

**CHAPTER 1198**

**APPROPRIATIONS – AGRICULTURE AND NATURAL RESOURCES**

*S.F. 2314*

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

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

**DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP**

Section 1. **GENERAL APPROPRIATION.** There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 1994, and ending June 30, 1995, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

**1. ADMINISTRATIVE DIVISION**

a. For salaries, support, maintenance, the support of the state 4-H foundation, support of the statistics bureau, and miscellaneous purposes, and for the salaries and support of not more than the following full-time equivalent positions:

.....	\$	1,892,481
.....	FTEs	47.45

(1) Of the funds appropriated in this paragraph "a", \$316,000 and 7.00 FTEs shall be used to support horticulture.

(2) Of the amount appropriated in this paragraph "a", \$50,000 shall be allocated to the state 4-H foundation to foster the development of Iowa's youth and to encourage them to study the subject of agriculture.

(3) Of the amount appropriated in this paragraph "a", \$129,000 and 4.00 FTEs shall be allocated to the statistics bureau to provide county-by-county information on land in farms, production by crop, acres by crop, and county prices by crop. This information shall be made available to the department of revenue and finance for use in the productivity formula for valuing and equalizing the values of agricultural land.

(4) Of the amount appropriated in this paragraph "a", \$500 shall be allocated as state aid to support the north Iowa poultry expo.

(5) Of the amount appropriated in this paragraph "a", not more than \$5,000 shall be allocated to the Iowa junior angus association for the development of a commemorative pin in connection with the 1994 angus junior national show.

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

.....	\$	70,719
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c. For the purpose of performing commercial feed audits:

.....	\$	59,834
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d. For the purpose of performing fertilizer audits:

.....	\$	59,834
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**2. REGULATORY DIVISION**

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

.....	\$	3,715,675
.....	FTEs	122.50

Of the moneys appropriated and the FTEs allocated pursuant to this lettered paragraph, an additional \$15,500 and 1.5 additional FTEs shall be allocated for purposes of supporting meat and poultry inspections as provided in chapter 189A.

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

.....	\$	639,622
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3. LABORATORY DIVISION

a. For salaries, support, maintenance, and miscellaneous purposes, including the administration of the gypsy moth program, and for not more than the following full-time equivalent positions:

.....	\$	777,271
.....	FTEs	76.10

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

Of the amount appropriated under this paragraph "a", \$160,000 shall be allocated from the appropriation to Iowa state university for purposes of training commercial pesticide applicators.

b. For the operations of the commercial feed programs:

.....	\$	728,934
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c. For the operations of the pesticide programs:

.....	\$	1,201,261
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d. For the operations of the fertilizer programs:

.....	\$	621,257
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4. SOIL CONSERVATION DIVISION

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

.....	\$	5,146,655
.....	FTEs	159.30

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

b. To provide financial incentives for soil conservation practices under chapter 161A:

.....	\$	5,918,606
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c. The following requirements apply to the moneys appropriated in paragraph "b":

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

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

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

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

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

d. The provisions of section 8.33 shall not apply to the moneys appropriated in paragraph "b". Unencumbered or unobligated moneys remaining on June 30, 1998, from moneys appropriated in paragraph "b" for the fiscal year beginning July 1, 1994, shall revert to the general fund on August 31, 1998.

Sec. 2. LEVEE RECONSTRUCTION.

1. To the extent that moneys are available or appropriated for the fiscal year beginning July 1, 1994, and ending June 30, 1995, to support the purposes of this section, the division of soil conservation of the department of agriculture and land stewardship shall provide financial incentives for soil conservation practices for the purposes of providing assistance in repairing and reconstructing levees.

2. The commissioners of each district receiving moneys shall use the moneys to assist persons in reconstructing or repairing levees damaged by floods occurring during 1993. The following conditions shall apply:

- a. The division shall award the moneys based upon applications for specific projects submitted by the districts.
  - b. The moneys shall be awarded on a cost-share basis. A person shall not receive more than 40 percent of the total cost of repair or reconstruction.
  - c. Moneys shall not be used to support a project, if other state or federal moneys have been contributed to support the project.
  - d. Moneys shall only be used to support a project which restores a levee to its condition prior to the flood damage. However, moneys may support improvements which are incidental to the repairs or reconstruction.
  - e. A person shall not be eligible to receive assistance under this section, unless the person is an individual who is actively engaged in farming as provided in section 9H.1, subsection 1, paragraphs "a" through "c", or the person is a family corporation, family farm limited partnership, family trust, or family farm limited liability company, as defined in section 9H.1.
3. Notwithstanding section 8.33, moneys appropriated for purposes of carrying out this section which are unencumbered or unobligated on June 30, 1995, shall be credited to the conservation practices revolving loan fund created pursuant to section 161A.71.

