

Sec. 4. ENHANCED COURT COLLECTIONS FUND — DISTRIBUTION. Of the moneys collected and deposited in the enhanced court collections fund created in section 602.1304 during the fiscal year beginning July 1, 2000, \$668,390 are appropriated to and shall be expended by the judicial branch for the continued implementation of the justice data warehouse. Of the moneys appropriated in this section, \$60,000 shall be transferred to the division of criminal and juvenile justice planning of the department of human rights for 1.00 FTE position to support the justice data warehouse, and \$608,390 shall be transferred to the division of information technology services of the department of general services for lease-purchase costs, and other related expenses, concerning the justice data warehouse.

However, the moneys appropriated and transferred pursuant to this section shall be reduced to the extent moneys are appropriated for the purposes provided in this section to the division of information technology services of the department of general services or the division of criminal and juvenile justice planning of the department of human rights from moneys made available pursuant to section 8.62.

Approved May 16, 2000

CHAPTER 1228

APPROPRIATIONS — HUMAN SERVICES

S.F. 2435

AN ACT relating to appropriations for the department of human services and including other provisions and appropriations involving human services and health care, providing effective dates, and providing for retroactive applicability.

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

Section 1. SOCIAL SERVICES BLOCK GRANT SUPPLEMENTATION. There is appropriated from the fund created in section 8.41 to the department of human services for the fiscal year beginning July 1, 1999, and ending June 30, 2000, from moneys received under the federal temporary assistance for needy families block grant, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For supplementation of the federal social services block grant appropriation in 1999 Iowa Acts, chapter 193, section 12, due to the federal reduction in this block grant and the corresponding decrease pursuant to 1999 Iowa Acts, chapter 193, section 16:

..... \$ 1,197,328

The moneys appropriated in this section are allocated for the indicated programs and functions within the department as follows:

1. General administration:	\$	76,136
.....	\$	
2. Field operations:	\$	455,372
.....	\$	
3. Child and family services:	\$	68,111
.....	\$	
4. Local administrative costs and other local services:	\$	48,294
.....	\$	
5. Volunteers:	\$	5,278
.....	\$	

6. Community-based services:	\$	6,069
7. MH/MR/DD/BI community services (local purchase):	\$	538,068

Sec. 2. EARLY CHILDHOOD FUNDING.

1. There is appropriated from the fund created in section 8.41 to the department of human services for the specified fiscal year from moneys received under the federal temporary assistance for needy families block grant pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. For the fiscal year beginning July 1, 2000, and ending June 30, 2001, for distribution in addition to previously appropriated moneys to fund community-based programs targeted to children from birth through five years of age developed by community empowerment areas:

\$	2,550,000
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b. For the fiscal year beginning July 1, 2001, and ending June 30, 2002, for distribution in addition to previously appropriated moneys to fund community-based programs targeted to children from birth through five years of age developed by community empowerment areas:

\$	2,550,000
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2. The appropriation made in 1998 Iowa Acts, chapter 1218, section 2, from the fund created in section 8.41 to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, and the appropriation made in subsection 1, paragraph "a", from moneys received under the federal temporary assistance for needy families block grant shall be used for funding of community-based programs targeted to children from birth through five years of age, developed by community empowerment areas as provided in this section.

3. The department may transfer federal temporary assistance for needy families block grant funding appropriated and allocated in this section to the child care and development block grant in accordance with federal law as necessary to comply with the provisions of this section. The funding shall then be provided to community empowerment areas for the fiscal year beginning July 1, 2000, in accordance with all of the following:

a. The area must be approved as a designated community empowerment area by the Iowa empowerment board.

b. The maximum funding amount a community empowerment area is eligible to receive shall be determined by applying the area's percentage of the state's average monthly family investment program population in the preceding fiscal year to the total amount appropriated and allocated in this section for fiscal year 2000-2001.

c. A community empowerment area receiving funding shall comply with any federal reporting requirements associated with the use of that funding and other results and reporting requirements established by the Iowa empowerment board. The department shall provide technical assistance in identifying and meeting the federal requirements.

d. The availability of funding provided under this section is subject to changes in federal requirements and amendments to Iowa law.

4. The moneys distributed in accordance with this section shall be used by communities for the purposes of enhancing quality child care capacity in support of parent capability to obtain or retain employment. The moneys shall be used with a primary emphasis on low-income families and children from birth to five years of age. Moneys shall be provided in a flexible manner to communities, and shall be used to implement strategies identified by the communities to achieve such purposes. The strategies may include but are not limited to developing capacity for regular child care, sick child care, night shifts child care, and emergency child care; enhancing linkages between the head start and early head start programs, early childhood development programs, and child care assistance programs; and implementing other strategies to enhance access to child care. The moneys may be used to either build capacity or for support of ongoing efforts. In addition to the full-time equivalent

positions funded in this Act, 1.00 full-time equivalent position is authorized and the department may use funding appropriated in this section for provision of technical assistance and other support to communities developing and implementing strategies with moneys distributed in accordance with this section.

5. Moneys which are subject to this section which are not distributed to a community empowerment area or otherwise remain unobligated or unexpended at the end of the fiscal year shall revert to the fund created in section 8.41 to be available for appropriation by the general assembly in a subsequent fiscal year.

Sec. 3. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT. There is appropriated from the fund created in section 8.41 to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, from moneys received under the federal temporary assistance for needy families block grant pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, which are federally appropriated for the federal fiscal years beginning October 1, 1998, and ending September 30, 1999, and beginning October 1, 1999, and ending September 30, 2000, and beginning October 1, 2000, and ending September 30, 2001, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

Moneys appropriated in this section shall be used in accordance with the federal law making the funds available, applicable Iowa law, appropriations made from the general fund of the state in this Act for the purpose designated, and administrative rules adopted to implement the federal and Iowa law. If actual federal revenues credited to the fund created in section 8.41 through June 30, 2001, are less than the amounts appropriated in this section, the amounts appropriated shall be reduced proportionately and the department may reduce expenditures as deemed necessary by the department to meet the reduced funding level:

1. To be credited to the family investment program account and used for assistance under the family investment program under chapter 239B:

..... \$ 44,035,883

2. To be credited to the family investment program account and used for the job opportunities and basic skills (JOBS) program, and implementing family investment agreements, in accordance with chapter 239B:

..... \$ 19,980,113

3. For field operations:

..... \$ 12,870,415

4. For general administration:

..... \$ 3,227,683

5. For local administrative costs:

..... \$ 2,147,358

6. For state child care assistance:

..... \$ 23,219,567

a. Of the funds appropriated in this subsection, \$200,000 shall be used for child care emergency and start-up grants in accordance with this paragraph. The funding allocated in this paragraph shall be used to provide emergency grants to existing licensed or registered child care facilities having negative financial circumstances that will cause the facilities to close without outside assistance. The funding shall also be used to provide start-up funding to develop new licensed or registered child care facilities that will increase the availability of child care slots in communities. The department shall establish criteria for distribution of the grant funding. The criteria shall include a requirement that grant funding is used to further the long-term financial survival of grant recipients, a requirement that funding is targeted to facilities providing essential child care services to low-income families, required disclosure of necessary financial information, establishment of a maximum grant amount and a maximum number of grants to be issued in order to make funding available to as many facilities as possible, and other provisions to ensure appropriate use of the funding.

b. Of the funds appropriated in this subsection, \$200,000 shall be used for assistance to providers of child care to school-age children in accordance with this paragraph. Moneys allocated in this paragraph shall be used for grants to licensed child care facilities providing care to school-age children as of July 1, 2000. The grants shall be used to increase the number of school-age children served, for expansion of slots, or for transportation costs. The grant requirements shall include provision for local match in the form of cash, in-kind services, or other support.

c. Of the funds appropriated in this subsection, \$300,000 shall be used for provision of educational opportunities to registered child care home providers in order to improve services and programs offered by this category of providers and to increase the number of providers. The department may contract with institutions of higher education or child care resource and referral centers to provide the educational opportunities. Allowable administrative costs under the contracts shall not exceed five percent.

d. The application for any of the grants described in the lettered paragraphs of this subsection shall not exceed two pages in length.

7. For emergency assistance:

..... \$ 2,763,605

8. For mental health and developmental disabilities community services:

..... \$ 4,620,848

9. For child and family services:

..... \$ 23,586,793

10. For child abuse prevention:

..... \$ 731,000

11. For pregnancy prevention grants on the condition that family planning services are funded:

..... \$ 2,517,477

Pregnancy prevention grants shall be awarded to programs in existence on or before July 1, 2000, if the programs are comprehensive in scope and have demonstrated positive outcomes. Grants shall be awarded to pregnancy prevention programs which are developed after July 1, 2000, if the programs are comprehensive in scope and are based on existing models that have demonstrated positive outcomes. Priority in the awarding of grants shall be given to programs that serve areas of the state which demonstrate the highest percentage of unplanned pregnancies of females age 13 or older but younger than age 18 within the geographic area to be served by the grant.

12. For technology needs and other resources necessary to meet federal welfare reform reporting, tracking, and case management requirements:

..... \$ 1,006,442

13. For supervised community treatment under child and family services:

..... \$ 300,000

14. For volunteers:

..... \$ 45,327

15. For individual development accounts under chapter 541A:

..... \$ 200,000

Of the amounts appropriated in this section, \$11,877,714 for the fiscal year beginning July 1, 2000, shall be transferred to the appropriation of the federal social services block grant for that fiscal year.

Eligible funding available under the federal temporary assistance for needy families block grant that is not appropriated or not otherwise expended shall be considered reserved for economic downturns and welfare reform purposes and is subject to further state appropriation to support families in their movement toward self-sufficiency.

Sec. 4. FAMILY INVESTMENT PROGRAM ACCOUNT.

1. Moneys credited to the family investment program (FIP) account for the fiscal year beginning July 1, 2000, and ending June 30, 2001, shall be used in accordance with the following requirements:

- a. The department shall provide assistance in accordance with chapter 239B.
- b. The department shall continue the special needs program under the family investment program.
- c. The department shall continue to comply with federal welfare reform data requirements pursuant to the appropriations made for that purpose.
- d. The department shall continue to make entrepreneurial training available to families receiving assistance under the family investment program. The department may contract for these services.
- e. The department shall continue expansion of the electronic benefit transfer program as necessary to comply with federal requirements. Notwithstanding 1998 Iowa Acts, chapter 1218, section 5, subsection 1, paragraph "d", and 1999 Iowa Acts, chapter 203, section 5, subsection 1, paragraph "d", the target date for statewide implementation of the program is October 1, 2002.

f. The department, in entering into a contract relating to the equipment to be used in implementation of the electronic benefits transfer program in accordance with section 234.12A, shall only enter into a contract which provides for the use of a card which is compatible with the standards established for electronic transfer of funds under chapter 527 for a multiple-use terminal as defined in section 527.2, and which only provides for receipt of state benefits and entitlements under the purview of the department of human services.

2. The department may use a portion of the moneys credited to the family investment account under this section, as necessary for salaries, support, maintenance, and miscellaneous purposes for not more than the following full-time equivalent positions which are in addition to any other full-time equivalent positions authorized by this Act:

..... FTEs 8.00

3. The department may transfer funds in accordance with section 8.39, either federal or state, to or from the child care appropriations made for the fiscal year beginning July 1, 2000, if the department deems this would be a more effective method of paying for JOBS program child care, to maximize federal funding, or to meet federal maintenance of effort requirements.

4. Moneys appropriated in this Act and credited to the family investment program account for the fiscal year beginning July 1, 2000, and ending June 30, 2001, are allocated as follows:

a. For the food stamp employment and training program:

..... \$ 250,000

b. For the family development and self-sufficiency grant program as provided under section 217.12:

..... \$ 5,697,825

(1) Of the funds allocated for the family development and self-sufficiency grant program in this lettered paragraph, not more than 5 percent of the funds shall be used for the administration of the grant program.

