

I am unable to approve the item designated as Section 37, in its entirety. This provision would provide that an Assistant Attorney General, appointed by the Attorney General, would perform and supervise the legal work of the Board of Regents. Currently, the Board of Regents retains legal counsel as needed, and it is not necessary to direct the Attorney General to assign staff to the Board for this purpose.

I am unable to approve the item designated as Section 47, in its entirety. This section is in conflict with Section 22 of Senate File 2351, and therefore should not be approved.

I am unable to approve the designated portion of Section 49. This provision would appropriate \$150,000 for the support of family resource center projects to be implemented in the 1994 fiscal year. Because House File 2467, which establishes the family resource demonstration program, directs the Department of Education to review the cost of these projects, it is premature to appropriate funds at this time.

I am unable to approve the items designated as Section 50 and Section 57, in their entirety. These sections would provide that the administrators of the Historical Division and the Arts Division be appointed by the State Historical Society Board of Trustees and the Arts Council, respectively. Under current law, these administrators are appointed by the Director of the Department of Cultural Affairs. The Director should retain the authority to appoint these administrators, and I am therefore unable to approve these provisions.

I am unable to approve the item designated as Section 52, in its entirety. This provision would change the composition of the State Library Commission. The current makeup of the Commission is appropriate, and I am therefore unable to approve this section.

I am unable to approve the items designated as Section 55 and Section 56, in their entirety. These provisions would require the Department of Education to conduct a study of statewide coordination of information delivery and a study of dyslexia. Because no funds have been appropriated for the studies, I am unable to approve these items.

For the above reasons, I hereby respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in House File 2465 are hereby approved as of this date.

Sincerely,
TERRY E. BRANSTAD, *Governor*

CHAPTER 1247

STATUTORY APPROPRIATIONS AND OTHER BUDGETARY MATTERS

H.F. 2486

AN ACT relating to certain statutory appropriations made from the general fund of the state and the lottery fund, budgetary revenues and expenditures, and other budgetary matters, for the fiscal year beginning July 1, 1992.

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

DIVISION I

**Section 1. Section 422.13, subsection 1, paragraphs a and b, Code 1991, are amended to read as follows:*

a. **The individual is required to file a federal income tax return under the Internal Revenue Code.**

b. **The individual has net income of five nine thousand dollars or more for the tax year from sources taxable under this division.***

*Item veto; see message at end of the Act

**Sec. 2. Section 422C.3, subsection 1, as enacted by 1992 Iowa Acts, House File 695, section 4, is amended to read as follows:*

*1. A tax of ~~four~~ five percent is imposed upon the rental price of an automobile if the rental transaction is subject to the sales and services tax under chapter 422, division IV, or the use tax under chapter 423. The tax shall not be imposed on any rental transaction not taxable under the state sales and services tax, as provided in section 422.45, or the state use tax, as provided in section 423.4, on automobile rental receipts.**

Sec. 3. Section 423.24, subsection 1, Code Supplement 1991, as amended by 1992 Iowa Acts, Senate File 2034, section 27, applies to the revenues derived from the five percent use tax on motor vehicles, trailers, and motor vehicle accessories and equipment as collected after June 1, 1992, pursuant to section 423.7.

**Sec. 4. Section 425.17, subsection 2, Code Supplement 1991, as amended by 1992 Iowa Acts, Senate File 2034, section 28, is amended to read as follows:*

2. "Claimant" means a person filing a claim for credit or reimbursement under this division who has attained the age of eighteen years on or before December 31 of the base year, and was domiciled in this state during the entire base year, and is domiciled in this state at the time the claim is filed or at the time of the person's death in the case of a claim filed by the executor or administrator of the claimant's estate and, in the case of a person who is not disabled and has not reached the age of sixty-five, was not claimed as a dependent on any other person's tax return for the base year.

