1.00

Sec. 3. PSEUDORABIES ERADICATION PROGRAM.

1. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For support of the pseudorabies eradication program:

.....	\$	900,000
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2. Persons, including organizations interested in swine production in this state and in the promotion of Iowa pork products who contribute support to the program, are encouraged to increase financial support for purposes of ensuring the program's effective continuation.

Sec. 4. HORSE AND DOG RACING.

1. There is appropriated from the moneys available under section 99D.13 to the regulatory division of the department of agriculture and land stewardship for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For salaries, support, maintenance, and miscellaneous purposes for the administration of section 99D.22:

.....	\$	182,560
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*2. a. *The state veterinarian shall assume responsibilities performed by the Iowa racing and gaming commission in supervising and regulating the health of animals racing under chapter 99D.*

b. *Notwithstanding sections of this Act amending chapter 99D, the Iowa racing and gaming commission shall satisfy all current contracts with commission veterinarians. The commission shall not renew or extend a contract beyond December 1, 1993. As each contract expires, a departmental veterinarian shall assume responsibilities of the commission veterinarian. The Iowa racing and gaming commission shall support payments under existing contracts with other commission veterinarians from moneys appropriated to the commission pursuant to Senate File 266, as enacted by the seventy-fifth general assembly for the fiscal year beginning July 1, 1993, and ending June 30, 1994. However, moneys remaining which would otherwise be used to support a commission veterinarian shall be transferred to the department within ten days after the cessation of duties by that commission veterinarian.*

c. *The total amount of the moneys used to support all veterinarians of the commission and the department, as required to administer chapter 99D, and testing by Iowa state university of science and technology shall not exceed \$645,000, unless the commission determines that additional moneys transferred to the department are required to support departmental veterinarians at a particular track.*

d. *Unless the commission determines that additional moneys transferred to the department are required to support departmental veterinarians at a particular track, not more than \$45,000 shall be used to support a veterinarian at the Waterloo track, not more than \$90,000 shall be used to support a veterinarian at the Council Bluffs track, not more than \$45,000 shall be used to support a veterinarian at the Dubuque track, not more than \$75,000 shall be used to support a veterinarian at the Des Moines track, and not more than \$390,000 shall be used to support Iowa state university of science and technology.*

e. *The racing and gaming commission and the department of agriculture and land stewardship shall provide for the orderly transition of responsibilities under this Act, including the adoption of rules and the transfer of personnel required to implement this Act.**

INTERSTATE COMPACT ON AGRICULTURAL GRAIN MARKETING

Sec. 5. APPROPRIATION. There is appropriated from the general fund of the state to the interstate agricultural grain marketing commission for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For carrying out duties of the commission as provided in Article IV of the interstate compact on agricultural grain marketing as provided in chapter 183:

.....	\$	75,000
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*Item veto; see message at end of the Act

DEPARTMENT OF NATURAL RESOURCES

Sec. 6. GENERAL APPROPRIATION. There is appropriated from the general fund of the state to the department of natural resources for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATIVE AND SUPPORT SERVICES

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

.....	\$	1,705,345
.....	FTEs	116.70

2. PARKS AND PRESERVES DIVISION

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

.....	\$	5,337,474
.....	FTEs	199.83

The department shall transfer all managerial responsibilities relating to property known as Plum Grove in Iowa City to the department of cultural affairs.

3. FORESTS AND FORESTRY DIVISION

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

.....	\$	1,416,046
.....	FTEs	48.71

4. ENERGY AND GEOLOGICAL RESOURCES DIVISION

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

.....	\$	1,642,474
.....	FTEs	53.00

5. ENVIRONMENTAL PROTECTION DIVISION

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

.....	\$	2,064,046
.....	FTEs	169.00

6. FISH AND WILDLIFE DIVISION

For not more than the following full-time equivalent positions:

.....	FTEs	338.78
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7. WASTE MANAGEMENT ASSISTANCE DIVISION

For not more than the following full-time equivalent positions:

.....	FTEs	18.75
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Sec. 7. STATE FISH AND GAME PROTECTION FUND — APPROPRIATION TO THE DIVISION OF FISH AND WILDLIFE.

1. There is appropriated from the state fish and game protection fund to the division of fish and wildlife of the department of natural resources for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For administrative support, and for salaries, support, maintenance, equipment, and miscellaneous purposes:

.....	\$	19,933,807
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2. The department shall not expend more moneys from the fish and game protection fund than provided in this section, unless the expenditure derives from contributions made by a private entity, or a grant or moneys received from the federal government, and is approved by the natural resource commission. The department of natural resources shall promptly notify

the legislative fiscal bureau of the commission's approval, and the chairpersons and ranking members of the joint appropriations subcommittee on agriculture and natural resources concerning the commission's approval.

Sec. 8. MARINE FUEL TAX RECEIPTS – CAPITALS; NONCAPITALS; AND BOATING FACILITIES AND ACCESS. There is appropriated from the marine fuel tax receipts deposited in the general fund of the state to the department of natural resources for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For purposes of funding expenditures traditionally funded from marine fuel tax revenues, but not considered as capitals or operations:

..... \$ 200,000

2. For purposes of maintaining and developing boating facilities and access to public waters by the parks and preserves division:

..... \$ 411,311

Notwithstanding section 8.33, the unencumbered or unobligated moneys remaining on June 30, 1994, from moneys appropriated by this section as provided in subsections 1 and 2, may be expended during the fiscal year beginning July 1, 1994, and ending June 30, 1995, and shall not revert to the general fund until August 31, 1995.

Sec. 9. ALL-TERRAIN VEHICLE AND SNOWMOBILE FEES – TRANSFER FOR ENFORCEMENT PURPOSES. There is transferred on July 1, 1993, from the fees deposited under section 321G.7 to the fish and game protection fund and appropriated to the department of natural resources for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the purpose of enforcing snowmobile laws as part of the state snowmobile program administered by the department of natural resources:

..... \$ 100,000

Sec. 10. VESSEL FEES – TRANSFER FOR ENFORCEMENT PURPOSES. There is transferred on July 1, 1993, from the fees deposited under section 462A.52 to the fish and game protection fund and appropriated to the department of natural resources for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For purposes of administration and enforcement of navigation laws and water safety:

..... \$ 950,000

IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

Sec. 11. LIVESTOCK PRODUCERS ASSISTANCE PROGRAM.