(2) Based upon the annual evaluation report concerning each grantee funded by previously appropriated funds and through the solicitation of additional grant proposals, the family development and self-sufficiency council may use the allocated funds to renew or expand existing grants or award new grants. In utilizing the increased funding to expand the program, the council shall give consideration, in addition to other criteria established by the council, to a grant proposal's intended use of local funds with a grant and to whether a grant proposal would expand the availability of the program's services to a wider geographic area.

(3) Family development and self-sufficiency grantees shall not supplant previous local funding with state or federal funds.

(4) The department shall continue to implement the family development and self-sufficiency grant program statewide during FY 2000-2001.

c. For income maintenance reengineering:

..... \$ 700,000

* Item veto; see message at end of the Act

d. For the diversion program and incentive grants as follows:

(1) For the diversion subaccount of the family investment program account:

..... \$ 3,200,000

Moneys allocated to the diversion subaccount shall be used to continue the pilot initiative of providing incentives to assist families who meet income eligibility requirements for the family investment program in obtaining or retaining employment, to assist participant families in overcoming barriers to obtaining employment, and to assist families in stabilizing employment and in reducing the likelihood of the family returning to the family investment program. Incentives may be provided in the form of payment or services. The department may limit the availability of the pilot initiative on the basis of geographic area or numbers of individuals provided with incentives. The department shall attempt to assess and screen individuals who would most likely benefit from the services. The department shall continue the diversion initiative in the fiscal year 2000-2001. In addition to the full-time equivalent positions authorized in this Act, 1.00 FTE is authorized and the department may use up to \$50,000 to facilitate community investment in welfare reform and to support continuation of the diversion program. The department may grant diversion moneys to the level of the entity operating an initiative. The department may adopt additional eligibility criteria as necessary for compliance with federal law and for screening those families who would be most likely to become eligible for the family investment program if diversion incentives would not be provided.

(2) For continuation of innovative strategies on a statewide or pilot project basis for supporting job retention, family structure, or both, including services to noncustodial parents and young parents:

..... \$ 650,000

(3) Of the moneys allocated in subparagraph (2), not more than \$250,000 shall be used to develop or continue community-level parental obligation pilot projects. A pilot project shall be operated with the goal of assisting parents who are living apart in meeting their parental obligations and in supporting their children. A pilot project may also seek to prevent the separation of families by including families at risk of separation in project services. Any pilot project shall maximize the use of existing community resources for family counseling, legal services, mediation, job training and job skills development, substance abuse treatment and prevention, health maintenance, and personal mentoring. Local communities shall also be encouraged to provide financial resources.

(a) Notwithstanding any other provision of law to the contrary, the department shall develop procedures for the pilot projects to expedite all of the following:

(i) The establishment and adjustment of support obligations, with the consent of both parents, in a manner which may deviate from the child support guidelines.

(ii) Changes in income withholding orders based on individual case circumstances.

(iii) Satisfaction of a portion of support amounts owed to the state based on cooperation and compliance by the noncustodial parent with project requirements.

(iv) Adjustment of visitation and shared custody arrangements in a manner which enhances the ability of each parent to meet parental obligations.

(b) The department shall adopt rules for the development, operation, and monitoring of a project; to establish the minimum required amount of community support; to establish expedited procedures; and to establish other criteria and procedures as appropriate.

(c) The department shall use the funds authorized in this subparagraph to employ one full-time equivalent position to manage the pilot project or projects. The department shall also use the authorized funds to employ other full-time equivalent positions or to provide services, as necessary, to assist in the coordination, development, and operation of community-level pilot projects and to achieve the expedited procedures established. Any full-time equivalent positions authorized in this subparagraph subdivision are in addition to any other full-time equivalent positions authorized by law.

(4) Of the moneys allocated in subparagraph (2), not more than \$200,000 shall be used to continue to study the impact that moving unemployed family investment program parents

into employment has on the well-being of the children, the parent, and the family. The department shall include in this well-being study a method of actual contact with the families and children, and shall consider broad-based impacts, such as educational achievement, health status, housing stability, family stability, and use of supportive social services. The department shall also seek funding through foundations and the federal government in order to supplement the funding for this study. The results of the study shall be submitted to the persons required by this Act to receive reports.

(5) Of the moneys allocated in subparagraph (2), not more than \$100,000 shall be used for providing additional incentive payments to contracted agencies who demonstrate success at completing well-being visits for families terminated from the family investment program under a limited benefit plan. The department shall use these funds to increase payments to agencies who complete a higher percentage of well-being visits, who achieve a significant percentage of visits in a face-to-face format, or who are able to observe and interact with the children during a significant percentage of visits.

5. Of the child support collections assigned under the family investment program, an amount equal to the federal share of support collections shall be credited to the child support recovery appropriation. The remainder of the assigned child support collections received by the child support recovery unit shall be credited to the family investment program account.

6. The department may adopt emergency administrative rules for the family investment, food stamp, and medical assistance programs, if necessary, to comply with federal requirements. Prior to adoption of the rules, the department shall consult with the welfare reform council and the chairpersons and ranking members of the joint appropriations subcommittee on human services.

7. The department may continue to streamline and simplify the employer verification process for applicants, participants, and employers in the administration of the department's programs. The department may contract with companies collecting data from employers when the information is needed in the administration of these programs. The department may limit the availability of the initiative on the basis of geographic area or number of individuals.

Sec. 5. FAMILY INVESTMENT PROGRAM GENERAL FUND. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

To be credited to the family investment program account and used for family investment program assistance under chapter 239B:

..... \$ 35,545,738

1. The department of workforce development, in consultation with the department of human services, shall continue to utilize recruitment and employment practices to include former and current family investment program recipients.

2. The department of human services shall continue to work with the department of workforce development and local community collaborative efforts to provide support services for family investment program participants. The support services shall be directed to those participant families who would benefit from the support services and are likely to have success in achieving economic independence.

3. Of the funds appropriated in this section, \$9,564,352 is allocated for the JOBS program.

4. The department shall continue to work with religious organizations and other charitable institutions to increase the availability of host homes, referred to as second chance homes or other living arrangements under the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, § 103. The purpose of the homes or arrangements is to provide a supportive and supervised living arrangement for minor parents receiving assistance under the family investment program who, under chapter 239B, may receive assistance while living in an alternative setting other than with their parent or legal guardian.

Sec. 6. EMERGENCY ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For emergency assistance to families with dependent children for homeless prevention programs:

..... \$ 10,000

1. The emergency assistance provided for in this section and federal moneys appropriated for this purpose in this Act shall be available beginning October 1 of the fiscal year and shall be provided only if all other publicly funded resources have been exhausted. Specifically, emergency assistance is the program of last resort and shall not supplant assistance provided by the low-income home energy assistance program (LIHEAP), county general relief, and veterans affairs programs. The department shall establish a \$500 maximum payment, per family, in a twelve-month period. The emergency assistance includes, but is not limited to, assisting people who face eviction, potential eviction, or foreclosure, utility shutoff or fuel shortage, loss of heating energy supply or equipment, homelessness, utility or rental deposits, or other specified crisis which threatens family or living arrangements. The emergency assistance shall be available to migrant families who would otherwise meet eligibility criteria. The department may contract for the administration and delivery of the program. The program shall be terminated when funds are exhausted.

2. For the fiscal year beginning July 1, 2000, the department shall continue the process for the state to receive refunds of utility and rent deposits, including any accrued interest, for emergency assistance recipients which were paid by persons other than the state. The department shall also receive refunds, including any accrued interest, of assistance paid with funding available under this program. The refunds received by the department under this subsection shall be deposited with the moneys of the appropriation made in this section and used as additional funds for the emergency assistance program. Notwithstanding section 8.33, moneys received by the department under this subsection which remain after the emergency assistance program is terminated and state or federal moneys in the emergency assistance account which remain unobligated or unexpended at the close of the fiscal year shall not revert to the general fund of the state but shall remain available for expenditure when the program resumes operation on October 1 in the succeeding fiscal year.

3. Of the funds appropriated in this section, \$10,000 is allocated to the community voice mail program to continue the existing program. The funds shall be made available beginning July 1, 2000. The community voice mail program shall submit semiannual reports to the department which, at a minimum, specify, on a county basis, the unduplicated number of households participating in the program for the previous six-month period. The report shall be submitted no later than the last business day of the month immediately following the end of the six-month period.

Sec. 7. CHILD SUPPORT RECOVERY. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 6,471,841¹
..... FTEs 272.40

1. The director of human services, within the limitations of the moneys appropriated in this section, or moneys transferred from the family investment program account for this purpose, shall establish new positions and add employees to the child support recovery unit if the director determines that both the current and additional employees together can reasonably be expected to maintain or increase net state revenue at or beyond the budgeted level.

¹ See chapter 1232, §109 herein

2. Nonpublic assistance application fees and other user fees received by the child support recovery unit are appropriated and shall be used for the purposes of the child support recovery program. The director of human services may add positions within the limitations of the amount appropriated for salaries and support for the positions.

3. The director of human services, in consultation with the department of management and the legislative fiscal committee, is authorized to receive and deposit state child support incentive earnings in the manner specified under applicable federal requirements.

4. a. The director of human services may establish new positions and add state employees to the child support recovery unit or contract for delivery of services if the director determines the employees are necessary to replace county-funded positions eliminated due to termination, reduction, or nonrenewal of a chapter 28E contract. However, the director must also determine that the resulting increase in the state share of child support recovery incentives exceeds the cost of the positions or contract, the positions or contract are necessary to ensure continued federal funding of the program, or the new positions or contract can reasonably be expected to recover at least twice the amount of money necessary to pay the salaries and support for the new positions or the contract will generate at least 200 percent of the cost of the contract.

b. Employees in full-time positions that transition from county government to state government employment under this subsection are exempt from testing, selection, and appointment provisions of chapter 19A and from the provisions of collective bargaining agreements relating to the filling of vacant positions.

5. If initiated by the judicial branch, the child support recovery unit shall continue to work with the judicial branch to determine the feasibility of implementing a pilot project utilizing a court-appointed referee for judicial determinations on child support matters. The extent and location of any pilot project shall be jointly developed by the judicial branch and the child support recovery unit.

6. Surcharges paid by obligors and received by the unit as a result of the referral of support delinquency by the child support recovery unit to any private collection agency are appropriated to the department and shall be used to pay the costs of any contracts with the collection agencies.

7. The department shall expend up to \$51,000, including federal financial participation, for the fiscal year beginning July 1, 2000, for a child support public awareness campaign. The department and the office of the attorney general shall cooperate in continuation of the campaign. The public awareness campaign shall emphasize, through a variety of media activities, the importance of maximum involvement of both parents in the lives of their children as well as the importance of payment of child support obligations.

Sec. 8. MEDICAL ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical assistance reimbursement and associated costs as specifically provided in the reimbursement methodologies in effect on June 30, 2000, except as otherwise expressly authorized by law, including reimbursement for abortion services, which shall be available under the medical assistance program only for those abortions which are medically necessary:

..... \$ 400,662,028

1. Medically necessary abortions are those performed under any of the following conditions:

a. The attending physician certifies that continuing the pregnancy would endanger the life of the pregnant woman.

b. The attending physician certifies that the fetus is physically deformed, mentally deficient, or afflicted with a congenital illness.

c. The pregnancy is the result of a rape which is reported within 45 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

d. The pregnancy is the result of incest which is reported within 150 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

e. Any spontaneous abortion, commonly known as a miscarriage, if not all of the products of conception are expelled.

2. Notwithstanding section 8.39, the department may transfer funds appropriated in this section to a separate account established in the department's case management unit for expenditures required to provide case management services for mental health, mental retardation, and developmental disabilities services under medical assistance which are jointly funded by the state and county, pending final settlement of the expenditures. Funds received by the case management unit in settlement of the expenditures shall be used to replace the transferred funds and are available for the purposes for which the funds were appropriated in this section.