*"Claimant" includes a vendee in possession under a contract for deed and may include one or more joint tenants or tenants in common. In the case of a claim for rent constituting property taxes paid, the claimant shall have rented the property during any part of the base year. If a homestead is occupied by two or more persons, and more than one person is able to qualify as a claimant, the persons may determine among them who will be the claimant. If they are unable to agree, the matter shall be referred to the director of revenue and finance not later than October 31 of each year and the director's decision is final.**

**Sec. 5. 1992 Iowa Acts, Senate File 2034, section 36, is amended to read as follows:*

*SEC. 36. APPLICABILITY. This section applies in regard to the increase in the state sales, services, and use taxes from four to five percent. The five percent rate applies to all sales of taxable personal property, consisting of goods, wares, or merchandise if delivery occurs on or after June 1, 1992. The use tax rate of five percent applies to motor vehicles subject to registration which are registered on or after June 1, 1992. The five percent use tax rate applies to the use of property when the first taxable use in this state occurs on or after June 1, 1992. The five percent rate applies to the gross receipts from the sale, furnishing, or service of gas, electricity, water, heat, pay television service, and communication service if the date of billing the customer is on or after June 1, 1992. In the case of a service contract entered into prior to June 1, 1992, which contract calls for periodic payments, the five percent rate applies to those payments made or due on or after June 1, 1992. This periodic payment applies, but is not limited to, tickets or admissions, private club membership fees, sources of amusement, equipment rental, dry cleaning, reducing salons, dance schools, and all other services subject to tax, except the aforementioned utility services which are subject to a special transitional rule. Unlike periodic payments under service contracts, installment sales of goods, wares, and merchandise are subject to the full amount of sales or use tax when the sales contract is entered into or the property is first used in Iowa.**

**Sec. 6. Sections 1 through 5 of this division are contingent upon the enactment of Senate File 2034 by the Seventy-fourth General Assembly, 1992 Session.*

*If Senate File 2034 is enacted, section 1 of this division is retroactive to January 1, 1992, for tax years beginning on or after that date, section 2 of this division is effective July 1, 1992, sections 3 and 5 of this division are effective June 1, 1992, and section 4 of this division is effective January 1, 1993, for property tax claims filed on or after that date and is applicable to rent reimbursement claims filed on or after January 1, 1994. This section, being deemed of immediate importance, takes effect upon enactment.**

DIVISION II

Sec. 7. 1992 Iowa Acts, Senate File 2355,* section 24, if enacted by the Seventy-fourth General Assembly, 1992 Session, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The department may adopt emergency rules relating to eligibility, services, and reimbursement rates in implementing the provisions of this section.

Sec. 8. 1992 Iowa Acts, Senate File 2355,* section 25, subsection 1, unnumbered paragraph 4, if enacted by the Seventy-fourth General Assembly, 1992 Session, is amended to read as follows:

The mental health, and mental retardation, and developmental disabilities commission shall adopt emergency rules pursuant to chapter 17A describing the services listed in subparagraphs (1) through (5) and other necessary rules relating to services for brain injury for the purposes of this subsection. For the purposes of this subsection, "brain injury" means clinically evident brain damage or spinal cord injury resulting from trauma which permanently impairs an individual's physical or cognitive functions and causes the individual to meet the federal criteria for a person with a developmental disability except for age of onset of the disability.

The poverty guideline required to be used under this subsection and subsection 7 shall be based upon the poverty guideline utilized for the social services block grant in fiscal year 1991-1992.

The funding provided to a county under this subsection shall be utilized in accordance with the plan for provision of mental health, mental retardation, and developmental disabilities services developed by the county's mental health and mental retardation coordinating board. However, the board of supervisors shall revise the plan for fiscal year 1992-1993, if necessary, to provide contemporary services in accordance with the requirements of this subsection and the revisions shall be submitted to the mental health and mental retardation commission by October 15, 1992.

Sec. 9. 1992 Iowa Acts, Senate File 2355,* section 25, subsection 4, paragraph a, if enacted by the Seventy-fourth General Assembly, 1992 Session, is amended to read as follows:

a. Provision of funding Funding provided to a county under subsection 1 shall be distributed in quarterly payments and distribution of the second and succeeding quarterly payments is contingent upon counties establishing the county participating as a member of a mental illness, mental retardation, developmental disabilities, and brain injury (MI/MR/DD/BI) planning councils council. The counties shall meet in consultation with service providers, consumers, and advocates, the department, and other interested parties in establishing the planning councils. A planning council's planning area shall, to the extent possible, utilize the borders of the county clusters as established pursuant to section 217.42, if enacted in Senate File 2342,** and shall include a population of at least 40,000 and include counties with a historical pattern of cooperation in providing MI/MR/DD/BI services. The councils shall be established on or before September 1, 1992.