Sec. 3. FARMERS' MARKET COUPON PROGRAM. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 1994, and ending June 30, 1995, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

.....	\$	188,750
.....	FTEs	1.00

Sec. 4. PSEUDORABIES ERADICATION PROGRAM.

1. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 1994, and ending June 30, 1995, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For support of the pseudorabies eradication program:

.....	\$	900,100
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2. Persons, including organizations interested in swine production in this state and in the promotion of Iowa pork products who contribute support to the program, are encouraged to increase financial support for purposes of ensuring the program's effective continuation.

Sec. 5. HORSE AND DOG RACING. There is appropriated from the moneys available under section 99D.13 to the regulatory division of the department of agriculture and land stewardship for the fiscal year beginning July 1, 1994, and ending June 30, 1995, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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

.....	\$	185,964
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Sec. 6. INTERSTATE COMPACT ON AGRICULTURAL GRAIN MARKETING. There is appropriated from the general fund of the state to the interstate agricultural grain marketing commission for the fiscal year beginning July 1, 1994, and ending June 30, 1995, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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

..... \$ 78,000

DEPARTMENT OF NATURAL RESOURCES

Sec. 7. GENERAL APPROPRIATION. There is appropriated from the general fund of the state to the department of natural resources for the fiscal year beginning July 1, 1994, and ending June 30, 1995, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATIVE AND SUPPORT SERVICES

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

..... \$ 1,827,012
..... FTEs 115.50

2. PARKS AND PRESERVES DIVISION

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

..... \$ 5,365,960
..... FTEs 195.73

3. FORESTS AND FORESTRY DIVISION

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

..... \$ 1,426,916
..... FTEs 48.71

4. ENERGY AND GEOLOGICAL RESOURCES DIVISION

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

..... \$ 1,651,984
..... FTEs 52.00

5. ENVIRONMENTAL PROTECTION DIVISION

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

..... \$ 1,922,940
..... FTEs 176.00

b. Of the amount appropriated in paragraph "a", \$404,000 shall be allocated to the administration account of the water quality protection fund established pursuant to section 455B.183A as enacted in this Act. Of the number of FTEs authorized pursuant to paragraph "a", 15.00 additional FTEs shall be dedicated to carrying out the provisions of chapter 455B relating to the administration, regulation, and enforcement of the federal Safe Drinking Water Act and to support the program to assist supply systems as provided in section 455B.183B. However, limitations on full-time equivalent positions provided in paragraph "a" of this subsection shall not limit the number of additional full-time equivalent positions supported by moneys deposited in the water quality protection fund as provided in section 455B.183A, as enacted in this Act, in order to carry out the provisions of division III of chapter 455B relating to the administration, regulation, and enforcement of the federal Safe Drinking Water Act, and the administration of the program to assist supply systems pursuant to section 455B.183B as enacted in this Act.

c. In administering the program to assist supply systems pursuant to section 455B.183B, as enacted in this Act, the department shall develop public-private partnerships as described in that section, in order to provide technical assistance and vulnerability and viability studies. In providing assistance under this paragraph, the department shall provide priority to systems serving a population of seven thousand or less. At least two FTEs shall be allocated to provide assistance to systems serving a population of seven thousand or less.

6. FISH AND WILDLIFE DIVISION

For not more than the following full-time equivalent positions:
..... FTEs 338.93

7. WASTE MANAGEMENT ASSISTANCE DIVISION

For not more than the following full-time equivalent positions:
..... FTEs 16.75

Sec. 8. STATE FISH AND GAME PROTECTION FUND – APPROPRIATION TO THE DIVISION OF FISH AND WILDLIFE.