3. a. The county of legal settlement shall be billed for 50 percent of the nonfederal share of the cost of case management provided for adults, day treatment, and partial hospitalization in accordance with sections 249A.26 and 249A.27, and 100 percent of the nonfederal share of the cost of care for adults which is reimbursed under a federally approved home and community-based waiver that would otherwise be approved for provision in an intermediate care facility for persons with mental retardation, provided under the medical assistance program. The state shall have responsibility for the remaining 50 percent of the nonfederal share of the cost of case management provided for adults, day treatment, and partial hospitalization. For persons without a county of legal settlement, the state shall have responsibility for 100 percent of the nonfederal share of the costs of case management provided for adults, day treatment, partial hospitalization, and the home and community-based waiver services. The case management services specified in this subsection shall be billed to a county only if the services are provided outside of a managed care contract.

b. The state shall pay the entire nonfederal share of the costs for case management services provided to persons 17 years of age and younger who are served in a medical assistance home and community-based waiver program for persons with mental retardation.

c. Medical assistance funding for case management services for eligible persons 17 years of age and younger shall also be provided to persons residing in counties with child welfare decategorization projects implemented in accordance with section 232.188, provided these projects have included these persons in their service plan and the decategorization project county is willing to provide the nonfederal share of costs.

d. When paying the necessary and legal expenses of intermediate care facilities for persons with mental retardation (ICFMR), the cost payment requirements of section 222.60 shall be considered fulfilled when payment is made in accordance with the medical assistance payment rates established for ICFMRs by the department and the state or a county of legal settlement is not obligated for any amount in excess of the rates.

4. The department shall utilize not more than \$60,000 of the funds appropriated in this section to continue the AIDS/HIV health insurance premium payment program as established in 1992 Iowa Acts, Second Extraordinary Session, Chapter 1001, section 409, subsection 6. Of the funds allocated in this subsection, not more than \$5,000 may be expended for administrative purposes.

5. Of the funds appropriated to the Iowa department of public health for substance abuse grants, \$950,000 for the fiscal year beginning July 1, 2000, shall be transferred to the department of human services for an integrated substance abuse managed care system.

6. In administering the medical assistance home and community-based waiver for persons with physical disabilities, the department shall aggressively pursue options to expand the waiver to 100 openings and in implementing the expanded waiver the total number of openings for persons with physical disabilities served at any one time shall be limited to the number approved in the waiver by the secretary of the United States department of health and human services. The openings shall be available on a first-come, first-served basis.

7. The department of human services, in consultation with the Iowa department of public health and the department of education, shall continue the program to utilize the early and periodic screening, diagnosis, and treatment (EPSDT) funding under medical assistance, to the extent possible, to implement the screening component of the EPSDT program through the school system. The department may enter into contracts to utilize maternal and child health centers, the public health nursing program, or school nurses in implementing this provision.

8. The department shall continue the case study for outcome-based performance standards for programs serving persons with mental retardation or other developmental disabilities proposed pursuant to 1994 Iowa Acts, chapter 1170, section 56.

9. The department shall continue to pursue federal approval of a medical assistance home and community-based services waiver to allow children with mental retardation, who would otherwise require ICF/MR care, to be served in out-of-home settings of up to eight beds which meet standards established by the department. If the waiver is not approved, up to \$1,487,314 of the funds appropriated in this section may be transferred to the appropriation in this Act for child and family services, to be used for group foster care maintenance and services.

10. The department shall discontinue the following pilot programs on July 1, 2000:

- a. The telemedicine pilot program.
- b. The physician supervised weight-loss pilot program.

11. The department shall work with county representatives in aggressively taking the steps necessary to implement the rehabilitation option for services to persons with chronic mental illness under the medical assistance program, and county funding shall be used to provide the match for the federal funding, except for individuals with state case status, for whom state funding shall provide the match. **The department and county representatives shall appear in January 2001 before the joint appropriations subcommittee on human services to report their proposals concerning implementation of the option.**

12. The department shall increase the medical assistance eligibility income limit for pregnant women and infants under the mothers and children category to 200 percent of the federal poverty level.

13. If the health care financing administration approves a waiver request from the department, the department shall provide a period of 24 months of guaranteed eligibility for medical assistance family planning services, regardless of the change in circumstances of a woman who was a medical assistance recipient when a pregnancy ended.

14. The department of human services shall review the personal assistance services pilot project, and consumer-directed care provisions and other home and community-based services waivers utilized by the department and shall submit a report to the governor and the general assembly by December 15, 2000, regarding options for termination, expansion, and consolidation of the services and waivers.

15. The department shall aggressively pursue options for providing medical assistance or other assistance to individuals with special needs who become ineligible to continue receiving services under the early and periodic, screening, diagnosis, and treatment program under the medical assistance program due to becoming 21 years of age, who have been approved for additional assistance through the department's exception to policy provisions, but who have health care needs in excess of the funding available through the exception to policy process.

16. The department shall adopt emergency rules providing for reimbursement under medical assistance for family and pediatric nurse practitioners who are employed by a hospital and are providing services in a hospital-owned facility or in another location that is not on or part of the hospital's licensed premises.

**17. Of the funds appropriated in this section, \$100,000 is allocated for development of options for implementation of a personal assistance services program, based upon the provisions outlined in House File 2380, as introduced in the Seventy-eighth General Assembly, 2000 Session.*

The department, in consultation with the department of elder affairs, the Iowa department of public health, the department of workforce development, the department of education, division of vocational rehabilitation, the department of economic development, the Iowa state association of counties, Iowa creative employment options, the community services affiliate of the Iowa state association of counties, and the personal assistance and family support services council, shall convene a planning committee on or before September 1, 2000, which includes consumers and family members, advocates of consumers, providers of services to consumers, and the entities consulted with, to assist in the development of a plan for a personal assistance services program based on principles and standards described in this chapter. The membership of the planning committee shall be appointed in a manner so there are relatively equal proportions of members with involvement in service management, purchasing or approval, and members with an interest in or involvement as a service consumer or advocate. The planning committee shall also include four members of the general assembly to serve in an ex officio, nonvoting capacity with one each appointed by the following: senate majority leader, senate minority leader, speaker of the house of representatives, and minority leader of the house of representatives. The department may contract for services to support the planning committee.

The planning committee shall review federal guidelines and other guidance, other states' approaches, and other resources in its planning efforts. The planning committee shall submit to the governor and the general assembly an initial set of options on or before March 1, 2001, and a final set of options, including a transition plan, on or before January 31, 2002. The options which the planning group shall provide shall include but are not limited to all of the following:

- a. Designate a lead agency to be responsible for administering the personal assistance services program.
- b. Provide that the personal assistance and family support services policy council assist in the design, implementation, marketing, and evaluation of the state's personal assistance services program.
- c. Provide a consumer-level administrative oversight and technical assistance mechanism relating to the planning, administrative rules development, and implementation of the personal assistance services program.
- d. Provide for a transition process, with action steps and time lines, describing how the state will make personal assistance services a viable option that is more cost-effective and responsive to the needs and preferences of consumers.
- e. Describe a process for consolidating all noninstitutional personal assistance services programs funded through the medical assistance program.
- f. Describe the type of personal assistance services to be provided under the program.
- g. Describe the method of delivery of personal assistance services and how such services will be delivered statewide.
- h. Evaluate the feasibility of further reducing costs and addressing consumer needs and preferences through the provision of auxiliary services such as assistive technology and home modifications.
 - i. Describe a program intake process that will be uniform throughout the state.
 - j. Review and consolidate the eligibility requirements, intake processes, assessment tools, and other relevant processes of all existing personal assistance services waiver and pilot programs into a single, comprehensive system.
 - k. Describe the standards and mechanisms for copayments or cost-sharing and the methods used to determine income eligibility of persons with disabilities.
 - l. Determine quality assurance outcomes and safeguards against physical, emotional, or financial abuse and exploitation.
 - m. Describe the appeal process.
 - n. Describe how the barriers and disincentives that currently discourage people from becoming personal assistants can be removed.

o. Address the issues of provider and consumer liability.

p. Describe acceptable methods whereby independent personal assistance services providers may pool resources to ensure adequate coverage provisions for health insurance, liability insurance, and workers' compensation insurance.

q. Consult with the health care financing administration of the United States department of health and human services, in reviewing and completing a plan for consolidation and coordination of funding mechanisms and expenditures relative to health care facility services, intermediate care facilities for persons with mental retardation services, all covered home and community-based services provided under section 1915(c) of the federal Social Security Act, services provided under the personal care option of the medical assistance program, and frail elderly program services. The plan shall provide for consolidation and coordination of funding mechanisms and expenditures in order to provide funding for the personal assistance services described in this subsection and shall address the costs and potential cost offsets in implementing the personal care option under the medical assistance program.

*r. Develop options to capitalize on and leverage federal funding to the maximum extent possible under the federal Ticket to Work and Work Incentives Improvement Act of 1999, Pub. L. No. 106-170 and the federal Workforce Investment Act of 1998, Pub. L. No. 105-220.**

Sec. 9. PHARMACEUTICAL CASE MANAGEMENT STUDY. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount or so much thereof as is necessary, to be used for implementation of a disease-specific pharmaceutical case management study to measure the effects of case management for medical assistance recipients identified by the department as high risk for medication-related problems. The funds shall be used to equally reimburse physician-pharmacist teams who participate in the study. An advisory committee whose membership consists of representatives of the Iowa medical society, the Iowa pharmacy association, and the department of human services shall establish and implement the pharmaceutical case management study. The university of Iowa college of public health, in conjunction with the colleges of medicine and pharmacy, shall perform an evaluation of the study at no cost to the state and shall submit a final report of the findings of the evaluation and any recommendations to the general assembly by December 15, 2002. The department shall submit a progress report by December 15, 2001, and a final report by December 15, 2002, to the general assembly. The department shall adopt rules to implement this section which comply with the notice of intended action requirements of section 17A.4, subsection 1, and which may be adopted as emergency rules pursuant to section 17A.5, subsection 2, after notice is provided. The rules shall be reevaluated by the department of human services with input from the Iowa medical society and the Iowa pharmacy association, upon submission of the final report or by December 15, 2002, whichever occurs first:

..... \$ 414,000

Sec. 10. HEALTH INSURANCE PREMIUM PAYMENT PROGRAM. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For administration of the health insurance premium payment program, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 400,721
..... FTEs 17.00

Sec. 11. CHILDREN'S HEALTH INSURANCE PROGRAM. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

* Item veto; see message at end of the Act

For maintenance of the healthy and well kids in Iowa (HAWK-I) program pursuant to chapter 514I for receipt of federal financial participation under Title XXI of the federal Social Security Act, which creates the state children's health insurance program:

..... \$ 4,984,508

1. The department may transfer funds appropriated in this section to be used for the purpose of expanding health care coverage to children under the medical assistance program. The department shall provide periodic updates to the general assembly of expenditures of funds appropriated in this section.

2. The department shall provide a report to the HAWK-I board and to the general assembly by January 15, 2001, specifying the actual cost reported by each participating insurer of providing monthly coverage to eligible children under the children's health insurance program.

3. Moneys in the HAWK-I trust fund are appropriated and shall be used to offset any program costs for the fiscal year beginning July 1, 2000, and ending June 30, 2001.

4. The department of human services shall seek a waiver from the health care financing administration of the United States department of health and human services to permit families with children who are eligible for medical assistance to elect to participate under the HAWK-I program in lieu of participation in the medical assistance program. If the waiver is approved, the department shall implement the provision.

*5. *Representatives of the community action program agencies receiving funding from the state to provide outreach for the HAWK-I program shall appear before the joint appropriations subcommittee on human services in January 2001 to report the outcomes of the outreach efforts.**

Sec. 12. MEDICAL CONTRACTS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical contracts:

..... \$ 8,426,282

In any managed care contract for mental health or substance abuse services entered into or extended by the department on or after July 1, 2000, the request for proposals shall provide for coverage of dual diagnosis mental health and substance abuse treatment provided at the state mental health institute at Mount Pleasant. To the extent possible, the department shall also amend any such contract existing on July 1, 2000, to provide for such coverage.