Sec. 10. 1992 Iowa Acts, Senate File 2355,* section 25, subsection 7, paragraph b, if enacted by the Seventy-fourth General Assembly, 1992 Session, is amended to read as follows:

b. The funds allocated in this subsection shall be expended by counties in accordance with eligibility guidelines established in the department's rules outlining general provisions for service administration. Services eligible for payment with funds allocated in this subsection are limited to any of the following which are provided in accordance with the department's administrative rules for the services: community supervised apartment living arrangements, residential services for adults, sheltered work, supported employment, supported work training, transportation, and work activity, administrative support for volunteers, adult day care, adult support, and family-centered services.

*Chapter 1241 herein

**Chapter 1079 herein

Sec. 11. 1992 Iowa Acts, Senate File 2355,* section 25, subsection 7, if enacted by the Seventy-fourth General Assembly, 1992 Session, is amended by adding the following new paragraph:

NEW PARAGRAPH. k. The county of residence shall pay for services provided under this subsection. That county may seek reimbursement from the county of legal settlement in accordance with applicable law. If a person receiving services under this subsection has no county of legal settlement, the state shall pay for the services. The rate of payment for services provided under this subsection shall be in accordance with the department's rules for purchase of services and law relating to reimbursement of social services providers.

Sec. 12. 1992 Iowa Acts, Senate File 2355,* section 27, subsection 6, if enacted by the Seventy-fourth General Assembly, 1992 Session, is amended to read as follows:

6. Notwithstanding section 225C.20, case management services shall be provided by the department except when a county or a consortium of counties contracts with the department to provide the services. A county or consortium of counties may contract to be the provider at any time and the department shall agree to the contract so long as the contract meets the standards for case management adopted by the department. The county or consortium of counties may subcontract for the provision of case management services if the subcontract meets the same standards. A mental health, mental retardation, and developmental disabilities coordinating board or a planning council established pursuant to section 25, subsection 4, of this Act may change the provider of individual case management services at any time. However, once a planning council is established, the authority to change the provider and responsibility for providing notification shall be assumed by the planning council in place of the coordinating board. If the current or proposed contract is with the department, the coordinating board or planning council shall provide written notification of a proposed change to the department on or before August 15 and written notification of an approved change on or before October November 15 in the fiscal year which precedes the fiscal year in which the change will take effect.

Sec. 13. 1992 Iowa Acts, Senate File 2355,* section 33, if enacted by the Seventy-fourth General Assembly, 1992 Session, is amended by adding the following new subsection:

NEW SUBSECTION. 7. The provisions of subsection 5 do not revise in any manner the maximum reimbursement rates paid to social services providers in the fiscal year beginning July 1, 1991.

Sec. 14. **NEW SECTION.** 217.41 PRIVATE AGENCY CONTRACTS.

Notwithstanding the provisions of section 11.36, the auditor of state shall not require a private agency awarded a grant, contract, or purchase of service contract through the department of human services to obtain a certification from the auditor of state pursuant to section 11.36.

Sec. 15. Section 225C.27, unnumbered paragraph 1, Code 1991, as amended by 1992 Iowa Acts, Senate File 2355,* section 65, if enacted by the Seventy-fourth General Assembly, 1992 Session, is amended to read as follows:

Sections 225C.25 through 225C.28B shall be liberally construed and applied to promote their purposes and the stated rights and service quality standards. The division commission, in coordination with appropriate agencies, shall adopt rules to implement the purposes of section 225C.28B, subsections 3 and 4, which include, but are not limited to, the following:

Sec. 16. Section 225C.27, subsection 3, Code 1991, is amended by striking the subsection and inserting in lieu thereof the following:

3. Encouraging activities to ensure that recipients of services shall not be deprived of any rights, benefits, or privileges guaranteed by law, the Constitution of the State of Iowa, or the Constitution of the United States solely on account of the receipt of the services.

Sec. 17. Section 225C.29, Code 1991, as amended by 1992 Iowa Acts, Senate File 2355,* section 68, is amended to read as follows:

225C.29 COMPLIANCE.