1. There is appropriated from the state fish and game protection fund to the division of fish and wildlife of the department of natural resources for the fiscal year beginning July 1, 1994, and ending June 30, 1995, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 20,420,670

2. The department shall not expend more moneys from the fish and game protection fund than provided in this section, unless the expenditure derives from contributions made by a private entity, or a grant or moneys received from the federal government, and is approved by the natural resource commission. The department of natural resources shall promptly notify the legislative fiscal bureau of the commission's approval, and the chairpersons and ranking members of the joint appropriations subcommittee on agriculture and natural resources concerning the commission's approval.

Sec. 9. MARINE FUEL TAX RECEIPTS – NONCAPITALS AND BOATING FACILITIES AND ACCESS. There is appropriated from the marine fuel tax receipts deposited in the general fund of the state to the department of natural resources for the fiscal year beginning July 1, 1994, and ending June 30, 1995, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 200,000

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

..... \$ 411,311

Notwithstanding section 8.33, the unencumbered or unobligated moneys remaining on June 30, 1995, from moneys appropriated in subsection 1, may be expended during the fiscal year beginning July 1, 1995, and ending June 30, 1996, and shall not revert to the general fund until August 31, 1996.

Sec. 10. SNOWMOBILE FEES – TRANSFER FOR ENFORCEMENT PURPOSES. There is transferred on July 1, 1994, from the fees deposited under section 321G.7 to the fish and game protection fund and appropriated to the department of natural resources for the fiscal year beginning July 1, 1994, and ending June 30, 1995, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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

..... \$ 100,000

Sec. 11. VESSEL FEES – TRANSFER FOR ENFORCEMENT PURPOSES. There is transferred on July 1, 1994, from the fees deposited under section 462A.52 to the fish and game protection fund and appropriated to the department of natural resources for the fiscal year beginning July 1, 1994, and ending June 30, 1995, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For purposes of administration and enforcement of navigation laws and water safety:  
 ..... \$ 1,571,590  
 Of the amount transferred in this section, \$371,590 shall be used to purchase additional equipment used for the enforcement of navigation laws and water safety.

RESOURCES ENHANCEMENT AND PROTECTION

Sec. 12. GENERAL APPROPRIATION. Notwithstanding the amount of the standing appropriation from the general fund of the state under section 455A.18, subsection 3, there is appropriated from the general fund of the state to the Iowa resources enhancement and protection fund, in lieu of the appropriation made in section 455A.18, for the fiscal year beginning July 1, 1994, and ending June 30, 1995, the sum of \$7,000,000, of which all moneys shall be allocated as provided in section 455A.19.

ANIMAL INDUSTRY APPROPRIATIONS

Sec. 13. LIVESTOCK PRODUCERS ASSISTANCE.

1. There is appropriated from the general fund of the state to Iowa state university of science and technology, for the fiscal year beginning July 1, 1994, and ending June 30, 1995, the following amount, or so much thereof as is necessary, to be used for the purposes designated:  
 For the administration of the livestock producers assistance program established pursuant to section 266.39D, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 200,000  
 ..... FTEs 8.28

2. As a condition of this appropriation, the university shall strive to ensure that the program becomes increasingly self-sufficient. The university shall adopt a plan detailing the manner in which the program will become self-sufficient, including the expected amount of state funds necessary to support the program until it becomes self-sufficient, the sources of revenue expected to contribute to the program, and the amount each source is expected to contribute to the program. The plan shall be submitted to the legislative fiscal bureau by November 1, 1994.

3. The provisions of section 8.33 shall not apply to the moneys appropriated in this section. Unencumbered or unobligated moneys remaining on June 30, 1998, from moneys appropriated in this section for the fiscal year beginning July 1, 1994, shall revert to the general fund on August 31, 1998.

Sec. 14. ORGANIC NUTRIENT MANAGEMENT.

1. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 1994, and ending June 30, 1995, the following amount, or so much thereof as is necessary, to be used for the purposes designated:  
 For deposit in the organic nutrient management fund for administration of the organic nutrient management program, as provided in section 161C.6:

..... \$ 800,000

2. Notwithstanding section 161C.5, unencumbered or unobligated moneys remaining on June 30, 1998, from moneys appropriated in this section for the fiscal year beginning July 1, 1994, shall revert to the general fund on August 31, 1998.