Sec. 13. STATE SUPPLEMENTARY ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For state supplementary assistance, funeral assistance, and the medical assistance home and community-based services waiver rent subsidy program:

..... \$ 19,985,747

1. The department shall increase the personal needs allowance for residents of residential care facilities by the same percentage and at the same time as federal supplemental security income and federal social security benefits are increased due to a recognized increase in the cost of living. The department may adopt emergency rules to implement this subsection.

2. a. If during the fiscal year beginning July 1, 2000, the department projects that state supplementary assistance expenditures for a calendar year will not meet the federal pass-along requirement specified in Title XVI of the federal Social Security Act, section 1618, as codified in 42 U.S.C. § 1382g, the department may take actions including but not limited to increasing the personal needs allowance for residential care facility residents and

* Item veto; see message at end of the Act

making programmatic adjustments or upward adjustments of the residential care facility or in-home health-related care reimbursement rates prescribed in this Act to ensure that federal requirements are met. The department may adopt emergency rules to implement the provisions of this subsection.

b. If during the fiscal year beginning July 1, 2000, the department projects that state supplementary assistance expenditures will exceed the amount appropriated, the department may transfer funds appropriated in this Act for medical assistance for the purposes of the state supplementary assistance program. However, funds shall only be transferred from the medical assistance appropriation if the funds transferred are projected to be in excess of the funds necessary for the medical assistance program.

3. The department may use up to \$75,000 of the funds appropriated in this section for a rent subsidy program for adult persons to whom all of the following apply:

a. Are receiving assistance under a medical assistance home and community-based services (HCBS) waiver.

b. Were discharged from a medical institution in which they have resided or were at risk of institutional placement, not to exceed 100 slots. Within available funding and demonstrated need, the department may make subsidy funds available to HCBS waiver-eligible adults meeting criteria in paragraph "a" and this paragraph at any time on or after July 1, 1995.

The goal of the subsidy program shall be to encourage and assist in enabling persons who currently reside in a medical institution to move to a community living arrangement. An eligible person may receive assistance in meeting their rental expense and, in the initial two months of eligibility, in purchasing necessary household furnishings and supplies. The program shall be implemented so that it does not meet the federal definition of state supplementary assistance and will not impact the federal pass-along requirement specified in Title XVI of the federal Social Security Act, section 1618, as codified in 42 U.S.C. § 1382g.

Sec. 14. CHILD CARE ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child care programs:

..... \$ 5,050,752

1. Of the funds appropriated in this section, \$4,414,109 shall be used for state child care assistance.

2. Nothing in this section shall be construed or is intended as, or shall imply, a grant of entitlement for services to persons who are eligible for assistance due to an income level consistent with the requirements of this section. Any state obligation to provide services pursuant to this section is limited to the extent of the funds appropriated in this section.

3. Of the funds appropriated in this section, \$636,641 is allocated for the statewide program for child care resource and referral services under section 237A.26.

4. The department may use any of the funds appropriated in this section as a match to obtain federal funds for use in expanding child care assistance and related programs. For the purpose of expenditures of state and federal child care funding, funds shall be considered obligated at the time expenditures are projected or are allocated to the department's regions. Projections shall be based on current and projected caseload growth, current and projected provider rates, staffing requirements for eligibility determination and management of program requirements including data systems management, staffing requirements for administration of the program, contractual and grant obligations and any transfers to other state agencies, and obligations for decategorization or innovation projects.

5. During the 2000-2001 fiscal year, the department shall utilize the moneys deposited in the child care credit fund created in section 237A.28 for state child care assistance, in addition to the moneys allocated for that purpose in this section.

Sec. 15. JUVENILE INSTITUTIONS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For operation of the Iowa juvenile home at Toledo:

.....	\$	6,305,133
.....	FTEs	136.54

It is the intent of the general assembly that beginning in the fiscal year commencing on July 1, 2001, the Iowa juvenile home at Toledo will serve only females. In preparation for this change, the department shall develop service options to appropriately place males for whom placement at the Iowa juvenile home would otherwise be appropriate. The principal option considered in placing males shall be placement at existing state or community-based facilities.

2. For operation of the state training school at Eldora:

.....	\$	10,455,336
.....	FTEs	229.53

Of the funding appropriated in this subsection, \$40,000 is designated for aftercare services for persons who were placed at the state training school at Eldora.

3. During the fiscal year beginning July 1, 2000, the population levels at the state juvenile institutions shall not exceed the population guidelines established under 1990 Iowa Acts, chapter 1239, section 21, as adjusted for additional beds developed at the institutions.

4. A portion of the moneys appropriated in this section shall be used by the state training school and by the Iowa juvenile home for grants for adolescent pregnancy prevention activities at the institutions in the fiscal year beginning July 1, 2000.

5. Within the amounts appropriated in this section, the department may transfer funds as necessary to best fulfill the needs of the institutions provided for in the appropriation.

Sec. 16. CHILD AND FAMILY SERVICES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child and family services reimbursement and associated costs as specifically provided in the reimbursement methodologies in effect on June 30, 2000, except as otherwise expressly authorized by law:

.....	\$	108,788,161
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In addition to reimbursement methodology changes to implement the recommendations of the child welfare work group established by the legislative council, if the department has completed its review of reimbursement methodologies for child welfare services, has developed options for changing methodologies for child welfare services that are complementary to those being implemented in accordance with the child welfare work group recommendations, and reported the options to the persons designated by this Act to receive reports, the department may implement one or more options on a pilot project basis that affect not more than 50 children during the course of the fiscal year. The department shall adopt rules to implement any reimbursement changes for services paid for in whole or in part under this section.

1. The department may transfer funds appropriated in this section as necessary to pay the nonfederal costs of services reimbursed under medical assistance or the family investment program which are provided to children who would otherwise receive services paid under the appropriation in this section. The department may transfer funds appropriated in this section to the appropriations in this Act for general administration and for field operations for resources necessary to implement and operate the services funded in this section.

2. a. Of the funds appropriated in this section, up to \$27,764,744 is allocated as the state-wide expenditure target under section 232.143 for group foster care maintenance and services.

* Item veto; see message at end of the Act

b. If at any time after September 30, 2000, annualization of a region's current expenditures indicates a region is at risk of exceeding its group foster care expenditure target under section 232.143 by more than five percent, the department and juvenile court services shall examine all group foster care placements in that region in order to identify those which might be appropriate for termination. In addition, any aftercare services believed to be needed for the children whose placements may be terminated shall be identified. The department and juvenile court services shall initiate action to set dispositional review hearings for the placements identified. In such a dispositional review hearing, the juvenile court shall determine whether needed aftercare services are available and whether termination of the placement is in the best interest of the child and the community.

c. (1) Of the funds appropriated in this section, not more than \$7,060,104 is allocated as the state match funding for psychiatric medical institutions for children.

(2) The department may transfer all or a portion of the amount allocated in this lettered paragraph for psychiatric medical institutions for children (PMICs) to the appropriation in this Act for medical assistance.

(3) The department shall work with private providers of PMIC services to develop and implement a plan that shall substantially reduce or eliminate collection of client participation by PMICs. The plan shall be implemented on or before December 1, 2000.

d. Of the funds allocated in this subsection, \$1,405,588 is allocated as the state match funding for 50 highly structured juvenile program beds. If the number of beds provided for in this lettered paragraph is not utilized, the remaining funds allocated may be used for group foster care.

e. For the fiscal year beginning July 1, 2000, the requirements of section 232.143 applicable to the juvenile court and to representatives of the juvenile court shall be applicable instead to juvenile court services and to representatives of juvenile court services. The representatives appointed by the department of human services and by juvenile court services to establish the plan to contain expenditures for children placed in group foster care ordered by the court within the budget target allocated to the region shall establish the plan in a manner so as to ensure the moneys allocated to the region under section 232.143 shall last the entire fiscal year. Funds for a child placed in group foster care shall be considered encumbered for the duration of the child's projected or actual length of stay, whichever is applicable.

f. The funding allocation in this subsection provides additional funding, compared to the fiscal year ending June 30, 1999, in an amount equal to the cost of 41 group foster care beds. It is the intent of the general assembly that the additional funding allow for the availability of at least 20 additional beds to be available for placement of females.

3. The department shall continue the goal that not more than 15 percent of the children placed in foster care funded under the federal Social Security Act, Title IV-E, may be placed in foster care for a period of more than 24 months.

4. In accordance with the provisions of section 232.188, the department shall continue the program to decategorize child welfare services in additional counties or clusters of counties.

5. A portion of the funding appropriated in this section may be used for emergency family assistance to provide other resources required for a family participating in a family preservation or reunification project to stay together or to be reunified.

6. Notwithstanding section 234.35, subsection 1, for the fiscal year beginning July 1, 2000, state funding for shelter care paid pursuant to section 234.35, subsection 1, paragraph "h", shall be limited to \$7,155,611.

7. Of the funding appropriated in this section, up to \$627,616 may be used as determined by the department for any of the following purposes:

a. For general administration of the department to improve staff training efforts.

b. For oversight of termination of parental rights and permanency planning efforts on a statewide basis.

c. For personnel, assigned by the attorney general, to provide additional services relating to termination of parental rights and child in need of assistance cases.

d. For specialized permanency planning field operations staff.

8. The department may adopt administrative rules following consultation with child welfare services providers to implement outcome-based child welfare services pilot projects. The rules may include, but are not limited to, the development of program descriptions, provider licensing and certification standards, reimbursement and payment amounts, contract requirements, assessment and service necessity requirements, eligibility criteria, claims submission procedures, and accountability standards.

9. The department shall continue to make adoption presubsidy and adoption subsidy payments to adoptive parents at the beginning of the month for the current month.

10. Federal funds received by the state during the fiscal year beginning July 1, 2000, as the result of the expenditure of state funds appropriated during a previous state fiscal year for a service or activity funded under this section, shall be used as additional funding for services provided under this section. Moneys received by the department in accordance with the provisions of this subsection shall remain available for the purposes designated until June 30, 2002, notwithstanding section 8.33.

11. The department and juvenile court services shall continue to develop criteria for the department regional administrator and chief juvenile court officer to grant exceptions to extend eligibility, within the funds allocated, for intensive tracking and supervision and for supervised community treatment to delinquent youth beyond age 18 who are subject to release from the state training school, a highly structured juvenile program, or group foster care.

12. Of the moneys appropriated in this section, not more than \$313,550 is allocated to provide clinical assessment services as necessary to continue funding of children's rehabilitation services under medical assistance in accordance with federal law and requirements. The funding allocated is the amount projected to be necessary for providing the clinical assessment services.

13. Of the funding appropriated in this section, \$3,696,286 shall be used for protective child care assistance.

14. Of the moneys appropriated in this section, up to \$3,290,000 is allocated for the payment of the expenses of court-ordered services provided to juveniles which are a charge upon the state pursuant to section 232.141, subsection 4.

a. Notwithstanding section 232.141 or any other provision of law, the amount allocated in this subsection shall be distributed to the judicial districts as determined by the state court administrator. The state court administrator shall make the determination of the distribution amounts on or before June 15, 2000.

b. Each judicial district shall continue the planning group for the court-ordered services for juveniles provided in that district which was established pursuant to 1991 Iowa Acts, chapter 267, section 119. A planning group shall continue to perform its duties as specified in that law. Reimbursement rates for providers of court-ordered evaluation and treatment services paid under section 232.141, subsection 4, shall be negotiated with providers by each judicial district's planning group.

c. The department of human services shall develop policies and procedures to ensure that the funds allocated in this subsection are spent only after all other reasonable actions have been taken to utilize other funding sources and community-based services. The policies and procedures shall be designed to achieve the following objectives relating to services provided under chapter 232:

(1) Maximize the utilization of funds which may be available from the medical assistance program including usage of the early and periodic screening, diagnosis, and treatment (EPSDT) program.