Except for a violation of section 225C.28B, subsection 2, the sole remedy for violation of a rule adopted by the ~~division~~ commission to implement sections 225C.25 through 225C.28B shall be by a proceeding for compliance initiated by request to the division pursuant to chapter 17A. Any decision of the division shall be in accordance with due process of law and is subject to appeal to the Iowa district court pursuant to sections 17A.19 and 17A.20 by any aggrieved party. Either the division or a party in interest may apply to the Iowa district court for an order to enforce the decision of the division. Any rules adopted by the ~~division~~ commission to implement sections 225C.25 through 225C.28B do not create any right, entitlement, property or liberty right or interest, or private cause of action for damages against the state or a political subdivision of the state or for which the state or a political subdivision of the state would be responsible. Any violation of section 225C.28B, subsection 2, shall solely be subject to the enforcement by the commissioner of insurance and penalties granted by chapter 507B for a violation of section 507B.4, subsection 7.

Sec. 18. RIGHTS AND SERVICE QUALITY STANDARDS – RULES REQUIRED. The mental health and mental retardation commission shall act to ensure that rules relating to sections 225C.27 and 225C.28A shall be filed as a notice of intended action by July 1, 1994.

Sec. 19. REPEAL. Sections 225C.18 and 225C.19, Code 1991, are repealed effective July 1, 1993.

Sec. 20. NONASSISTANCE CHILD SUPPORT RECOVERY CASES – LIMITATION OF AMOUNT OF ADDITIONAL FEES. The additional fee established by the department of human services pursuant to section 252B.4, subsection 2, if enacted and amended by 1992 Iowa Acts, Senate File 2316,* section 101, for the fiscal year beginning July 1, 1992, and ending June 30, 1993, shall not exceed \$10.65.

DIVISION III

Sec. 21. There is appropriated from the general fund of the state to the GAAP deficit reduction account within the department of management for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, for the purpose designated:

For reducing the state deficit as determined under generally accepted accounting principles, as defined by the governmental accounting standards board:
..... \$ 28,800,000

Sec. 22. Contingent upon the enactment of Senate File 2034** by the Seventy-fourth General Assembly, 1992 Session, there is appropriated from the increase in use tax revenues collected pursuant to section 423.7, as a result of the increase in the sales and use tax rate, prior to deposit in accordance with section 423.24 in the fiscal year beginning July 1, 1992, to the GAAP deficit reduction account within the department of management for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, for the purpose designated:

For reducing the state deficit as determined under generally accepted accounting principles, as defined by the governmental accounting standards board:
..... \$ 31,200,000

Sec. 23. The amounts appropriated in sections 21 and 22 of this division shall be reduced by any amount deposited into the cash reserve account created in section 8.56, as provided in 1992 Iowa Acts, House File 2465,*** if enacted by the Seventy-fourth General Assembly, and any amounts otherwise appropriated for purposes of reducing the state GAAP deficit. The order of reduction shall be the appropriation in section 21 and then the appropriation in section 22.

*Chapter 1195 herein
**Vetoed by Governor
***Chapter 1246 herein

Sec. 24. MEDICAL ASSISTANCE SUPPLEMENTAL APPROPRIATION. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For medical assistance, in addition to the funds appropriated for this purpose in Senate File 2355,* section 3, if enacted by the Seventy-fourth General Assembly, 1992 Session:

..... \$ 25,000,000

****Sec. 25.** *Section 422.43, subsection 13, paragraph a, unnumbered paragraph 1, as enacted by 1992 Iowa Acts, Senate File 2116, section 404, as amended by 1992 Iowa Acts, Senate File 2346, section 4, is amended to read as follows:*

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

Sec. 26. RECOMMENDATIONS OF THE GOVERNOR'S COMMITTEE ON GOVERNMENT SPENDING REFORM. The general assembly encourages and authorizes the governor to implement the following recommendations of the governor's committee on government spending reform:

1. Consolidate and provide for common management of state data processing centers.
2. Provide through the state department of transportation for renewal of drivers' licenses by mail.
3. Establish state collection standards and policy.
4. Identify unrecognized receivables owed the state.
5. Review personal computer acquisitions by the state.
6. Initiate local government coordination of information systems, subject to approval of the legislative council.
7. Consolidate state printing facilities.
8. Eliminate the state aircraft pool or consolidate the Iowa state university aircraft pool.
9. Develop a uniform financial reporting and accounting system.
10. Develop a statewide system for delivery of state-offered services.
11. Implement a system for management of federal funds.
12. Expand the use of voice mail telephone answering systems.
13. Establish an enterprise plan for technology.