1. There is appropriated from the general fund of the state to Iowa state university of science and technology, for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

To establish and administer a livestock producers assistance program to provide on-site assistance to persons involved in livestock production in order to increase the efficiency, productivity, and profitability of their operations:

..... \$ 300,000

2. As a condition of this appropriation, the university shall strive to ensure that the program becomes increasingly self-sufficient.

3. The provisions of section 8.33 shall not apply to the moneys appropriated in this section. Unencumbered or unobligated moneys remaining on June 30, 1997, from moneys appropriated in this section for the fiscal year beginning July 1, 1993, shall revert to the general fund on August 31, 1997.

RESOURCE ENHANCEMENT AND PROTECTION

Sec. 12. GENERAL APPROPRIATION. Notwithstanding the amount of the standing appropriation from the general fund of the state under section 455A.18, subsection 3, there is appropriated from the general fund of the state to the Iowa resources enhancement and protection fund, in lieu of the appropriation made in section 455A.18, for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the sum of \$7,000,000, of which all moneys shall be allocated as provided in section 455A.19.

Sec. 13. DEAPPROPRIATION. The appropriation from the general fund of the state to the Iowa resources enhancement and protection fund for the fiscal year beginning July 1, 1992, and ending June 30, 1993, in 1992 Iowa Acts, chapter 1239, section 12, is reduced, as a result of the governor's item veto in section 12, by the following amounts for the purposes designated:

- 1. Allocation to the department of natural resources, in subsection 2, paragraph "a":
..... \$ 500,000
- 2. Allocation to the department of agriculture and land stewardship, in subsection 2, paragraph "b":
..... \$ 400,000

MISCELLANEOUS

Sec. 14. APPROPRIATION — ORGANIC NUTRIENT MANAGEMENT PROGRAM.

1. Prior to any appropriation made pursuant to section 455E.11, subsection 2, paragraph "c", there is appropriated for the fiscal year beginning July 1, 1993, and ending June 30, 1994, from the household hazardous waste account of the groundwater protection fund created in section 455E.11, to the water protection fund created in section 161C.4 for deposit in an organic nutrient management account which shall be created by the division of soil conservation of the department of agriculture and land stewardship, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of supporting an organic nutrient management program as provided in this section:

..... \$ 900,000

2. a. The division of soil conservation within the department of agriculture and land stewardship shall establish and administer an organic nutrient management program to provide for the allocation of cost-share moneys as financial incentives to eligible persons applying to participate in the program. The financial incentives shall be used for purposes of establishing organic nutrient management systems which shall facilitate the proper utilization of livestock waste as a nutrient source, and to protect the water resources of this state from livestock waste runoff.

b. Moneys used to support water protection projects and practices pursuant to section 161C.2 shall not be supported from the organic nutrient management account. Notwithstanding section 8.33, moneys in the organic nutrient management account shall not revert as provided in that section, but shall be expended as provided in this section in subsequent fiscal years.

c. A person shall not be eligible to participate in this program, unless the person is an individual who is actively engaged in farming as provided in section 9H.1, subsection 1, paragraphs "a" through "c", or the person is a family farm corporation, family farm limited partnership, or a family trust, all as defined in section 9H.1.

d. The division shall adopt rules to administer this section, including rules relating to the execution of a contract to establish an organic nutrient management system. The rules may require that an eligible person participating in the program maintain the organic nutrient management system for a minimum number of years as a condition to receiving financial incentives. The agreement may be enforced by the division or by a soil and water conservation district as provided by the division, in the same manner as provided for a contract establishing soil and water conservation practices under chapter 161A.

3. The appropriation provided in subsection 1 shall be subject to the following conditions:

a. Not more than 2 percent of the amount shall be used for purposes of administering the program by the soil conservation division.

b. The amount of moneys allocated in cost-share payments to a person qualifying under the program shall not exceed 50 percent of the estimated cost of establishing a system or 50 percent of the actual cost, whichever is less.

c. A person qualifying under the program shall not receive more than \$7,500 in financial incentives under this program.

Sec. 15. REVENUE ADMINISTERED BY THE IOWA COMPREHENSIVE UNDERGROUND STORAGE TANK BOARD – TRANSFER. There is appropriated from the unassigned revenue fund administered by the Iowa comprehensive underground storage tank board, to the department of natural resources for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For administration expenses of the underground storage tank section of the department of natural resources:

..... \$ 145,000

However, this appropriation is reduced to the extent that the board determines that other state expenditures qualify as a match for moneys appropriated by the United States for purposes of supporting the activities performed by the department in carrying out the underground storage tank program.

Sec. 16. STATE NURSERIES. Notwithstanding section 17A.2, subsection 10, paragraph "g", the department of natural resources shall adopt administrative rules establishing prices of plant material grown at the state forest nurseries to cover all expenses related to the growing of the plants.

The department shall develop programs to encourage the wise management and preservation of existing woodlands and shall continue its efforts to encourage forestation and reforestation on private and public lands in the state.

The department shall encourage a cooperative relationship between the state forest nurseries and private nurseries in the state in order to achieve these goals.

Sec. 17. TRUST FUND INFORMATION. The department of revenue and finance in cooperation with the department of agriculture and land stewardship and the department of natural resources shall track receipts to the general fund which have traditionally been deposited into the following funds:

1. The fertilizer fund created in section 200.9.
2. The pesticide fund created in section 206.12.
3. The dairy trade practices trust fund pursuant to section 192A.30.
4. The milk fund created in section 192.111.
5. The commercial feed fund created in section 198.9.
6. The marine fuel tax fund created in section 452A.79.
7. The energy research and development fund provided in section 473.11, enacted in 1993 Acts, Senate File 74.*

The departments designated in this section shall prepare reports detailing revenue from receipts traditionally deposited into each of the funds. A report shall be submitted to the legislative fiscal bureau at least once for each three-month period as designated by the legislative fiscal bureau.

Sec. 18. DEPARTMENTAL INFORMATION REQUIRED.