(2) Recover payments from any third-party insurance carrier which is liable for coverage of the services, including health insurance coverage.

(3) Pursue development of agreements with regularly utilized out-of-state service providers which are intended to reduce per diem costs paid to those providers.

d. Notwithstanding chapter 232 or any other provision of law, a district or juvenile court in a department of human services district shall not order any service which is a charge upon the state pursuant to section 232.141 if there are insufficient court-ordered services funds available in the district distribution amount to pay for the service. The chief juvenile court officer shall work with the judicial district planning group to encourage use of the funds allocated in this subsection such that there are sufficient funds to pay for all court-related services during the entire year. The eight chief juvenile court officers shall attempt to anticipate potential surpluses and shortfalls in the distribution amounts and shall cooperatively request the state court administrator to transfer funds between the districts' distribution amounts as prudent.

e. Notwithstanding any provision of law to the contrary, a district or juvenile court shall not order a county to pay for any service provided to a juvenile pursuant to an order entered under chapter 232 which is a charge upon the state under section 232.141, subsection 4.

f. Of the funding allocated in this subsection, not more than \$100,000 may be used by the judicial branch for administration of the requirements under this subsection and for travel associated with court-ordered placements which are a charge upon the state pursuant to section 232.141, subsection 4.

15. a. Of the funding appropriated in this section, \$4,108,000 is allocated to provide school-based supervision of children adjudicated under chapter 232, including not more than \$580,000 from the allocation in this section for court-ordered services. Not more than \$15,000 of the funding allocated in this subsection may be used for the purpose of training.

b. To the extent possible, the personnel providing school-based services shall be prepared with training or experience relating to gender-specific programming to best intervene with youth at risk of being found delinquent or determined to be a child in need of assistance.

16. Of the moneys appropriated in this section, up to \$50,000 may be used to support the child welfare services work group.

17. Of the funds appropriated in this section, the department shall use \$687,876 for day treatment and aftercare services for juvenile females with provider selection made through a request for proposals process. The goal of providing the services is to ensure permanency, safety, and self-sufficiency for juvenile females.

18. The department shall maximize the capacity to draw federal funding under Title IV-E of the federal Social Security Act.

19. The department of human services shall convene a work group to determine the most appropriate methodology and manner for payment for services provided by psychiatric medical institutions for children (PMICs) funded under this section. The work group shall include representatives of providers of such services, shall be geographically balanced, and shall be representative of both large and small providers. The work group's review shall include, at a minimum, retaining the current reimbursement methodology, providing reimbursement through the Iowa plan for behavioral health, providing reimbursement and supervision through the rehabilitative treatment and supported services program, or incorporating PMIC services into a revised service system developed pursuant to the recommendations of the legislative council's child welfare services work group. A priority in any determination shall be ensuring that the current level of federal financial participation is maintained at the maximum level. The department and the work group shall appear in January 2001 before the joint appropriations subcommittee on human services to discuss the work group findings and recommendations.

20. Of the funds appropriated in this section, \$118,642 is allocated as the state match for the federal safe and stable families grant available under Title IV-B of the federal Social Security Act and this allocation shall not be used, transferred, expended, or encumbered for any other purpose.

* Item veto; see message at end of the Act

21. a. Notwithstanding section 234.39, subsection 5, and notwithstanding section 8.33, \$131,000 of the moneys appropriated in 1999 Iowa Acts, chapter 203, section 15, subsection 9, for the subsidized guardianship program shall not revert at the close of the fiscal year but shall remain available in the succeeding fiscal year to be expended for the purposes of this section.

b. Notwithstanding section 8.33, any moneys transferred pursuant to 1999 Iowa Acts, chapter 203, section 15, subsection 20, paragraph "c", remaining unexpended or unobligated at the close of the fiscal year shall not revert, but shall remain available in the succeeding fiscal year to be expended to complete the child welfare results-based reporting mechanism.

22. Any unanticipated federal funding that is received during the fiscal year due to improvements in the hours counted by the judicial branch under the claiming process for federal Title IV-E funding are appropriated to the department to be used for additional or expanded services and support for court-ordered services pursuant to section 232.141. Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 17. COMMUNITY-BASED PROGRAMS — ADOLESCENT PREGNANCY PREVENTION. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For community-based programs, on the condition that family planning services are funded, including salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

.....	\$	280,228
.....	FTE	1.00

1. Funds appropriated in this section shall be used to provide adolescent pregnancy prevention grants which comply with the requirements provided in 1997 Iowa Acts, chapter 208, section 14, subsections 1 and 2, and shall emphasize programs which target the middle school level.

2. It is the intent of the general assembly that the department of human services and the Iowa department of public health shall continue to identify existing abstinence education or community-based programs which comply with the requirements established in section 912, subchapter V, of the federal Social Security Act, as codified in 42 U.S.C. § 701 et seq. for the matching of federal funds.

Sec. 18. FAMILY SUPPORT SUBSIDY PROGRAM. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used by the division of children and family services for the purpose designated:

For the family support subsidy program:

.....	\$	2,028,215
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The department may use up to \$267,000 of the moneys appropriated in this section to continue the children-at-home program in current counties, of which not more than \$20,000 shall be used for administrative costs.

Sec. 19. CONNER DECREE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For building community capacity through the coordination and provision of training opportunities in accordance with the consent decree of Conner v. Branstad, No. 4-86-CV-30871(S.D. Iowa, July 14, 1994):

.....	\$	46,000
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Sec. 20. MENTAL HEALTH INSTITUTES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the state mental health institute at Cherokee for salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

.....	\$	12,807,425
.....	FTEs	248.44

2. For the state mental health institute at Clarinda for salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

.....	\$	7,220,487
.....	FTEs	138.59

3. For the state mental health institute at Independence for salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

.....	\$	17,497,584
.....	FTEs	346.71

The state mental health institute at Independence shall continue the 30 psychiatric medical institution for children (PMIC) beds authorized in section 135H.6, in a manner which results in no net state expenditure amount in excess of the amount appropriated in this subsection. Counties are not responsible for the costs of PMIC services described in this subsection. Subject to the approval of the department, with the exception of revenues required under section 249A.11 to be credited to the appropriation in this Act for medical assistance, revenues attributable to the PMIC beds described in this subsection for the fiscal year beginning July 1, 2000, and ending June 30, 2001, shall be deposited in the institute's account, including but not limited to any of the following revenues:

- a. The federal share of medical assistance revenue received under chapter 249A.
- b. Moneys received through client participation.
- c. Any other revenues directly attributable to the PMIC beds.

4. For the state mental health institute at Mount Pleasant for salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

.....	\$	5,357,453
.....	FTEs	109.47

a. Funding is provided in this subsection for the mental health institute at Mount Pleasant to continue the dual diagnosis mental health and substance abuse program on a net budgeting basis in which 50 percent of the actual per diem and ancillary services costs are chargeable to the patient's county of legal settlement or as a state case, as appropriate. Subject to the approval of the department, revenues attributable to the dual diagnosis program for the fiscal year beginning July 1, 2000, and ending June 30, 2001, shall be deposited in the institute's account, including but not limited to all of the following revenues:

- (1) Moneys received by the state from billings to counties under section 230.20.
- (2) Moneys received from billings to the Medicare program.
- (3) Moneys received from a managed care contractor providing services under contract with the department or any private third-party payer.
- (4) Moneys received through client participation.
- (5) Any other revenues directly attributable to the dual diagnosis program.

b. The following additional provisions are applicable in regard to the dual diagnosis program:

- (1) A county may split the charges between the county's mental health, mental retardation, and developmental disabilities services fund and the county's budget for substance abuse expenditures.

(2) If an individual is committed to the custody of the department of corrections at the time the individual is referred for dual diagnosis treatment, the department of corrections shall be charged for the costs of treatment.

(3) Prior to an individual's admission for dual diagnosis treatment, the individual shall have been screened through a county's single entry point process to determine the appropriateness of the treatment.

(4) A county shall not be chargeable for the costs of treatment for an individual enrolled in and authorized by or decertified by a managed behavioral care plan under the medical assistance program.

5. Within the funds appropriated in this section, the department may transfer funds as necessary to best fulfill the needs of the institutions provided for in the appropriation.

6. As part of the discharge planning process at the state mental health institutes, the department shall provide assistance in obtaining eligibility for federal supplemental security income (SSI) to those individuals whose care at a state mental health institute is the financial responsibility of the state or a county.

7. Each state mental health institute shall continue the net budgeting accounting test of managing revenues and expenditures attributable to the mental health institute in a manner that permits the net state expenditure amount to be determined. Each mental health institute shall submit a status report in October 2000 to the governor and to the persons required to be submitted reports by this Act. The status report shall identify advantages and disadvantages of utilizing the net budgeting approach and any changes in policy or statute recommended to improve implementation of the approach.

Sec. 21. STATE HOSPITAL-SCHOOLS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the state hospital-school at Glenwood for salaries, support, maintenance, and miscellaneous purposes:

..... \$ 2,504,791

2. For the state hospital-school at Woodward for salaries, support, maintenance, and miscellaneous purposes:

..... \$ 1,709,949

3. a. The department shall continue operating the state hospital-schools at Glenwood and Woodward with a net general fund appropriation. The amounts allocated in this section are the net amounts of state moneys projected to be needed for the state hospital-schools. The purposes of operating with a net general fund appropriation are to encourage the state hospital-schools to operate with increased self-sufficiency, to improve quality and efficiency, and to support collaborative efforts between the state hospital-schools and counties and other funders of services available from the hospital-schools. The state hospital-schools shall not be operated under the net appropriation in a manner which results in a cost increase to the state or cost shifting between the state, the medical assistance program, counties, or other sources of funding for the state hospital-schools. Moneys allocated in subsection 1 may be used throughout the fiscal year in the manner necessary for purposes of cash flow management, and for purposes of cash flow management the state hospital-schools may temporarily draw more than the amount allocated, provided the amount allocated is not exceeded at the close of the fiscal year.

b. Subject to the approval of the department, except for revenues under section 249A.11, revenues attributable to the state hospital-schools for the fiscal year beginning July 1, 2000, shall be deposited into each state hospital-school's account, including but not limited to all of the following:

- (1) Moneys received by the state from billings to counties under section 222.73.
- (2) The federal share of medical assistance revenue received under chapter 249A.
- (3) Federal Medicare program payments.

* Item veto; see message at end of the Act

(4) Moneys received from client financial participation.

(5) Other revenues generated from current, new, or expanded services which the state hospital-school is authorized to provide.

c. For the purposes of allocating the salary adjustment fund moneys appropriated in another Act, the state hospital-schools shall be considered to be funded entirely with state moneys.

d. Notwithstanding section 8.33, up to \$500,000 of a state hospital-school's revenues that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available to be used in the succeeding fiscal year.

4. Within the funds appropriated in this section, the department may transfer funds as necessary to best fulfill the needs of the institutions provided for in the appropriation.

5. The department may continue to bill for state hospital-school services utilizing a scope of services approach used for private providers of ICFMR services, in a manner which does not shift costs between the medical assistance program, counties, or other sources of funding for the state hospital-schools.

6. The state hospital-schools may expand the time limited assessment and respite services during the fiscal year.

7. If the department's administration and the department of management concur with a finding by a state hospital-school's superintendent that projected revenues can reasonably be expected to pay the salary and support costs for a new employee position, or that such costs for adding a particular number of new positions for the fiscal year would be less than the overtime costs if new positions would not be added, the superintendent may add the new position or positions. If the vacant positions available to a hospital-school do not include the position classification desired to be filled, the hospital-school's superintendent may reclassify any vacant position as necessary to fill the desired position. The superintendents of the hospital-schools may, by mutual agreement, pool vacant positions and position classifications during the course of the fiscal year in order to assist one another in filling necessary positions.