In addition the governor shall submit to the general assembly by February 1, 1993, a status report delineating the implementation status of all of the recommendations of the governor's committee on government spending and reform.

****Sec. 27.** *Section 25 of this division is contingent upon the enactment of Senate File 2034 by the Seventy-fourth General Assembly, 1992 Session. If Senate File 2034 is enacted, section 25 of this division takes effect June 1, 1992. This section, being deemed of immediate importance, takes effect upon enactment.***

DIVISION IV

Sec. 28. Section 35A.8, Code 1991, as amended by 1992 Iowa Acts, Senate File 2011,*** section 10, is amended by adding the following new subsection:

NEW SUBSECTION. 3. Except for the employment duties and responsibilities assigned to the commandant for the Iowa veterans home, the executive director shall employ such personnel as are necessary for the performance of the duties and responsibilities assigned to the commission. All employees shall be selected on a basis of fitness for the work to be performed with due regard to training and experience and shall be subject to the provisions of chapter 19A.

Sec. 29. Section 219.14, as enacted by 1992 Iowa Acts, Senate File 2011,*** section 31, is amended by adding the following new unnumbered paragraph before unnumbered paragraph 1:

*Chapter 1241 herein

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

***Chapter 1140 herein

NEW UNNUMBERED PARAGRAPH. The commandant or the commandant's designee, shall employ such personnel as are necessary for the performance of the duties and responsibilities assigned to the commandant. All employees shall be selected on a basis of fitness for the work to be performed with due regard to training and experience and shall be subject to the provisions of chapter 19A.

DIVISION V

Sec. 30. Section 422.7, Code Supplement 1991, is amended by adding the following new subsection:

NEW SUBSECTION. 26. Subtract, to the extent included, payments received by an individual providing unskilled in-home health-related care services pursuant to section 249.3, subsection 2, paragraph "a", subparagraph (2), to a member of the individual caregiver's family. For purposes of this subsection, a member of the individual caregiver's family includes a spouse, parent, stepparent, child, stepchild, brother, stepbrother, sister, stepsister, lineal ancestor, or lineal descendant, and such persons by marriage or adoption. A health care professional licensed by an examination board designated in section 147.13, subsections 1 through 10, is not eligible for the exemption authorized in this subsection.

Sec. 31. Notwithstanding section 422.73, subsection 2, a claim for credit or refund of the state individual income tax paid for a tax year beginning in the 1988 calendar year, is considered timely filed if the claim is filed with the department of revenue and finance before April 30, 1993, and the claim is based upon the deduction allowed in section 30 of this Act.

*Sec. 32. There is appropriated from the general fund of the state to the department of revenue and finance for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, or so much thereof as is necessary, for the purpose designated:

AUDIT AND COMPLIANCE

To supplement funds already appropriated, for administration of the increase in the rate of the sales and use tax:

..... \$ 129,000*

*Sec. 33. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, for the purpose designated:

In addition to the funds appropriated for the operation of the Iowa veterans home in 1992 Iowa Acts, Senate File 2355, section 18, if enacted by the Seventy-fourth General Assembly, 1992 Session:

..... \$ 10,000*

*Sec. 34. GENERAL FUND APPROPRIATION FOR COVERED EMPLOYEES FOR FISCAL YEAR 1992.

1. There is appropriated from the general fund of the state to the salary adjustment fund for distribution by the department of management to the various state departments, boards, commissions, councils, and agencies for the fiscal year beginning July 1, 1991, and ending June 30, 1992, the following amount, \$15,100,000, or so much thereof as may be necessary, to fund the annual pay adjustments, expense reimbursements, and related benefits for state employees covered by a collective bargaining agreement.