1. The department of agriculture and land stewardship and the department of natural resources, in cooperation as necessary with the department of management and the department of personnel, shall provide a list to the legislative fiscal bureau, on a quarterly basis, of all permanent positions added to or deleted from the departments' table of organization in the previous fiscal quarter. This list shall include at least the position number, salary range,

*Chapter 11 herein

projected funding source or sources of each position, and the reason for the addition or deletion. The legislative fiscal bureau may use this information to assist in the establishment of the full-time equivalent position limits authorized in law for the departments.

2. The department of natural resources shall provide the legislative fiscal bureau information and financial data by cost center, on at least a monthly basis, relating to the indirect cost accounting procedure, the amount of funding from each funding source for each cost center, and the internal budget system used by the department. The information shall include but is not limited to financial data covering the department's budget by cost center and funding source prior to the start of the fiscal year, and to the department's actual expenditures by cost center and funding source after the accounting system has been closed for that fiscal year.

3. The department of agriculture and land stewardship shall provide the legislative fiscal bureau information and financial data on at least a monthly basis, relating to the internal budget system used by the department. The information shall include but is not limited to financial data covering the department's budget prior to the start of the fiscal year, and to the department's actual expenditures after the accounting system has been closed for that fiscal year.

Sec. 19. AIR QUALITY STANDARDS.

1. During the fiscal year for which funds are appropriated by section 6 of this Act, the department of natural resources shall not require the installation or use of equipment to control the emission of dust or other particulate matter on or by facilities for storage of grain which are located within the ambient air quality attainment areas for suspended particulates. However, this subsection shall not be effective upon the delegation by the United States to this state of the air operating permit program as provided by the federal Clean Air Act Amendments of 1990, Pub. L. No. 101-549.

2. Notwithstanding section 455B.133A, the annual fee of twenty-five dollars per ton on hazardous air pollutants imposed pursuant to that section is not required to be paid, if both of the following occur:

a. The Seventy-fifth General Assembly does not enact legislation which authorizes the state to assume responsibilities delegated by the United States relating to the air operating permit program as provided by the federal Clean Air Act Amendments of 1990, Pub. L. No. 101-549.

b. The fee on hazardous air pollutants included in Title III of the federal Clean Air Act Amendments of 1990 is imposed by the United States.

Sec. 20. DEPARTMENTAL STUDIES AND PROJECTS.

1. The department of agriculture and land stewardship and the department of inspections and appeals shall jointly study methods of coordinating inspections currently performed by the department of agriculture and land stewardship, including but not limited to the inspections of weights and measures. The departments shall study methods to increase efficiency and cost-savings. The departments shall prepare and submit a report to the general assembly not later than January 10, 1994, detailing findings and recommendations of the departments.

2. The department of agriculture and land stewardship shall establish a pilot project in a geographic area in which the inspections of weights and measures are performed based upon criteria which prioritizes inspections according to those weights and measures which are most likely not to be in compliance with state standards.

3. The department of natural resources shall study the effects of urban contamination, if any, of state waters. The department shall prepare a report based on the study which shall be delivered to the secretary of the senate and chief clerk of the house of representatives not later than January 10, 1994.

Sec. 21. PREFERENCE PROVIDED — PERSONS MEETING ELIGIBILITY REQUIREMENTS OF THE GREEN THUMB PROGRAM. In its employment of persons in temporary positions in conservation and outdoor recreation, the department of natural resources shall give preference to persons meeting eligibility requirements for the green thumb program and to persons working toward an advanced education in natural resources and conservation.

Sec. 22. REDUCTIONS IN FULL-TIME EQUIVALENT POSITIONS — GENERAL FUND SUPPORTED APPROPRIATIONS. The number of full-time equivalent positions, as defined in section 8.36A, within the department of natural resources which are reduced in this Act from the number of full-time equivalent positions provided for pursuant to 1992 Iowa Acts, chapter 1239, apply only to full-time equivalent positions supported by appropriations from the general fund of the state.

Sec. 23. BRUSHY CREEK RECREATION AREA. The campground used for equestrian activities on the northern part of the Brushy Creek recreation area shall be a permanent campground for such activities. The department in conjunction with the Brushy Creek recreation trails advisory board shall implement the provisions of section 455A.8A, as enacted in this Act, including the development and completion of trail improvements during the construction of the dam. The recreational improvements shall be completed upon completion of the dam.

Sec. 24. LIMITATION ON EXPENDITURES — BRUSHY CREEK STATE RECREATION AREA. Not more than \$1,400,000 shall be allocated in the fiscal year beginning July 1, 1993, and ending June 30, 1994, from the open spaces account of the resources enhancement and protection fund created in section 455A.18, for purposes of supporting the construction of the dam and water impoundment at the Brushy Creek state recreation area.

Sec. 25. REVERSION POSTPONEMENT.

1. Notwithstanding section 8.33, and 1992 Iowa Acts, chapter 1239, section 8, unencumbered or unobligated moneys remaining on June 30, 1993, from moneys appropriated for purposes of funding projects traditionally funded from marine fuel tax receipts as provided in 1992 Iowa Acts, chapter 1239, section 8, subsections 1 and 4, may be expended during the fiscal year beginning July 1, 1993, and ending June 30, 1994, and shall not revert to the general fund until August 31, 1994.

2. Notwithstanding section 8.33, unencumbered or unobligated moneys remaining on June 30, 1993, from moneys appropriated pursuant to 1992 Iowa Acts, Second Extraordinary Session, chapter 1001, section 402, may be expended during the fiscal year beginning July 1, 1993, and ending June 30, 1994, and shall not revert to the general fund until August 31, 1994.

STATUTORY CHANGES

Sec. 26. Section 18.18, Code 1993, is amended by adding the following new subsection:
NEW SUBSECTION. 9. The department shall, whenever technically feasible, purchase and use degradable loose foam packing material manufactured from grain starches or other renewable resources, unless the cost of the packing material is more than ten percent greater than the cost of packing material made from nonrenewable resources. For the purposes of this subsection, "packing material" means material, other than an exterior packing shell, that is used to stabilize, protect, cushion, or brace the contents of a package.