3. The department shall transfer moneys appropriated to the organic nutrient management account created pursuant to 1993 Iowa Acts, chapter 176, section 14, to the organic nutrient management fund as established pursuant to this Act. The department shall eliminate the account.

RELATED APPROPRIATIONS

Sec. 15. REVENUE ADMINISTERED BY THE IOWA COMPREHENSIVE UNDERGROUND STORAGE TANK BOARD — TRANSFER. There is appropriated from the unassigned revenue fund administered by the Iowa comprehensive underground storage tank board,

to the department of natural resources for the fiscal year beginning July 1, 1994, and ending June 30, 1995, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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

..... \$ 75,000

Sec. 16. TRANSFER — AIR QUALITY. For the fiscal year beginning July 1, 1994, and ending June 30, 1995, the department of natural resources may transfer up to \$281,000 from the hazardous substance remedial fund to support purposes related to carrying out the duties of the commission under section 455B.133, or the director under section 455B.134, or for carrying out the provisions of chapter 455B, division II.

MISCELLANEOUS

Sec. 17. DEPARTMENTAL STUDY — COMMERCIAL WEIGHING AND MEASURING DEVICES. The department of agriculture and land stewardship shall study its licensing structure for the inspection of commercial weighing and measuring devices, including fees required to be paid by licensees pursuant to section 214.3. The department shall examine the relationship between fees and the costs incurred in administration, regulation, and enforcement of provisions relating to the licensing of the devices. The department shall submit a report, including findings and recommendations, to the governor and the general assembly by January 9, 1995.

Sec. 18. STATE NURSERIES. Notwithstanding section 17A.2, subsection 10, paragraph "g", the department of natural resources shall adopt administrative rules establishing prices of plant material grown at the state forest nurseries to cover all expenses related to the growing of the plants.

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

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

Sec. 19. WIND EROSION CONTROL FUND. The department of agriculture and land stewardship shall use all unencumbered or unobligated moneys appropriated to the wind erosion control fund, and any moneys which have been credited to the division of soil conservation of the department of agriculture and land stewardship for purposes of planting and maintaining wind erosion control barriers, as originally provided in 1978 Iowa Acts, chapter 1108, section 7, and subsequently amended, in order to carry out the original purposes. The department shall submit a report to the secretary of the senate and chief clerk of the house not later than January 2, 1995. The report shall explain actual and planned expenditures of the moneys.

Sec. 20. TRUST FUND INFORMATION. The department of revenue and finance in cooperation with each appropriate agency shall track receipts to the general fund which under law were previously collected to be used for specific purposes, or to be credited to, or be deposited to a particular account or fund, as provided in section 8.60.

The department of revenue and finance and each appropriate agency shall prepare reports detailing revenue from receipts traditionally deposited into each of the funds. A report shall be submitted to the legislative fiscal bureau at least once for each three-month period as designated by the legislative fiscal bureau.

Sec. 21. STUDY REQUESTED. The legislative council is requested to establish a study committee to examine animal agriculture in this state, and its impact upon the environment and nonagricultural uses of land.

**Sec. 22. DEPARTMENTAL INFORMATION REQUIRED.**

1. The department of agriculture and land stewardship and the department of natural resources, in cooperation as necessary with the department of management and the department of personnel, shall provide a list to the legislative fiscal bureau, on a quarterly basis, of all permanent positions added to or deleted from the departments' table of organization in the previous fiscal quarter. This list shall include at least the position number, salary range, projected funding source or sources of each position, and the reason for the addition or deletion. The legislative fiscal bureau may use this information to assist in the establishment of the full-time equivalent position limits authorized in law for the departments.

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

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

**Sec. 23. PREFERENCE PROVIDED — PERSONS MEETING ELIGIBILITY REQUIREMENTS OF THE GREEN THUMB PROGRAM.** In its employment of persons in temporary positions in conservation and outdoor recreation, the department of natural resources shall give preference to persons meeting eligibility requirements for the green thumb program and to persons working toward an advanced education in natural resources and conservation.