2. Notwithstanding section 8.33, moneys appropriated in subsection 1 that remain unencumbered or unobligated on June 30, 1992, shall not revert to the general fund but shall remain available for expenditure to fund the annual pay adjustments, expense reimbursements, and related benefits for state employees for the fiscal year beginning July 1, 1992.*

*Sec. 35. 1992 Iowa Acts, House File 2490, section 1, unnumbered paragraph 1, if enacted by the Seventy-fourth General Assembly, 1992 Session, is amended to read as follows:

*Item veto; see message at end of the Act

There is appropriated from the general fund of the state to the salary adjustment fund for distribution by the department of management to the various state departments, boards, commissions, councils, and agencies for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, ~~\$101,009,928~~ \$85,909,928, or so much thereof as may be necessary, to fully fund the following annual pay adjustments, expense reimbursements, and related benefits:*

Sec. 36. 1992 Iowa Acts, Senate File 2345,** section 1, unnumbered paragraph 3, if enacted by the Seventy-fourth General Assembly, 1992 Session, is amended by striking the unnumbered paragraph and inserting in lieu thereof the following:

For basic and in-service training relating to public offenses perpetrated due to a victim's protected class status, as provided in section 80B.11, subsection 3, if and as amended by the Seventy-fourth General Assembly, 1992 Session:

..... \$ 10,000

Sec. 37. 1992 Iowa Acts, Senate File 2345,** section 11, if enacted by the Seventy-fourth General Assembly, 1992 Session, is amended to read as follows:

SEC. 11. There is appropriated from moneys, other than federal moneys, deposited in the victim compensation fund established under section 912.14 to the department of justice for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For use by the prosecuting attorneys training coordinator in implementing a course of instruction relating to public offenses perpetrated due to a victim's protected class status, as provided in section ~~80B.11, subsection 3~~ 729A.4, if and as amended by the Seventy-fourth General Assembly, 1992 Session:

..... \$ 10,000

Sec. 38. 1992 Iowa Acts, Senate File 2345,** section 12, if enacted by the Seventy-fourth General Assembly, 1992 Session, is amended to read as follows:

SEC. 12. The state department of transportation shall place a moratorium on the placement of tourist-oriented directional signs within the territorial limits of the Amana colonies and the Amana colonies land use district shall not initiate any action regarding the removal of any existing tourist-oriented directional sign until such time as a comprehensive signing program has been established within the area. The moratorium shall go into effect as of the effective date of this Aet section.

Sec. 39. Sections 30 and 31 of this division apply retroactively to January 1, 1988, for tax years beginning on or after that date.

Sec. 40. Sections 32, 34, and 35 of this division, being deemed of immediate importance, take effect upon enactment.

DIVISION VI

Sec. 41. The department of economic development may transfer \$25,000 during the fiscal year beginning July 1, 1992, and ending June 30, 1993, from the loan repayments under the rural community 2000 program prior to the transfer of the funds to the Iowa finance authority housing improvement fund for purchase of land for a welcome center project based on the department's prioritization report, dated December 1991. Moneys used for the welcome center project require a dollar-for-dollar match.

DIVISION VII

Sec. 42. Notwithstanding the standing appropriation in sections 425A.1 to the family farm tax credit fund and 426.1 to the agricultural land tax credit fund, there is appropriated from the general fund of the state to the agricultural land tax credit fund under section 426.1 for the fiscal year beginning July 1, 1992, the sum of \$41,198,736 of which the first \$10,000,000 shall be deposited into the family farm tax credit fund in lieu of the standing appropriation made in section 425A.1.

*Item veto; see message at end of the Act

**Chapter 1238 herein

Sec. 43.

1. Notwithstanding the standing appropriation in section 405A.8 to the department of revenue and finance for personal property tax replacement under chapter 405A, there is appropriated from the general fund of the state under section 405A.8 for the fiscal year beginning July 1, 1992, the sum of \$59,250,060.