Sec. 22. MENTAL ILLNESS SPECIAL SERVICES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For mental illness special services:

..... \$ 121,220

1. The department and the Iowa finance authority shall continue the financing for existing community-based facilities and the financing for the development of affordable community-based housing facilities. The department shall assure that clients are referred to the housing as it is developed.

2. The funds appropriated in this section are to provide funds for construction and start-up costs to develop community living arrangements to provide for persons with mental illness who are homeless. These funds may be used to match federal Stewart B. McKinney Homeless Assistance Act grant funds.

Sec. 23. SPECIAL NEEDS GRANTS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

To provide special needs grants to families with a family member at home who has a developmental disability or to a person with a developmental disability:

..... \$ 53,212

Grants must be used by a family to defray special costs of caring for the family member to prevent out-of-home placement of the family member or to provide for independent living costs. The grants may be administered by a private nonprofit agency which serves people statewide provided that no administrative costs are received by the agency.

Sec. 24. MI/MR/DD STATE CASES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For purchase of local services for persons with mental illness, mental retardation, and developmental disabilities where the client has no established county of legal settlement:

..... \$ 13,308,845

If a county has a county management plan which is approved by the director of human services pursuant to section 331.439, the services paid for under this section are exempt from the department's purchase of service system requirements. The department shall adopt rules to implement the provisions of this paragraph.

*2. For transfer to the appropriation in this Act for medical assistance to be used for payment of the state portion of the nonfederal share of medical assistance reimbursement for services provided to eligible persons by certain qualified intermediate care facilities for persons with mental retardation (ICFMR) in accordance with this subsection:

..... \$ 300,000

For the purposes of this subsection, "eligible persons" means persons with a brain or head injury who are determined by the Iowa foundation for medical care to meet entrance requirements for services at the ICFMR level. The reimbursement rate for services provided to eligible persons by those qualified ICFMRs established and issued a certificate of need by the health facilities council, on or before June 30, 1999, for the primary purpose of serving persons with a head or brain injury, shall be the facility's actual cost, as determined from the annual actual cost reports submitted to the department. The cost reports shall be subject to annual audit by the department. Responsibility for payment of the nonfederal share of reimbursement paid for services provided to eligible persons shall be as follows: the county of legal settlement is responsible for an amount equal to the nonfederal share of the 80th percentile of ICFMR services and the state is responsible for the remainder.*

Sec. 25. MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES — COMMUNITY SERVICES FUND. There is appropriated from the general fund of the state to the mental health and developmental disabilities community services fund created in section 225C.7 for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For mental health and developmental disabilities community services in accordance with this Act:

..... \$ 19,560,000

1. Of the funds appropriated in this section, \$19,530,000 shall be allocated to counties for funding of community-based mental health and developmental disabilities services. The moneys shall be allocated to a county as follows:

a. Fifty percent based upon the county's proportion of the state's population of persons with an annual income which is equal to or less than the poverty guideline established by the federal office of management and budget.

b. Fifty percent based upon the county's proportion of the state's general population.

2. a. A county shall utilize the funding the county receives pursuant to subsection 1 for services provided to persons with a disability, as defined in section 225C.2. However, no more than 50 percent of the funding shall be used for services provided to any one of the service populations.

b. A county shall use at least 50 percent of the funding the county receives under subsection 1 for contemporary services provided to persons with a disability, as described in rules adopted by the department.

3. Of the funds appropriated in this section, \$30,000 shall be used to support the Iowa compass program providing computerized information and referral services for Iowans with disabilities and their families.

* Item veto; see message at end of the Act

4. a. Funding appropriated for purposes of the federal social services block grant is allocated for distribution to counties for local purchase of services for persons with mental illness or mental retardation or other developmental disability.

b. The funds allocated in this subsection shall be expended by counties in accordance with the county's approved county management plan. A county without an approved county management plan shall not receive allocated funds until the county's management plan is approved.

c. The funds provided by this subsection shall be allocated to each county as follows:

(1) Fifty percent based upon the county's proportion of the state's population of persons with an annual income which is equal to or less than the poverty guideline established by the federal office of management and budget.

(2) Fifty percent based upon the amount provided to the county for local purchase of services in the preceding fiscal year.

5. A county is eligible for funds under this section if the county qualifies for a state payment as described in section 331.439.

Sec. 26. PERSONAL ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For continuation of a pilot project for the personal assistance services program in accordance with this section:

..... \$ 364,000

1. The funds appropriated in this section shall be used to continue the pilot project for the personal assistance services program under section 225C.46 in an urban and a rural area. Not more than \$36,400 shall be used for administrative costs. The pilot project and any federal home and community-based waiver developed under the medical assistance program shall not be implemented in a manner which would require additional county or state costs for assistance provided to an individual served under the pilot project or the waiver.

2. It is the intent of the general assembly that for any new applicants for personal assistance, priority shall be given to providing assistance to individuals for education, job training, and other forms of employment support. It is also the intent of the general assembly that if other programs become available which provide similar services, current recipients of personal assistance for whom these similar services are appropriate shall be assisted in attaining eligibility for these programs.

3. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available to provide personal assistance payments until the close of the succeeding fiscal year.

Sec. 27. SEXUALLY VIOLENT PREDATORS.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For costs associated with the commitment and treatment of sexually violent predators including costs of legal services and other associated costs, including salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

..... \$ 1,179,178

..... FTEs 20.00

2. Notwithstanding section 8.33, \$250,000 of the moneys appropriated in 1999 Iowa Acts, chapter 203, section 30, that remain unexpended or unobligated at the close of the fiscal year shall not revert but shall remain available in the succeeding fiscal year to be used for the purposes of this section.

Sec. 28. FIELD OPERATIONS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending

June 30, 2001, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

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

.....	\$	44,795,000
.....	FTEs	1,921.50

Priority in filling full-time equivalent positions shall be given to those positions related to child protection services.

The amount appropriated in this section includes increased funding of \$147,454 to address staffing issues in regard to child abuse assessment staff, social workers, and support staff performing related functions and for increased activities to improve cooperation between field staff, law enforcement, county attorneys, and mandatory reporters in addressing reports of child abuse.

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

.....	\$	5,659,370
.....	FTEs	154.16

Sec. 29. GENERAL ADMINISTRATION. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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

.....	\$	14,862,874
.....	FTEs	366.00

1. Of the funds appropriated in this section, \$57,000 is allocated for the prevention of disabilities policy council established in section 225B.3.

2. Of the funds appropriated in this section, \$129,971 for the fiscal year beginning July 1, 2000, shall be transferred to the state university of Iowa for the university-affiliated program for the support of Iowa creative employment options (CEO).

3. If an expenditure reduction or other cost-saving measure is deemed necessary to maintain expenditures within the amount appropriated to the department in this section, the department shall not implement the reduction or other measure in a manner which reduces service funding for disability rehabilitation programs, including but not limited to, state-wide supported employment programs.

4. The number of full-time equivalent positions authorized in this section includes a reduction of all but three of the full-time equivalent positions previously assigned to the state-county assistance team. One of the remaining full-time equivalent positions shall provide staffing services to the state-county management committee.

5. The general assembly is supportive of the department's stated purposes in its efforts to review the services administered by the department and the reimbursement methodologies for those services. The general assembly anticipates the department continuing its review and consultation activities during the 2000 legislative interim in order to submit recommendations and proposals for legislative consideration during the 2001 legislative session and the department shall not implement changes in the reimbursement methodologies with express authorization in law.

Sec. 30. VOLUNTEERS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For development and coordination of volunteer services:

.....	\$	118,250
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* Item veto; see message at end of the Act

Sec. 31. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE DEPARTMENT OF HUMAN SERVICES.

1. a. For the fiscal year beginning July 1, 2000, the rate for skilled nursing facilities shall remain at the rates in effect on June 30, 2000.

b. For the fiscal year beginning July 1, 2000, the dispensing fee for pharmacists shall remain at the rate in effect on June 30, 2000. The reimbursement policy for drug product costs shall be in accordance with federal requirements.

c. For the fiscal year beginning July 1, 2000, reimbursement rates for inpatient and outpatient hospital services shall remain at the rates in effect on June 30, 2000. The department shall continue the outpatient hospital reimbursement system based upon ambulatory patient groups implemented pursuant to 1994 Iowa Acts, chapter 1186, section 25, subsection 1, paragraph "f". In addition, the department shall continue the revised medical assistance payment policy implemented pursuant to that paragraph to provide reimbursement for costs of screening and treatment provided in the hospital emergency room if made pursuant to the prospective payment methodology developed by the department for the payment of outpatient services provided under the medical assistance program.

d. Reimbursement rates for rural health clinics, hospices, independent laboratories, and acute mental hospitals shall be increased in accordance with increases under the federal Medicare program or as supported by their Medicare audited costs.

e. Reimbursement rates for home health agencies shall remain at the rates in effect on June 30, 2000.

f. Federally qualified health centers shall receive cost-based reimbursement for 100 percent of the reasonable costs for the provision of services to recipients of medical assistance.

g. Beginning July 1, 2000, the reimbursement rates for dental services shall remain at the rates in effect on June 30, 2000.

h. Beginning July 1, 2000, the reimbursement rates for community mental health centers shall be increased by 16.63 percent over the rates in effect on June 30, 2000.

i. For the fiscal year beginning July 1, 2000, unless otherwise specified in this Act, all noninstitutional medical assistance provider reimbursement rates shall remain at the rates in effect on June 30, 2000.

2. a. The basis for establishing the maximum medical assistance reimbursement rate for nursing facilities shall be the 70th percentile of facility costs as calculated from the June 30, 1999, unaudited compilation of cost and statistical data submitted by each facility on medical assistance cost reports. At such time as the department implements a transitional case-mix reimbursement methodology pursuant to 2000 Iowa Acts, Senate File 2193,² nursing facilities shall be reimbursed in accordance with the transitional payment system. In developing the case-mix reimbursement methodology, the department shall work with nursing facilities and patient advocates in examining administrative costs.

b. Nursing facilities reimbursed under the medical assistance program shall continue to submit cost reports and additional documentation as required by rule.

c. The cost report required to be submitted by rule by nursing facilities reimbursed under the medical assistance program shall also include a line itemization of expenses attributable to the home or principal office or headquarters of the nursing facility, including but not limited to home-office costs and management fees, within the administrative cost line item.

d. The organizations representing certified nurse aides and nursing facilities and other providers of services employing certified nurse aides are requested to discuss how nursing facilities and the other providers can improve the ongoing training, communication skills development, mentoring, and other activities intended to enhance the expertise of certified nurse aides. It is the intent of the general assembly that the organizations involved with the discussions will make a presentation to the joint appropriations subcommittee on human services during January 2001 concerning their discussions and plans for improvements.

² Chapter 1004 herein

*Item veto; see message at end of the Act

3. For the fiscal year beginning July 1, 2000, the maximum cost reimbursement rate for residential care facilities reimbursed by the department shall not be less than \$24.26 per day for the time period of July 1, 2000, through June 30, 2001. The flat reimbursement rate for facilities electing not to file semiannual cost reports shall not be less than \$17.36 per day for the time period of July 1, 2000, through June 30, 2001.

4. For the fiscal year beginning July 1, 2000, the maximum reimbursement rate for providers reimbursed under the in-home health-related care program shall not be less than \$466.49 per month for the time period of July 1, 2000, through June 30, 2001.

5. Unless otherwise directed in this section, when the department's reimbursement methodology for any provider reimbursed in accordance with this section includes an inflation factor, this factor shall not exceed the amount by which the consumer price index for all urban consumers increased during the calendar year ending December 31, 1999.

6. Notwithstanding section 234.38, in the fiscal year beginning July 1, 2000, the foster family basic daily maintenance rate and the maximum adoption subsidy rate for children ages 0 through 5 years shall be \$14.00, the rate for children ages 6 through 11 years shall be \$14.78, the rate for children ages 12 through 15 years shall be \$16.53, and the rate for children ages 16 and older shall be \$16.53.