**Sec. 24. AIR QUALITY STANDARDS.** During the fiscal year for which funds are appropriated to the department of natural resources under this Act, the department shall not require the installation or use of equipment to control the emission of dust or other particulate matter on or by facilities for storage of grain which are located within the ambient air quality attainment areas for suspended particulates. However, this section shall not be effective upon the delegation by the United States to this state of the air operating permit program as provided by the federal Clean Air Act Amendments of 1990, Pub. L. No. 101-549.

**Sec. 25. AIR QUALITY PROGRAM — NONGENERAL FUND SUPPORT.** The department of natural resources for the fiscal year beginning July 1, 1994, and ending June 30, 1995, shall not use moneys appropriated from the general fund of the state pursuant to this Act, to support any purpose related to carrying out the duties of the commission under section 455B.133 or the director under section 455B.134, or for carrying out the provisions of chapter 455B, division II.

Notwithstanding section 455B.133B, the department may use moneys deposited in the air contaminant source fund created in section 455B.133B during the fiscal year for any purpose related to carrying out the duties of the commission under section 455B.133 or the director under section 455B.134, or for carrying out the provisions of chapter 455B, division II.

*\*Sec. 26. MORATORIUM — LEASE-PURCHASE CONTRACTS. The department of agriculture and land stewardship or the department of natural resources shall not become a party to a lease-purchase contract for the purchase of property acquired by the department for the period beginning July 1, 1994, and ending June 30, 1995. A person, including the department of general services, shall not be a party to a lease-purchase contract for the purchase of property on behalf of either department for that same period. This section shall not alter the obligations of a party to a lease-purchase contract executed prior to the effective date of this Act. The department of agriculture and land stewardship, the department of natural*

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



resources, or a person acting on behalf of either department, shall not extend the terms of any existing lease-purchase contract which would expire on or before the effective date of this Act.\*

*\*Sec. 27. LEASE-PURCHASE — BUDGET SUBMISSION. This section applies to each state agency receiving an appropriation in this Act. The departmental estimate required under section 8.23 for the fiscal period beginning July 1, 1995, which includes the state agency, shall provide an itemized list indicating the nature and amount of each lease-purchase contract payment included in the estimate for proposed contracts which have not been reported by the state agency to the legislative fiscal committee of the legislative council pursuant to section 8.46 prior to the submission of the estimate. The governor shall include in the governor's budget for the fiscal year beginning July 1, 1995, a listing indicating the nature and amount of each lease-purchase contract which was itemized in a departmental estimate in accordance with this section and is included in the governor's budget. A state agency receiving an appropriation in this Act shall not enter into a lease-purchase contract during the fiscal year beginning July 1, 1995, unless the contract was itemized in a departmental estimate and included in the governor's budget in accordance with this section.\**

Sec. 28. SOIL CONSERVATION ASSISTANCE. There is appropriated from the unobligated and unencumbered moneys deposited or required to be deposited in the water protection practices account of the water protection fund established in section 161C.4 to the division of soil conservation within the department of agriculture and land stewardship for the fiscal period beginning July 1, 1993, and ending June 30, 1995, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the purpose of providing interest-free loans to persons who receive assistance from the United States department of agriculture under the emergency conservation program:

..... \$ 500,000

The loans shall be made in order to provide any matching moneys required to be contributed by a person receiving assistance under the federal program. The division shall seek to cooperate with the soil conservation service in implementing this section. The moneys must be repaid to the water protection practices account within five years from the date that the moneys are loaned. Moneys which are unobligated or unencumbered on June 30, 1995, shall be credited back to the account. In administering these moneys, the department may contract, sue, and be sued, and adopt rules necessary to carry out the provisions of this section. However, the division shall not in any manner directly or indirectly pledge the credit of this state.

Sec. 29. RULES REQUIRED — PESTICIDE AND FERTILIZER CONTAMINATED SITES. By December 31, 1994, the environmental protection commission shall adopt rules as provided in chapter 17A and required pursuant to section 455B.601, including rules to establish criteria for the classification and prioritization of sites upon which pesticide and fertilizer contamination has been discovered.