2. Notwithstanding the standing appropriation in section 425.39, the amount appropriated from the general fund of the state under section 425.39, for the fiscal year beginning July 1, 1992, for purposes of implementing the extraordinary property tax and reimbursement division of chapter 425, shall not exceed \$11,363,156. The director shall pay, in full, all claims to be paid during the fiscal year beginning July 1, 1992, for reimbursement of rent constituting property taxes paid. If the amount of claims for credit for property taxes due to be paid during the fiscal year beginning July 1, 1992, exceed the amount remaining after payment to renters the director of revenue and finance shall prorate the payments to the counties for the property tax credit. In order for the director to carry out the requirements of this subsection, notwithstanding any provision to the contrary in sections 425.16 through 425.39, claims for reimbursement for rent constituting property taxes paid filed before May 1, 1993, shall be eligible to be paid in full during the fiscal year ending June 30, 1993, and those claims filed on or after May 1, 1993, shall be eligible to be paid during the fiscal year beginning July 1, 1993, and the director is not required to make payments to counties for the property tax credit before June 15, 1993.

Sec. 44. Notwithstanding the standing appropriations in the following designated sections for the fiscal year beginning July 1, 1992, the amount appropriated from the general fund of the state pursuant to those sections for the following designated purposes shall not exceed the following amounts:

1. To reimburse counties for the loss of property tax revenues as follows:

- a. Homestead tax credit under section 425.1:

	\$	98,498,125
--	----	------------
- b. Military service tax credit under section 426A.1:

	\$	2,969,258
--	----	-----------
- c. Machinery and computer equipment tax replacement under section 427B.13:

	\$	0
--	----	---

If the amounts of calculated county reimbursement exceed the amount specified in this subsection the director of revenue and finance shall prorate the amount available.

2. For payment of franchise tax allocations to cities and counties under section 422.65:

- | | | |
|--|----|-----------|
| | \$ | 9,279,677 |
|--|----|-----------|

If the amounts to be allocated as computed under section 422.65 to cities and counties exceed the amount available under this subsection, the director of revenue and finance shall prorate the amount to be paid to each city and county.

3. For the payment of claims of public school districts for transportation services to non-public school pupils under section 285.2:

- | | | |
|--|----|-----------|
| | \$ | 5,888,729 |
|--|----|-----------|

4. To pay the state's portion of the cost of benefits calculated in section 411.20, subsections 2 and 3, under section 411.20, subsection 1:

- | | | |
|--|----|-----------|
| | \$ | 3,097,606 |
|--|----|-----------|

Sec. 45. Notwithstanding the requirement in section 99E.10, subsection 1, to transfer lottery revenue remaining after expenses are deducted, notwithstanding the requirement under section 99E.20, subsection 2, for the commissioner to certify and transfer a portion of the lottery fund to the CLEAN fund, and notwithstanding the appropriations and allocations in section 99E.34, all lottery revenues received during the fiscal year beginning July 1, 1992, and ending June 30, 1993, after deductions for expenses as provided in section 99E.10, subsection 1, and as appropriated under any Act of the 74th General Assembly, 1992 Session, shall not be transferred to and deposited into the CLEAN fund but shall be transferred and credited to the general fund of the state.

Sec. 46. Section 234.38, subsection 1, Code 1991, as amended by 1992 Iowa Acts, House File 2480,* section 26, is amended to read as follows:

1. The department of human services shall make reimbursement payments directly to foster parents for services provided to children pursuant to section 234.6, subsection 6, paragraph "b", or section 234.35. ~~For each of the following~~ In any fiscal year, the reimbursement rate shall be based upon ~~the indicated percentage~~ sixty-five percent of the United States department of agriculture estimate of the cost to raise a child in the calendar year immediately preceding the indicated fiscal year: ~~1992-1993, sixty-five percent; 1993-1994, seventy-five percent; and 1994-1995 and subsequent fiscal years, eighty percent.~~ The department may pay an additional stipend for a child with special needs.

Sec. 47. Section 257.6, subsection 1, Code 1991, is amended by adding the following new paragraphs:

NEW PARAGRAPH. e. Resident pupils receiving competent private instruction from a licensed practitioner provided through a public school district pursuant to chapter 299A shall be counted as six-tenths of one pupil.

NEW PARAGRAPH. f. Resident pupils receiving competent private instruction under dual enrollment pursuant to chapter 299A shall be counted as one-tenth of one pupil.

Sec. 48. Section 299A.2, Code Supplement 1991, is amended to read as follows:

299A.2 COMPETENT PRIVATE INSTRUCTION BY LICENSED PRACTITIONER.