**Sec. 27. Section 99D.2, Code 1993, is amended by adding the following new subsection:
NEW SUBSECTION. 9. "State veterinarian" means the veterinarian appointed by the secretary of agriculture pursuant to section 159.5.**

**Sec. 28. Section 99D.13, subsection 2, Code 1993, is amended to read as follows:*

2. Winnings from each racetrack forfeited under subsection 1 shall escheat to the state and to the extent appropriated by the general assembly shall be used by the department of agriculture and land stewardship to administer section 99D.22. The remainder shall be paid over to the commission used by the state veterinarian to pay all or part of the cost of drug testing at the tracks. The remainder shall be paid over to the commission. To the extent the remainder paid over to the commission, less the cost of drug testing, is from unclaimed winnings from harness racing meets, the remainder shall be used as provided in subsection 3. To the extent the remainder paid to the commission, less the cost of drug testing, is from unclaimed

winnings from licensed dog tracks, the commission shall remit annually five thousand dollars, or an equal portion of that amount, to each licensed dog track to carry out the racing dog adoption program pursuant to section 99D.27. To the extent the remainder paid over to the commission, less the cost of drug testing, is from unclaimed winnings from tracks licensed for dog or horse races, the commission, on an annual basis, shall remit one-third of the amount to the treasurer of the city in which the racetrack is located, one-third of the amount to the treasurer of the county in which the racetrack is located, and one-third of the amount to the racetrack from which it was forfeited. If the racetrack is not located in a city, then one-third shall be deposited as provided in chapter 556. The amount received by the racetrack under this subsection shall be used only for retiring the debt of the racetrack facilities and for capital improvements to the racetrack facilities.*

*Sec. 29. Section 99D.23, Code 1993, is amended to read as follows:

99D.23 COMMISSION STATE VETERINARIAN AND CHEMIST.

1. The state veterinarian shall supervise and regulate the health of animals racing under this chapter. The department of agriculture and land stewardship may employ or contract with persons required to assist the state veterinarian in performing duties required under this chapter. The department shall designate or appoint departmental veterinarians to assist the state veterinarian. The department and the racing and gaming commission shall at all times cooperate in administering this chapter, and shall share records and information, including results of inspections and tests as required.

1 2. The ~~commission~~ department of agriculture and land stewardship shall employ one or more chemists or contract with a qualified chemical laboratory to determine by chemical testing and analysis of saliva, urine, blood, or other excretions or body fluids whether a substance or drug has been introduced which may affect the outcome of a race or whether an action has been taken or a substance or drug has been introduced which may interfere with the testing procedure. The ~~commission~~ department of agriculture and land stewardship shall adopt rules under chapter 17A concerning procedures and actions taken on positive drug reports. The ~~commission~~ department of agriculture and land stewardship may adopt by reference the standards of the national association of state racing commissioners, the association of official racing chemists, and New York jockey club, or the United States trotting association, or may adopt any other procedure or standard. The ~~commission~~ department has the authority to retain and preserve by freezing, test samples for future analysis.

2 3. The ~~commission~~ department of agriculture and land stewardship shall employ or contract with one or more veterinarians under the direction of the state veterinarian to extract or procure the saliva, urine, blood, or other excretions or body fluids of the horses or dogs for the chemical testing purposes of this section. A ~~commission~~ departmental veterinarian shall be in attendance at every race meeting held in this state.

3 4. A chemist or veterinarian who willfully or intentionally fails to perform the functions or duties of employment required by this section shall be banned for life from employment at a race meeting held in this state.

4 5. The ~~commission~~ state veterinarian shall keep a continuing record of the racing soundness of all horses examined by a ~~commission~~ departmental veterinarian at a racetrack.*

*Sec. 30. Section 99D.25, subsections 3, 4, 5, 7, 9, 10, and 11, Code 1993, are amended to read as follows:

3. The All of the following conduct is prohibited:

a. The entering of a horse or dog in a race by the trainer or owner of the horse or dog if the trainer or owner knows or if by the exercise of reasonable care the trainer or owner should know that the horse or dog is drugged or numbed;

*Item veto; see message at end of the Act

b. *The drugging or numbing of a horse or dog with knowledge or with reason to believe that the horse or dog will compete in a race while so drugged or numbed. However, the ~~commission~~ department of agriculture and land stewardship may by rule establish permissible trace levels of substances foreign to the natural horse or dog that the ~~commission~~ department determines to be innocuous;*

c. *The willful failure by the operator of a racing facility to disqualify a horse or dog from competing in a race if the operator has been notified that the horse or dog is drugged or numbed, or was not properly made available for tests or inspections as required by the ~~commission~~; and department of agriculture and land stewardship.*

d. *The willful failure by the operator of a racing facility to prohibit a horse or dog from racing if the operator has been notified that the horse or dog has been suspended from racing.*

4. *The owners owner of a horse or dog and their agents and employees or an agent or employee of the owner shall permit a member of the ~~commission~~ or a person employed or appointed by the ~~commission~~ the department of agriculture and land stewardship to make conduct or order tests as the ~~commission~~ state veterinarian deems proper in order to determine whether a the horse or dog has been improperly drugged. The fact that purse money has been distributed prior to the issuance of a test report shall not be deemed a finding that ~~no~~ a chemical substance has not been administered unlawfully to the horse or dog earning the purse money. The findings of the ~~commission~~ department of agriculture and land stewardship that a horse or dog has been improperly drugged by a narcotic or other drug are prima facie evidence of the fact. The results of the tests shall be kept on file by the ~~commission~~ department of agriculture and land stewardship for at least one year following the tests.*