7. For the fiscal year beginning July 1, 2000, the maximum reimbursement rates for adoption and independent living services shall remain at the rates in effect on June 30, 2000. The maximum reimbursement rates for other social service providers shall remain at the rates in effect on June 30, 2000. However, the rates may be adjusted under any of the following circumstances:

a. If a new service was added after June 30, 2000, the initial reimbursement rate for the service shall be based upon actual and allowable costs.

b. If a social service provider loses a source of income used to determine the reimbursement rate for the provider, the provider's reimbursement rate may be adjusted to reflect the loss of income, provided that the lost income was used to support actual and allowable costs of a service purchased under a purchase of service contract.

c. The department revises the reimbursement rates as part of the changes in the mental health and developmental disabilities services system initiated pursuant to 1995 Iowa Acts, chapter 206, and associated legislation.

8. The group foster care reimbursement rates paid for placement of children out-of-state shall be calculated according to the same rate-setting principles as those used for in-state providers unless the director determines that appropriate care cannot be provided within the state. The payment of the daily rate shall be based on the number of days in the calendar month in which service is provided.

9. For the fiscal year beginning July 1, 2000, the reimbursement rates for rehabilitative treatment and support services providers shall remain at the rates in effect on June 30, 2000.

10. For the fiscal year beginning July 1, 2000, the combined service and maintenance components of the reimbursement rate paid to a shelter care provider shall be based on the cost report submitted to the department. The maximum reimbursement rate shall be \$79.70 per day. If the department would reimburse the provider at less than the maximum rate but the provider's cost report justifies a rate of at least \$79.70, the department shall readjust the provider's reimbursement rate to the maximum reimbursement rate.

11. For the fiscal year beginning July 1, 2000, the department shall calculate reimbursement rates for intermediate care facilities for persons with mental retardation at the 80th percentile.

12. For the fiscal year beginning July 1, 2000, for child care providers, the department shall set provider reimbursement rates based on the rate reimbursement survey completed in December 1998. The department shall set rates in a manner so as to provide incentives for a nonregistered provider to become registered.

13. Effective July 1, 2000, the maximum reimbursement rate for psychiatric medical institutions for children (PMICs) shall be increased to \$147.20 per day, based on per day rates for actual costs on June 30, 2000.

14. For the fiscal year beginning July 1, 2000, reimbursements for providers reimbursed by the department of human services may be modified if appropriated funding is allocated for that purpose from the senior living trust fund created in section 249H.4, as enacted in 2000 Iowa Acts, Senate File 2193,³ or as specified in appropriations from the tobacco settlement fund created in section 12.65.

15. The department may adopt emergency rules to implement this section.

Sec. 32. MOTOR VEHICLE LICENSE REINSTATEMENT PENALTY — DEPOSIT AND APPROPRIATION. Notwithstanding the deposit provisions of sections 321.218A and 321A.32A, moneys collected during the fiscal year beginning July 1, 2000, and ending June 30, 2001, by the state department of transportation pursuant to those sections shall be deposited to the credit of the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, and are appropriated as follows:

1. An amount equal to ten percent of the costs of the establishment, improvement, operation, and maintenance of county or multicounty juvenile detention homes in the fiscal year beginning July 1, 1999. Moneys appropriated in this subsection shall be allocated among eligible detention homes, prorated on the basis of an eligible detention home's proportion of the costs of all eligible detention homes in the fiscal year beginning July 1, 1999. Notwithstanding section 232.142, subsection 3, the financial aid payable by the state under that provision for the fiscal year beginning July 1, 2000, shall be limited to the amount appropriated for the purposes of this subsection.

2. For renewal of a grant to a county with a population between 168,000 and 175,000 for implementation of the county's runaway treatment plan under section 232.195:

..... \$ 80,000

3. For grants to counties implementing a runaway treatment plan under section 232.195.

4. The remainder for additional allocations to county or multicounty juvenile detention homes, in accordance with the distribution requirements of subsection 1.

Sec. 33. TRANSFER AUTHORITY. Subject to the provisions of section 8.39, for the fiscal year beginning July 1, 2000, if necessary to meet federal maintenance of effort requirements or to transfer federal temporary assistance for needy families block grant funding to be used for purposes of the federal social services block grant or to meet cash flow needs resulting from delays in receiving federal funding, the department of human services may transfer within or between any of the appropriations made in this Act and appropriations in law for the federal social services block grant to the department for the following purposes, provided that the combined amount of state and federal temporary assistance for needy families block grant funding for each appropriation remains the same before and after the transfer:

- 1. For the family investment program.
- 2. For emergency assistance.
- 3. For child care assistance.
- 4. For child and family services.
- 5. For field operations.
- 6. For general administration.
- 7. MH/MR/DD/BI community services (local purchase).

This section shall not be construed to prohibit existing state transfer authority for other purposes.

Sec. 34. FRAUD AND RECOUPMENT ACTIVITIES. During the fiscal year beginning July 1, 2000, notwithstanding the restrictions in section 239B.14, recovered moneys generated through fraud and recoupment activities are appropriated to the department of human services to be used for additional fraud and recoupment activities performed by the department of human services or the department of inspections and appeals, and the department of

³ Chapter 1004 herein

human services may add not more than five full-time equivalent positions, in addition to those authorized in this Act, subject to both of the following conditions:

1. The director of human services determines that the investment can reasonably be expected to increase recovery of assistance paid in error, due to fraudulent or nonfraudulent actions, in excess of the amount recovered in the fiscal year beginning July 1, 1997.
2. The amount expended for the additional fraud and recoupment activities shall not exceed the amount of the projected increase in assistance recovered.

Sec. 35. FINANCIAL ASSISTANCE SERVICES.

1. For purposes of this section, "financial assistance services" means services or other assistance provided under one or more of the following programs administered by the department of human services: family investment program, PROMISE JOBS program, medical assistance program, food stamp program, state child care assistance program, refugee cash assistance program, emergency assistance program, and child support recovery program.

2. During the fiscal year beginning July 1, 2000, and ending June 30, 2001, the department of human services may continue to conduct a pilot program or pilot programs for provisions of financial assistance services.

3. Any pilot program conducted in accordance with this section shall be designed to meet one or more of the following financial assistance services goals:

- a. A reduction in paperwork for applicants and recipients of services, or staff, or both.
- b. Streamlining or expediting the eligibility determination process, to decrease the length of time it takes to inform applicants for financial assistance services as to the disposition of their request for the services.
- c. Streamlining or expediting the referral process for family investment program applicants and recipients to other financial assistance services such as PROMISE JOBS or child support recovery, so that referrals can be initiated in a more timely manner in order to help move applicants and recipients more quickly to economic self-sufficiency or toward reduced reliance on government assistance.

d. Improved coordination of the management of financial assistance services as applicants for and recipients of the services work toward economic self-sufficiency.

e. Identification of policies, procedures, and practices that could be altered or eliminated without materially affecting the desired results for the family assistance services.

4. Any pilot program conducted in accordance with this section is subject to the following limitations and parameters:

a. Notwithstanding any administrative rule, that is not based in federal law, the department may alter policies, procedures, and practices to waive the administrative rule, that are based in state law, provided that the alterations do not decrease an applicant's or recipient's choice of, or ability to obtain, financial assistance services from the department in comparison with the financial assistance services that would otherwise be available. The department may operate one or more pilot projects under this paragraph, in not more than fourteen counties.

b. If the department obtains a waiver of federal law or regulation, the department may alter policies, procedures, and practices that are based in federal law, provided that the alterations do not decrease an applicant's or recipient's choice of, or ability to obtain, financial assistance services from the department in comparison with the financial assistance services that would otherwise be available. The department may operate one or more projects under this paragraph, in not more than fourteen counties.

c. In order to facilitate rapid implementation, except as provided in paragraph "d", any pilot program authorized under this section is exempt from the rulemaking procedures and rulemaking requirements of chapter 17A. However, following development of the pilot program, the department shall provide a list of the laws or rules being waived to the chairpersons and ranking members of the joint appropriations subcommittee on human services,

the administrative rules review committee, the administrative rules coordinator, the legislative fiscal bureau, and the legislative service bureau. In implementing a pilot program under this section, the department shall take steps to make applicants and recipients of services aware of their choices, expectations, rights, and responsibilities.

d. The department shall adopt emergency rules establishing a framework for the pilot projects implemented under this section. The rules shall identify the participating counties, the maximum duration of each pilot project, and generally describe the scope and nature of each pilot project. Within this framework, the department retains broad discretion to revise a pilot project without further rulemaking describing the revision.

Sec. 36. CHILD PROTECTION EVALUATION. The department shall fulfill the requirements of 1997 Iowa Acts, chapter 176, section 23, and 1999 Iowa Acts, chapter 203, section 45, for an independent evaluation of the child protection system by including the evaluation elements in its independent review contracted for in the Spring of 2000.

Sec. 37. 1991 Iowa Acts, chapter 169, section 9, as amended by 1996 Iowa Acts, chapter 1071, section 1, is repealed.

On or before December 15, 2000, the prevention of disabilities policy council shall submit a report to the governor and the general assembly providing findings and recommendations regarding the activities and duties of the commission and the need for its continuation.

Sec. 38. 1999 Iowa Acts, chapter 208, section 1, unnumbered paragraphs 2 and 3, and subsection 4, are amended to read as follows:

For distribution to counties of the county mental health, mental retardation, and developmental disabilities allowed growth factor adjustment, in accordance with section 331.438, subsection 2, and section 331.439, subsection 3, and chapter 426B:

.....	\$	21,773,602
		<u>20,982,446</u>

The funding appropriated in this section is the allowed growth factor adjustment of ~~1.57 percent~~ for fiscal year 2000-2001, and is allocated as follows:

4. For deposit in the risk pool created in the property tax relief fund pursuant to section 426B.5, subsection 3:

.....	\$	2,000,000
		<u>1,208,844</u>

Sec. 39. 2000 Iowa Acts, Senate File 2193,⁴ section 20, subsection 3, unnumbered paragraph 1, is amended to read as follows:

To implement nursing facility provider reimbursement at the seventieth percentile of facility costs as calculated from the June 30, 2000, unaudited compilation of cost and statistical data submitted by each facility on medical assistance cost reports and to implement case-mix reimbursement methodology changes:

.....	\$	17,750,000
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Sec. 40. NEW SECTION. 225B.8 REPEAL.

This chapter is repealed July 1, 2001.

Sec. 41. Section 249A.3, subsection 1, paragraph k, Code Supplement 1999, is amended to read as follows:

k. Is a pregnant woman or infant whose income is more than the limit prescribed under the federal Medicare Catastrophic Coverage Act of 1988, Pub. L. No. 100-360, § 302, but not more than ~~one~~ two hundred ~~eighty five~~ percent of the federal poverty level as defined by the most recently revised poverty income guidelines published by the United States department of health and human services.

^{*} Item veto; see message at end of the Act
⁴ Chapter 1004 herein

Sec. 42. ARLENE DAYHOFF EDUCATIONAL COMPLEX.

1. The general assembly makes the following findings:

a. That Arlene H. Dayhoff recognized the important role of good educational and recreational facilities in maintaining the quality of the state training school's work with this state's most troubled youth and worked tirelessly for approval of new facilities.

b. That Arlene H. Dayhoff has the distinction of serving during 1987-1997 as chairperson of the council on human services, the primary policymaking body for the department of human services, and having the longest tenure of anyone in that office.

c. That Arlene H. Dayhoff is known for her active life in service activity with her twenty-three years of employment in the field of nursing and as a volunteer and board member with many human services and health endeavors, including St. Luke's hospital and hospital foundation, Iowa commission for the blind, American red cross, Linn county association for mental health, and Linn county retarded citizens, and has been nationally recognized for her leadership by the national governors' association distinguished service award.

d. That following her tenure on the council on human services, Arlene H. Dayhoff continued her commitment to troubled children by serving as co-chairperson of the legislative council's child welfare work group from the work group's creation in November 1997 through the present time.

e. That it is fitting to recognize Arlene H. Dayhoff's many contributions to improving the lives of children with the dedication of the new educational and recreational facilities at the state training school in her name.