If a licensed practitioner provides competent instruction to a child of compulsory attendance age, the practitioner shall possess a valid license or certificate which has been issued by the state board of educational examiners under chapter 260 and which is appropriate to the ages and grade levels of the children to be taught. Competent private instruction may include, but is not limited to, instruction or instructional supervision offered through an accredited non-public school or public school district by a teacher, who is employed by the accredited nonpublic school or public school district, who assists and supervises a parent, guardian, or legal custodian in providing instruction to a child. If competent private instruction is provided through a public school district, the child shall be enrolled and included in the basic enrollment of the school district as provided in section 257.6. Sections 299A.3 through 299A.7 do not apply to competent private instruction provided by a licensed practitioner under this section.

Sec. 49. Section 299A.8, Code Supplement 1991, is amended to read as follows:

299A.8 DUAL ENROLLMENT.

If a parent, guardian, or legal custodian of a child who is receiving competent private instruction under this chapter submits a request, the child shall also be registered in a public school for dual enrollment purposes. If the child is enrolled in a public school district for dual enrollment purposes, the child shall be permitted to participate in any academic activities in the district and shall also be permitted to participate on the same basis as public school children in any extracurricular activities available to children in the child's grade or group, and the parent, guardian, or legal custodian shall not be required to pay the costs of any annual testing under this chapter. If the child is enrolled for dual enrollment purposes, the child shall be included in the public school's basic enrollment under ~~sections 442.4 and~~ section 257.6 ~~and shall be counted as one pupil.~~

Sec. 50. 1992 Iowa Acts, Senate File 2320,** section 11, if enacted by the Seventy-fourth General Assembly, 1992 Session, is repealed.

Sec. 51. Sections 47, 48, 49, and 50 of this Act, being deemed of immediate importance, take effect upon enactment for the purpose of computations required for payment of state aid to and levying of property taxes by school districts for the budget year beginning July 1, 1992.

DIVISION VIII

Sec. 52. There is appropriated from the general fund of the state to the office of the governor for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

*Chapter 1229 herein

**Chapter 1230 herein

In addition to funds appropriated in 1992 Iowa Acts, House File 2459,* section 7, if enacted by the Seventy-fourth General Assembly, 1992 Session, for salaries, support, maintenance, and miscellaneous purposes for the general office of the governor:

..... \$ 50,000

Sec. 53. There is appropriated from the general fund of the state to the department of management for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

In addition to the funds appropriated in 1992 Iowa Acts, House File 2459,* section 9, if enacted by the Seventy-fourth General Assembly, 1992 Session, for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 35,000

Approved June 3, 1992, except the items which I hereby disapprove and which are designated as Sections 1, 2, 3, 4, 5, and 6 in their entirety; Section 25 in its entirety; Section 27 in its entirety; and Sections 32, 33, 34, and 35 in their entirety. My reasons for vetoing these items are delineated in the item veto message pertaining to this Act to the Secretary of State this same date, a copy of which is attached hereto.

TERRY E. BRANSTAD, Governor

Dear Madam Secretary:

I hereby transmit House File 2486, an Act relating to certain statutory appropriations made from the general fund of the state and the lottery fund, budgetary revenues and expenditures, and other budgetary matters, for the fiscal year beginning July 1, 1992.

House File 2486 is, therefore, approved on this date with the following exceptions which I hereby disapprove.

I am unable to approve the items designated as Sections 1 through 6, 25, 27 and 32, in their entirety. These provisions amend Senate File 2034 which provides for the sales tax increase. With the disapproval of Senate File 2034, these items cannot be approved.

I am unable to approve the item designated as Section 33, in its entirety. This appropriation provides an additional \$10,000 for the Iowa Veterans Home. In view of the \$26.5 million appropriation for the Iowa Veterans Home in Senate File 2355, this supplemental appropriation is not needed.

I am unable to approve the items designated as Section 34 and Section 35, in their entirety. These provisions amend House File 2490, which relates to public employee compensation and benefits. Pursuant to the letter of agreement between the State of Iowa and the state employee bargaining units, payment of back compensation to state employees will be made in fiscal year 1993.

For the above reasons, I hereby respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in House File 2486 are hereby approved as of this date.

Sincerely,
TERRY E. BRANSTAD, Governor

*Chapter 1243 herein