5. *Every horse which suffers a breakdown on the racetrack, in training, or in competition, and is destroyed, and every other horse which expires while stabled on the racetrack under the jurisdiction of the ~~commission~~, shall undergo a postmortem examination at a time and place acceptable to the ~~commission~~ state veterinarian to determine the injury or sickness which resulted in euthanasia or natural death. The postmortem examination shall be conducted by a veterinarian employed by the owner or the owner's trainer in the presence of and in consultation with the ~~commission~~ a department veterinarian. Test samples shall be obtained from the carcass upon which the postmortem examination is conducted and shall be sent to a laboratory approved by the commission for testing for foreign substances and natural substances at abnormal levels. When practical, blood and urine test samples should be procured prior to euthanasia. The owner of the deceased horse is responsible for payment of any charges due the veterinarian employed to conduct the postmortem examination. The services of the ~~commission~~ department veterinarian and the laboratory testing of postmortem samples shall be made available by the ~~commission~~ department of agriculture and land stewardship without charge to the owner. A record of every postmortem shall be filed with the ~~commission~~ state veterinarian by the owner's veterinarian within seventy-two hours of the death and shall be submitted on a form supplied by the ~~commission~~ state veterinarian. Each owner and trainer accepts the responsibility for the postmortem examination provided herein as a requisite for maintaining the occupational license issued by the ~~commission~~ state veterinarian.*

7. *Any horse which in the opinion of the ~~commission~~ a department veterinarian has suffered a traumatic injury or disability such that a controlled program of phenylbutazone administration would not aid in restoring the racing soundness of the horse shall not be allowed to race while medicated with phenylbutazone or with phenylbutazone present in the horse's bodily systems.*

9. *Before a horse is allowed to race using phenylbutazone, the veterinarian attending the horse shall certify to the ~~commission~~ department veterinarian the course of treatment followed in administering the phenylbutazone.*

10. *The ~~commission~~ department veterinarian shall conduct random tests of bodily substances of horses entered to race each day of a race meeting to aid in the detection of any unlawful drugging. The tests shall be conducted both prior to and after a race. The ~~commission~~ department veterinarian shall also test any horse that breaks down during a race and shall perform an autopsy on any horse that is killed or subsequently destroyed as a result of accident during a race.*

11. Veterinarians must submit daily to ~~the commission~~ a department veterinarian on a prescribed form a report of all medications and other substances which the veterinarian prescribed, administered, or dispensed for horses registered at a current race meeting. A log-book detailing other professional services performed while on the grounds of a racetrack shall be kept by veterinarians and shall be made immediately available to ~~the commission~~ a department veterinarian or the stewards upon request.*

*Sec. 31. Section 99D.25A, subsections 3 through 7, Code 1993, are amended to read as follows:

3. If a horse is to race with phenylbutazone in its system, the trainer shall be responsible for marking the information on the entry blank for each race in which the horse shall use phenylbutazone. Changes made after the time of entry must be submitted on the prescribed form to ~~the commission~~ a department veterinarian no later than scratch time.

4. If a test detects concentrations of phenylbutazone in the system of a horse in excess of the level permitted in this section, ~~the commission~~, upon receiving information from the department of agriculture and land stewardship, shall assess a civil penalty against the trainer of two hundred dollars for the first offense and five hundred dollars for a second offense. The penalty for a third or subsequent offense shall be in the discretion of the commission. A penalty assessed under this subsection shall not affect the placing of the horse in the race.

5. Lasix may be administered to certified bleeders. Upon request, any horse placed on the bleeder list shall, in its next race, be permitted the use of lasix. Once a horse has raced with lasix, it must continue to race with lasix in all subsequent races unless a request is made to discontinue the use. If the use of lasix is discontinued, the horse shall be prohibited from again racing with lasix unless it is later observed to be bleeding. Requests for the use of or discontinuance of lasix must be made to ~~the commission~~ a department veterinarian by the horse's trainer or assistant trainer on a form prescribed by ~~the commission~~ state veterinarian on or before the day of entry into the race for which the request is made.

6. Once a horse has been permitted the use of lasix, it must be brought to the detention barn for treatment not less than four hours prior to scheduled post time for the race in which it is entered to start. After the lasix treatment, ~~the commission~~ department of agriculture and land stewardship, by rule, may authorize the release of the horse from the detention barn before the scheduled post time. If a horse is brought to the detention barn late, ~~the commission~~, upon receiving information from the department of agriculture and land stewardship, shall assess a civil penalty of one hundred dollars against the trainer.

7. A horse entered to race with lasix must be treated at least four hours prior to post time. The lasix shall be administered intravenously by a veterinarian employed by the owner or trainer of the horse under the visual supervision of ~~the commission~~ a department veterinarian. The practicing veterinarian must deposit with ~~the commission~~ a department veterinarian at the detention barn an unopened supply of lasix and sterile hypodermic needles and syringes to be used for the administrations. Lasix shall only be administered in a dose level of two hundred fifty milligrams. ~~The commission~~ A department veterinarian shall extract a test sample of the horse's blood, urine, or saliva to determine whether the horse was improperly drugged both before the lasix was administered and after the race is run.*

*Sec. 32. Section 159.5, Code 1993, is amended by adding the following new subsection:
NEW SUBSECTION. 16. Appoint a state veterinarian who shall be responsible for regulating areas relating to animal health as provided by the secretary.*

Sec. 33. Section 161A.6, unnumbered paragraph 5, Code 1993, is amended to read as follows:

The commissioners shall provide for the execution of surety bonds for all employees and officers who shall be entrusted with funds or property; shall provide for the keeping of a full and accurate record of all proceedings and of all resolutions, regulations, and orders issued or adopted; and shall provide for a biennial audit of the accounts of receipts and disbursements and shall regularly report to the division a summary of financial information regarding moneys controlled by the commissioners, which are not audited by the state, according to rules adopted by the division.

*Item veto; see message at end of the Act

Sec. 34. Section 173.9, unnumbered paragraph 1, Code 1993, is amended by striking the paragraph and inserting in lieu thereof the following:

The board shall appoint a secretary who shall serve at the pleasure of the board. The secretary shall do all of the following:

Sec. 35. Section 206.5, subsection 3, Code 1993, is amended to read as follows:

3. a. ~~Commercial applicators~~ A commercial applicator shall choose between a one-year certification for which the applicator shall pay a thirty dollar fee or a three-year certification for which the applicator shall pay a seventy-five dollar fee. ~~Public applicators are exempt from the thirty and seventy-five dollar certification fees and instead are subject to~~ A public applicator shall choose between a one-year certification for which the applicator shall pay a ten-dollar annual certification ten dollar fee or a three-year certification for which the applicator shall pay a fifteen dollar fee for a three-year certification. ~~The~~ A private applicator shall pay a fifteen dollar fee for a three-year certification.

b. ~~To be initially certified as a commercial, public, or private applicator shall be tested prior to initial certification, a person must complete an educational program which shall consist of an examination required to be passed by the person. In addition, a~~ After initial certification the commercial, public, or private applicator shall be reexamined every three years following initial certification before the applicator is eligible for a renewal of must renew the certification by completing the educational program which shall consist of either an examination or continuing instructional courses. However, a The commercial, public, or private applicator must pass the examination each third year following initial certification or may elect to attend two hours of continuing instructional courses each year.