2. The educational and recreational facilities to be dedicated in the spring of 2001 at the state training school in Eldora, Iowa, are named the "Arlene Dayhoff Educational Complex" in honor of Arlene H. Dayhoff and an appropriate commemorative plaque shall be placed near the entrance of the educational complex in recognition of Arlene Dayhoff and the outstanding contribution she has made to the state training school and the state of Iowa.

3. The state training school shall name any other newly constructed facilities to be dedicated at the state training school during the fiscal year beginning July 1, 1999, or July 1, 2000, as deemed appropriate by the state training school administration to properly recognize individuals who have made significant contributions to the juvenile justice system in general or the state training school in particular.

Sec. 43. SUBSIDIZED GUARDIANSHIP — RULES — CONTINGENCY — RETROACTIVITY. The rules adopted pursuant to 441 IAC 204 relating to the subsidized guardianship program shall not be applicable until such time as funding is appropriated after July 1, 2000, for this purpose by the general assembly. This provision is retroactively applicable to April 1, 2000.

Sec. 44. EMERGENCY RULES. If specifically authorized by a provision of this Act, the department of human services or the mental health and developmental disabilities commission may adopt administrative rules under section 17A.4, subsection 2, and section 17A.5, subsection 2, paragraph "b", to implement the provisions and the rules shall become effective immediately upon filing, unless the effective date is delayed by the administrative rules review committee, notwithstanding section 17A.4, subsection 5, and section 17A.8, subsection 9, or a later effective date is specified in the rules. Any rules adopted in accordance with this section shall not take effect before the rules are reviewed by the administrative rules review committee. Any rules adopted in accordance with the provisions of this section shall also be published as notice of intended action as provided in section 17A.4.

Sec. 45. REPORTS. Any reports or information required to be compiled and submitted under this Act shall be submitted to the chairpersons and ranking members of the joint appropriations subcommittee on human services, the legislative fiscal bureau, the legislative service bureau, and to the caucus staffs on or before the dates specified for submission of the reports or information.

Sec. 46. EFFECTIVE DATES. The following provisions of this Act, being deemed of immediate importance, take effect upon enactment:

1. Section 1, relating to the social services block grant supplementation.

*2. Section 4, subsection 1, paragraph "f", relating to electronic benefits transfer contracting.

3. Section 8, subsection 15, relating to the pilot project for continuous eligibility under the medical assistance program.*

4. Section 16, subsection 2, paragraph "e", relating to requirements of section 232.143, for the 2000-2001 fiscal year.

5. Section 16, subsection 14, paragraph "a", relating to determining allocation of court-ordered services funding.

6. Section 16, subsection 21, relating to nonreversion of certain funding appropriated in 1999 Iowa Acts, chapter 203.

7. Section 27, subsection 2, relating to nonreversion of moneys appropriated in 1999 Iowa Acts, chapter 203, section 30.

8. Section 36, relating to an independent evaluation of the child protection system.

9. Sections 37 and 40, repealing 1991 Iowa Acts, chapter 169, section 9, as amended, and enacting new Code section 225B.8.

10. Section 42, subsection 3, authorizing the state training school administration to name certain facilities to be dedicated during fiscal year 1999-2000 or fiscal year 2000-2001.

11. Section 43, relating to the applicability of certain administrative rules involving subsidized guardianship.

Approved May 17, 2000, with exceptions noted.

THOMAS J. VILSACK, Governor

Dear Mr. Secretary:

I hereby transmit Senate File 2435, an Act relating to appropriations for the Department of Human Services and including other provisions and appropriations involving human services and health care, providing effective dates, and providing for retroactive applicability.

The human services appropriations bill is a vitally important measure for literally hundreds of thousands of Iowans. For many of our neighbors, family members, and friends, it provides the services they most need to assist families, assure basic health care for children, nursing home care for senior citizens, treatment for those with mental illness, and assistance for those with mental retardation or developmental disabilities.

I am grateful that we, legislators and myself, were able to work together in several areas to bring about funding for needed services. This includes an additional \$650,000 to expand the number of school liaisons to an additional 25 schools and expand the family support subsidy program so that an additional 50 youngsters with mental retardation may remain in their own homes. Senate File 2435 also includes the addition of \$3.55 million to assist low income, working parents with child care and an additional \$2.55 million to community empowerment programs to assist communities with their efforts in child care and helping families reach self sufficiency.

While I am supportive of some efforts this Legislature made, Senate File 2435 also provides funding that is \$3.6 million below the level that I recommended at the beginning of the session. It also contains sections that are either flawed or negatively impact the Department

* Item veto; see message at end of the Act

of Human Services efforts to carry out its duties in an effective manner. Therefore, I am unable to approve Senate File 2435 in its entirety.

Senate File 2435 is, therefore, approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the item designated as Section 4, subsection 1, paragraph f in its entirety. This language would put restrictions on implementing electronic benefit transfer in the most cost effective manner as required by federal regulations.

I am unable to approve the designated portion of Section 8, subsection 11. This item purports to encourage the department to implement an adult mental health rehabilitation option under the medical assistance program. While I am supportive of this effort, this language relates to scheduling meetings for the next session and may have the opposite effect of the intended language by slowing down the process. For this reason, I am unable to support the designated portion of this item.

I am unable to approve the item designated as Section 8, subsection 15 in its entirety. This language proposes that the department pursue options to provide additional medical services that are not permitted under federal regulations to adults with special needs. While I am sympathetic to the intent of this section, no funding has been provided for this purpose. Without adequate resources, additional options are not viable.

I am unable to approve the item designated as Section 8, subsection 17 in its entirety. This language directs the department to study and provide options for personal assistance services. This same topic is addressed in subsection 14 which directs the Department of Human Services to pursue options for personal assistance services. The language in subsection 17 is very prescriptive, and additional funds were not added to the Medical Assistance program for this purpose. Striking this language allows us to retain the proposed \$100,000 for its original intended purpose of providing services to people for their health needs, rather than diverting these dollars to this proposed study.

I am unable to approve the item designated as Section 11, subsection 5 in its entirety. Here again, the bill contains language scheduling a meeting for the next legislative session. In this case, it applies to community action agencies that are not part of the department.

I am unable to approve the item designated as Section 16, unnumbered paragraph three. This item supports the department's initiatives in the area of revising reimbursement methodologies. However, it ties the language to a methodology that has been pending and may be under consideration by the federal government for an undetermined period of time. While this is pending, I am directing the department to proceed with the pilot proposal in the most effective manner possible.

I am unable to approve the item designated as Section 16, subsection 16 in its entirety. This section allocates \$50,000 for a child welfare services work group. However, no additional funds were added to the appropriation for this purpose. While appropriations for this work group's operation have been requested, its funding over the past several years has largely been the result of diverting funds from other purposes. The state would benefit more from utilizing appropriations, as originally intended, for services that directly affect Iowa children and families.

I am unable to approve the item designated as Section 20, subsection 7 in its entirety. This would require each mental health institute to continue the net budgeting accounting test of managing revenues and expenditures attributable to the mental health institutes, and sub-

mit a status report in October 2000 that identifies the advantages and disadvantages of utilizing this budget approach. The institutes have previously conducted this test and reported the results. Given that the Legislature's budgets for mental health institutions were significantly reduced below my recommendations, and absent an appropriation to accomplish these tasks, the state will benefit more from utilizing appropriations for services that directly assist Iowa children and families.

I am unable to approve the item designated as Section 24, subsection 2 in its entirety. This item would reimburse certain intermediate care facilities for the mentally retarded that predominantly care for persons with a head or brain injury in a different manner than other similar facilities. I am sensitive to the need for services for people with brain or head injuries. I had initially proposed new funding for programs that included brain injury which the Legislature chose not to fund. This provision does not provide additional funding, but rather, it takes funds from state cases which serve persons with mental illness or developmental disabilities. It also gives the appearance of expanding services to additional people when it does not. Therefore, rather than implementing this section, I am directing the department to evaluate the system to determine if resources can be spent in a more efficient and effective manner.

I am unable to approve the item designated as Section 29, subsection 4 in its entirety. This would require the department to redirect state-county technical support staff. The result would be dramatically reduced services to counties. The department must retain the flexibility necessary to make staffing decisions based upon the need to provide services to Iowa children and families.

I am unable to approve the item designated as Section 29, subsection 5 in its entirety. This language addresses the department's efforts to seek and or revise reimbursement methodologies that would best provide the results needed for Iowa's families and children. While the thrust of the language is supportive of the department's efforts, this language appears to be flawed, and therefore, I am unable to support this item. However, the department will continue to work with the legislative branch in developing methodologies that will bring about the best results for Iowa's families.

I am unable to approve the item designated as Section 31, subsection 2, paragraph d in its entirety. Here again, the bill contains language scheduling a meeting for next legislative session, in this case, with persons in the nursing industry.

I am unable to approve the item designated as Section 36 in its entirety. This item requires the department to conduct an evaluation of the child protection system, including "a determination of whether the system changes have improved the safety of children and the support of families in the community, and should identify indicators of increased community involvement in child protection." This study has been requested, but no funds have been appropriated to complete the study for the last three years. The department will contract with consultants from nationally respected child welfare organizations, using funds from private sources to complete an assessment of the child protection system. However, the requirements of Section 36 would increase the scope of that assessment and increase the cost. Rather than using state funding intended for other programs to meet this requirement, the state would benefit more from utilizing current appropriations for services that directly affect Iowa children and families.

I am unable to approve the items designated as Section 46, subsections 2, 3 and 8. These items, relating to effective dates, are not approved to be consistent with other actions disapproved in this bill.

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 2435 are hereby approved as of this date.

Sincerely,
THOMAS J. VILSACK, Governor

CHAPTER 1229
APPROPRIATIONS — JUSTICE SYSTEM
H.F. 2552

AN ACT relating to and making appropriations to the justice system, making related statutory changes, and providing an effective date.

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

Section 1. DEPARTMENT OF JUSTICE. There is appropriated from the general fund of the state to the department of justice for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the general office of attorney general for salaries, support, maintenance, miscellaneous purposes including odometer fraud enforcement, and for not more than the following full-time equivalent positions:

.....	\$	8,524,304
.....	FTEs	194.50

2. For the prosecuting attorney training program for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	322,856
.....	FTEs	6.00

3. In addition to the funds appropriated in subsection 1, there is appropriated from the general fund of the state to the department of justice for the fiscal year beginning July 1, 2000, and ending June 30, 2001, an amount not exceeding \$200,000 to be used for the enforcement of the Iowa competition law. The funds appropriated in this subsection are contingent upon receipt by the general fund of the state of an amount at least equal to the expenditure amount from either damages awarded to the state or a political subdivision of the state by a civil judgment under chapter 553, if the judgment authorizes the use of the award for enforcement purposes or costs or attorneys fees awarded the state in state or federal antitrust actions. However, if the amounts received as a result of these judgments are in excess of \$200,000, the excess amounts shall not be appropriated to the department of justice pursuant to this subsection.

4. In addition to the funds appropriated in subsection 1, there is appropriated from the general fund of the state to the department of justice for the fiscal year beginning July 1, 2000, and ending June 30, 2001, an amount not exceeding \$150,000 to be used for public education relating to consumer fraud and for enforcement of section 714.16, and an amount not exceeding \$75,000 for investigation, prosecution, and consumer education relating to consumer and criminal fraud against older Iowans. The funds appropriated in this subsection are contingent upon receipt by the general fund of the state of an amount at least equal to the expenditure amount from damages awarded to the state or a political subdivision of the state by a civil consumer fraud judgment or settlement, if the judgment or settlement