The department shall adopt rules providing for the program requirements which shall at least include the safe handling, application, and storage of pesticides, the correct calibration of equipment used for the application of pesticides, and the effects of pesticides upon the groundwater. The department shall adopt by rule criteria for allowing a person required to be certified to complete either a written or oral examination. The department shall administer the instructional courses, by either teaching the courses or selecting persons to teach the courses, according to criteria as provided by rules adopted by the department. The department shall, to the extent possible, select persons to teach the courses in each county. The department is not required to compensate persons selected to teach the courses. In selecting persons, the department shall rely upon organizations interested in the application of pesticides, including associations representing pesticide applicators and associations representing agricultural producers. The Iowa cooperative extension service in agriculture and home economics of Iowa state university of science and technology shall cooperate with the department in administering the instructional courses. The Iowa cooperative extension service may teach courses, train persons selected to teach courses, or distribute informational materials to persons teaching the courses.

c. ~~A commercial, public, or private applicator need is not required to~~ be certified to apply pesticides for a period of twenty-one days from the date of initial employment if the commercial, public, or private applicator is under the direct supervision of a certified applicator. For the purposes of this section, "under the direct supervision of" means that the application of a pesticide is made by a competent person acting under the instructions and control of a certified applicator who is physically present, by being in sight or hearing distance of the supervised person.

Sec. 36. Section 206.5, subsection 4, Code 1993, is amended to read as follows:

4. A commercial applicator who applies pesticides to agricultural land may, in lieu of the requirement of direct supervision, elect to be exempt from the certification requirements for a commercial applicator for a period of twenty-one days, if the applicator meets the requirements of a private applicator. ~~The test shall include, but is not limited to, the area of safe handling of agricultural chemicals and the effects of these chemicals on groundwater. The secretary shall also adopt, by rule, the criteria for the allowance of the selection of the written or oral examination by a person requiring certification.~~

Sec. 37. Section 206.8, subsection 3, Code 1993, is amended by striking the subsection and inserting in lieu thereof the following:

3. This section shall not apply to either of the following:

a. A pesticide applicator who applies pesticides which are owned and furnished to the pesticide applicator by another person, if the pesticide applicator does not charge for the sale of the pesticides.

b. A federal, state, county, or municipal governmental entity which provides pesticides only for its own programs.

Sec. 38. Section 216B.3, Code 1993, is amended by adding the following new subsection:

NEW SUBSECTION. 12A. The commission shall, whenever technically feasible, purchase and use degradable loose foam packing material manufactured from grain starches or other renewable resources, unless the cost of the packing material is more than ten percent greater than the cost of packing material made from nonrenewable resources. For the purposes of this subsection, "packing material" means material, other than an exterior packing shell, that is used to stabilize, protect, cushion, or brace the contents of a package.

Sec. 39. Section 262.9, Code 1993, is amended by adding the following new subsection:

NEW SUBSECTION. 4A. The board shall, whenever technically feasible, purchase and use degradable loose foam packing material manufactured from grain starches or other renewable resources, unless the cost of the packing material is more than ten percent greater than the cost of packing material made from nonrenewable resources. For the purposes of this subsection, "packing material" means material, other than an exterior packing shell, that is used to stabilize, protect, cushion, or brace the contents of a package.

Sec. 40. Section 307.21, Code 1993, is amended by adding the following new subsection:

NEW SUBSECTION. 4A. The administrator shall, whenever technically feasible, purchase and use degradable loose foam packing material manufactured from grain starches or other renewable resources, unless the cost of the packing material is more than ten percent greater than the cost of packing material made from nonrenewable resources. For the purposes of this subsection, "packing material" means material, other than an exterior packing shell, that is used to stabilize, protect, cushion, or brace the contents of a package.

Sec. 41. Section 455A.8, subsection 2, Code 1993, is amended to read as follows:

2. Each voting member of the board shall serve three years, and shall be eligible for reappointment. However, the park ranger responsible for Brushy Creek shall be replaced by the ranger's successor, and the person representing the state advisory board for preserves shall serve at the pleasure of the board. ~~The members department shall reimburse each member, other than the director or the director's designee and the park ranger, are entitled to for actual expenses incurred by the member in performance of the duties of the board.~~ A majority of voting members constitutes a quorum, and the affirmative vote of a majority present is necessary for any action taken by the board, except that a lesser number may adjourn a meeting. A vacancy in the membership of the board does not impair the rights of a quorum to exercise all rights and perform all duties of the board. The board shall meet as required, but at least twice a year. The board shall meet upon call of the chairperson, or upon written request of three members of the board. Written notice of the time and place of the meeting shall be given to each member.

Sec. 42. NEW SECTION. 455A.8A BRUSHY CREEK AREA — TRAIL IMPROVEMENTS.

The department, in cooperation with the Brushy Creek recreation trails advisory board, shall provide for trail improvements in the recreation area and the state preserve adjoining the recreation area. The department shall establish and maintain a system of trails in the recreation area and the preserve. The trails shall be established or maintained to ensure the minimum possible disturbance to the natural terrain and the natural growth of vegetation, including but not limited to trees. The system of trails shall include equestrian and pedestrian trails.

The department in conjunction with the board shall provide for the location, type, and distance of trails, consistent with this section. The pedestrian trails shall be located in view of scenic attractions, including the lake and the valley. The trails shall be established and maintained in areas where hunting is permitted. The department and the board shall plan for the development of the lake shore.

The northern and southern part of the area shall be connected by trails. The northern part of the area shall include an equestrian campground which shall be maintained by the department. Trails shall exist on the eastern and western sides of the lake. An equestrian trail shall extend across the dam. There shall be established convenient road crossings. The southern part of the area shall include an area designed to securely confine horses. The southern part of the area shall also include pedestrian trails. The department shall post signs on the trails, the campground, and at the confinement area.

Sec. 43. Section 455A.19, subsection 1, paragraph a, Code 1993, is amended to read as follows:

a. Twenty-eight percent shall be allocated to the open spaces account. At least ten percent of the allocations to the account shall be made available to match private funds for open space projects on the cost-share basis of not less than twenty-five percent private funds pursuant to the rules adopted by the natural resources commission. Five percent of the funds allocated to the open spaces account shall be used to fund the protected waters program. This account shall be used by the department to implement the statewide open space acquisition, protection, and development programs.

PARAGRAPH DIVIDED. The department shall give priority to acquisition and control of open spaces of statewide significance. The department shall also use these funds for developments on state property. The total cost of an open spaces project funded under this paragraph "a" shall not exceed two million dollars unless a public hearing is held on the project in the area of the state affected by the project. However, on and after July 1, 1994, the following shall apply:

(1) If the total amount appropriated by the general assembly to the resources enhancement and protection fund, in any fiscal year as defined in section 8.36, is seven million dollars or more, not more than seventy-five percent of moneys in the open spaces account shall be allocated or obligated during that fiscal year to support a single project.

(2) If the total amount appropriated by the general assembly to the resources enhancement and protection fund, in any fiscal year as defined in section 8.36, is less than seven million dollars, not more than fifty percent of moneys in the open spaces account shall be allocated or obligated during that fiscal year to support a single project.

PARAGRAPH DIVIDED. Political subdivisions of the state shall be reimbursed for property tax dollars lost to open space acquisitions based on the reimbursement formula provided for in section 465A.4. There is appropriated from the open spaces account to the department the amount in that account, or so much thereof as is necessary, to carry out the open spaces program as specified in this paragraph "a". An appropriation made under this paragraph "a" shall continue in force for two fiscal years after the fiscal year in which the appropriation was made or until completion of the project. All unencumbered or unobligated funds remaining at the close of the fiscal year in which the project is completed or at the close of the final fiscal year, whichever date is earlier, shall revert to the open spaces account.

Sec. 44. **NEW SECTION.** 455B.104 PERMITS ISSUED BY THE DEPARTMENT — APPROVAL BY DEFAULT.

The department shall either approve or deny a permit to a person applying for a permit under this chapter, within six months from the date that the department receives a completed application for the permit. An application which is not approved or denied within the six-month period shall be approved by default. The department shall issue a permit to the applicant within ten days following the date of default approval. However, this section shall not apply to applications for permits which are issued under Division II, or Division IV, parts 2 through 7.

Sec. 45. Section 455B.310, subsection 2, paragraph b, Code 1993, is amended by striking the paragraph and inserting in lieu thereof the following:

b. In addition to the tonnage fee amounts imposed under this subsection, the tonnage fee shall be increased by seventy-five cents per ton of solid waste. The moneys collected under this paragraph are appropriated and shall be used as provided in section 455E.11, subsection 2, paragraph "a", subparagraph (11A).

Sec. 46. Section 455E.11, subsection 2, paragraph a, Code 1993, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (11A) Each additional seventy-five cents per ton per year received from the additional tonnage fee imposed pursuant to section 455B.310, subsection 2, paragraph "b", shall be allocated for the following purposes:

(a) Ten cents per ton per year is appropriated to the department of natural resources to establish a program to provide competitive grants to regional coordinating councils for projects in regional economic development centers related to a by-products and waste exchange system. Grantees under this program shall coordinate activities with other available state or multistate waste exchanges, including but not limited to the by-products and waste search service at the university of northern Iowa. The department shall consult with the department of economic development and the waste reduction center at the university of northern Iowa in establishing criteria for and the awarding of grants under this program. The department of natural resources shall expend not more than thirty thousand dollars of the moneys appropriated under this subparagraph subdivision to contract with the by-products and waste search service at the university of northern Iowa to provide training and other technical services to grantees under the program. If regional economic development centers cease to exist, the department shall transfer existing contracts to one or more community colleges or councils of governments and shall revise the criteria and rules for this program to allow community colleges or councils of governments to be applicants for competitive grants.

(b) Fifteen cents per ton per year is appropriated to the department of natural resources to establish three permanent household hazardous waste collection sites so that both urban and rural population are served and so that collection services are available to the public on a regular basis. An additional five cents per ton per year is appropriated to the department to be used for the payment of transportation costs related to household hazardous waste collection programs.

(c) Twelve and one-half cents per ton per year is appropriated to the department of natural resources to provide additional toxic cleanup days. Departmental rules adopted for implementation of toxic cleanup days shall provide sufficient flexibility to respond to the household hazardous material collection needs of both small and large communities.

(d) Five cents per ton per year is appropriated to the department of economic development to establish, in cooperation with the department of natural resources, a marketing initiative to assist Iowa businesses producing recycling or reclamation equipment or services, recyclable products, or products from recycled materials to expand into national markets. Efforts shall include the reuse and recycling of sawdust.

(e) Five cents per ton per year is appropriated to the university of northern Iowa to develop and maintain the Iowa waste reduction center for the safe and economic management of solid waste and hazardous substances established at the university of northern Iowa.

(f) Eight cents per ton per year is appropriated to the department of natural resources for the provision of assistance to public and private entities in developing and implementing waste reduction and minimization programs for Iowa industries.

(g) The remaining moneys are appropriated to the department of natural resources to be used in accordance with subparagraph (8), subparagraph subdivision (b), subparagraph subdivision subparts (ii) through (iv).

**Sec. 47. NEW SECTION. 461A.17A PAYMENT IN LIEU OF PROPERTY TAXES.*

*The director of the department of natural resources shall submit a budget request to pay the annual property taxes on property held by the department. The budget request shall be submitted to the general assembly as part of the annual budget proposal provided in section 455A.4. The amount of the payment shall be based on property acquired on or after July 1, 1993, which would otherwise be subject to the levy of property taxes. The assessed value of property held by the department shall be that determined under section 427.1, subsection 31, and the director may protest the assessed value in the manner provided by law for any property owner to protest an assessment. For the purposes of chapter 257, the assessed value of any property which was acquired by the department on or after July 1, 1993, shall be included in the valuation base of the school district and the payments made pursuant to this section shall be considered as property tax revenues and not as miscellaneous income. The county treasurer shall certify the amount of taxes due to the department. The taxes shall be paid annually from the departmental fund or account from which the property acquisition was funded. If the departmental fund or account has no moneys, no longer exists, or if the acquisition of property was made without an expenditure of funds by the department, the taxes shall be paid from funds in the manner provided by the general assembly. If the total amount of taxes due, as certified to the department, exceeds the amount available for expenditure under this section, the property taxes due shall be reduced proportionately so that the total amount due equals the amount available for expenditure.**

Sec. 48. Section 904.312, Code 1993, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The director shall, whenever technically feasible, purchase and use degradable loose foam packing material manufactured from grain starches or other renewable resources, unless the cost of the packing material is more than ten percent greater than the cost of packing material made from nonrenewable resources. For the purposes of this subsection, "packing material" means material, other than an exterior packing shell, that is used to stabilize, protect, cushion, or brace the contents of a package.

Sec. 49. EFFECTIVE DATE. Section 4 of this Act, being deemed of immediate importance takes effect upon enactment.

Sec. 50. EFFECTIVE DATE. Sections 13 and 25 of this Act, being deemed of immediate importance, take effect upon enactment.

Sec. 51. EFFECTIVE DATE. Sections 23, 41, and 42 of this Act, being deemed of immediate importance, take effect upon enactment.

Approved May 20, 1993, except the items which I hereby disapprove and which are designated as Section 4, subsection 2 in its entirety; Section 22 in its entirety; Sections 27, 28, 29, 30, 31, and 32 in their entirety; Section 47 in its entirety; and Section 49 in its 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

*Item veto; see message at end of the Act

Dear Madam Secretary:

I hereby transmit House File 623, an Act relating to appropriations and revenue involving agriculture and natural resources, making related statutory changes, and providing effective dates.

House File 623 is, therefore, approved on this date with the following exceptions which I hereby disapprove.

I am unable to approve the items designated as Section 4, subsection 2, Sections 27 through 32, and Section 49, in their entirety. These provisions would transfer the responsibilities for drug testing and occupational licensing at the dog and horse tracks from the Iowa Racing and Gaming Commission to the Department of Agriculture and Land Stewardship. All other regulatory authority over the tracks would remain with the Racing and Gaming Commission. Above all, Iowans must feel secure that all forms of gambling conducted in the state are adequately regulated and controlled to discourage criminal activity and to protect the public. Fragmenting the responsibilities would impair the state's ability to strictly enforce the regulations at the tracks. To insure that the public is protected and the highest level of integrity maintained, the Commission should retain its present regulatory authority.

I am unable to approve the item designated as Section 22, in its entirety. This provision relates to reductions in full time equivalent positions in the Department of Natural Resources. Decisions concerning personnel in the department are the prerogative of the executive branch. The director must have the flexibility to adjust personnel in response to needs within the department.

I am unable to approve the item designated as Section 47, in its entirety. This provision would require the Department of Natural Resources to request a general fund appropriation to pay property taxes on land acquired by the department after July 1, 1993. This would be in addition to existing provisions for payment of taxes under REAP and the Wildlife Habitat stamp programs. Much of the land acquired by the department is purchased with funds from these programs, therefore property taxes are already being paid on the land.

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 623 are hereby approved as of this date.

Sincerely,
TERRY E. BRANSTAD, *Governor*

CHAPTER 177
COMPENSATION FOR PUBLIC EMPLOYEES
S.F. 422

AN ACT relating to the compensation and benefits for public officials and employees and making appropriations.

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

Section 1. STATE COURTS – JUSTICES, JUDGES, AND MAGISTRATES. For the fiscal year beginning July 1, 1993, and ending June 30, 1994, the justices and judges of the judicial department shall receive a cash payment of \$650 which shall not be added to the base salary. Magistrates shall receive a cash payment of \$325 for the same fiscal year which shall not be added to the base salary. The cash payments are to be paid in equal biweekly installments and shall take effect with the pay period beginning June 18, 1993.

Sec. 2. SALARY RATE LIMITS. Justices, judges, and magistrates of the judicial department receiving cash payments pursuant to section 1 of this Act shall not receive any additional salary adjustments provided by this Act.

Sec. 3. JUDICIAL RETIREMENT FUND – APPROPRIATION. There is appropriated to the judicial retirement fund provided for in section 602.9104 for the fiscal year beginning July 1, 1993, and ending June 30, 1994, from funds appropriated to the salary adjustment fund in section 9 of this Act, a sum equal to one percent of the base salaries of all justices, judges, and magistrates of the judicial department.

Sec. 4. ELECTIVE EXECUTIVE OFFICIALS.

1. The annual salary rates specified in this section are effective for the pay period beginning December 30, 1994, and for subsequent fiscal years until otherwise provided by the general assembly. The salaries provided for in this section shall be paid from funds appropriated to the department or agency specified in this section pursuant to any Act of the general assembly or if the appropriation is not sufficient, from the salary adjustment fund.

2. The following annual salary rates shall be paid to the person holding the position indicated:

a. **OFFICE OF THE GOVERNOR**

(1) Salary for governor:

..... \$ 79,800

(2) Salary for lieutenant governor:

..... \$ 62,400

b. **DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP**

Salary for the secretary of agriculture:

..... \$ 62,400

c. **DEPARTMENT OF JUSTICE**

Salary for the attorney general:

..... \$ 76,500

d. **OFFICE OF THE AUDITOR OF STATE**

Salary for the auditor of state:

..... \$ 62,400

e. **OFFICE OF THE SECRETARY OF STATE**

Salary for the secretary of state:

..... \$ 62,400

f. **OFFICE OF THE TREASURER OF STATE**

Salary for the treasurer of state:

..... \$ 62,400

Sec. 5. APPOINTED STATE OFFICERS. The governor shall establish a salary for appointed nonelected persons in the executive branch of state government holding a position