STATUTORY CHANGES

Sec. 30. 1987 Iowa Acts, chapter 233, section 204, subsection 5, as amended by 1989 Iowa Acts, chapter 311, section 21, as amended by 1990 Iowa Acts, chapter 1260, section 20, is amended to read as follows:

5. It is the intention of the general assembly in adopting the appropriation under subsection 1 and this subsection to cease funding for the department's implementation of the federal Resource Conservation and Recovery Act permit program for hazardous waste facilities in this state. Section 455B.411, subsections 6, 9, and 10, section 455B.412, subsections 2 through 4, and sections 455B.413 through 455B.421 are suspended and do not apply as they pertain to that permit program, but are not suspended and do apply as they pertain to abandoned and uncontrolled sites, used oil, and site licensing under chapter 455B, division IV, part 6. The suspension provided by this subsection begins July 1, 1987 and ends June 30, 1994 1999.

Sec. 31. 1993 Iowa Acts, chapter 176, section 25, subsection 2, is amended to read as follows:

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

2. Notwithstanding section 8.33, unencumbered or unobligated moneys remaining on June 30, 1993, from moneys appropriated pursuant to 1992 Iowa Acts, Second Extraordinary Session, chapter 1001, section 402, may be expended during the fiscal year period beginning July 1, 1993, and ending June 30, 1994 1995, and shall not revert to the general fund until August 31, 1994 1995.

Sec. 32. Section 159.29, subsection 2, unnumbered paragraph 1, Code 1993, is amended to read as follows:

An owner of an agricultural drainage well and a landholder whose land is drained by the well or wells of another person shall develop, in consultation with the department of agriculture and land stewardship and the department of natural resources, a plan which proposes alternatives to the use of agricultural drainage wells by July 1, 1994 1996.

Sec. 33. NEW SECTION. 161C.5 ORGANIC NUTRIENT MANAGEMENT FUND.

1. An organic nutrient management fund is created in the state treasury under the control of the division. The fund is composed of moneys appropriated by the general assembly, and moneys available to and obtained or accepted by the division or the state soil conservation committee, from the United States or private sources for placement in the fund.

2. Moneys in the fund are subject to an annual audit by the auditor of state. The fund is subject to warrants by the director of revenue and finance, drawn upon the written requisition of the division.

3. The fund shall be used to support the organic nutrient management program provided in section 161C.6. Moneys shall be used to provide financial incentives under the program and to pay for expenses incurred by the division in administering the program. Not more than two percent of the moneys shall be used to pay for administering the program. Moneys expended for financial incentives shall be allocated on a cost-share basis. The division may adopt rules to administer this section.

4. The division shall not in any manner directly or indirectly pledge the credit of the state.

5. Section 8.33 shall not apply to moneys in the fund. Moneys earned as income, including as interest, from the fund shall remain in the fund until expended as provided in this section.

Sec. 34. NEW SECTION. 161C.6 ORGANIC NUTRIENT MANAGEMENT PROGRAM.

1. The division shall establish an organic nutrient management program as provided by rules which shall be adopted by the division. The program shall be supported from moneys deposited in the organic nutrient management fund.

2. a. The program shall provide financial incentives to establish livestock manure management systems to facilitate the proper utilization of livestock manure as a nutrient source, and to protect the water resources of the state from livestock manure runoff.

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

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

d. The division shall maintain records regarding each award of financial incentives under this section, including the name of the person; the amount of the award; the location of the livestock manure management system established with financial incentive moneys; and whether the person is a family farm corporation, family farm limited partnership, family trust, or a family farm limited liability company.

e. The department shall not allocate moneys to a person who is a party to a legal or administrative action, including a contested case proceeding under chapter 17A, which relates to an alleged violation of chapter 455B involving the disposal of livestock waste, until the action is resolved. The department of natural resources shall cooperate with the division by providing information necessary to administer this paragraph.

f. A person shall not use moneys allocated pursuant to this section for purposes of paying an amount imposed pursuant to a fine or civil penalty, or for remediating or restoring the condition of an area contaminated by livestock waste.

g. A person qualifying under the program shall not receive more than seven thousand five hundred dollars in financial incentives during any fiscal year beginning on July 1 and ending on June 30. A person who has received financial assistance in a prior fiscal year is eligible to receive financial assistance in a subsequent fiscal year, unless the financial assistance is used to support the establishment of a system previously receiving assistance under this program.

Sec. 35. NEW SECTION. 169.4A PROVISION OF VETERINARY SERVICES.

A person, including a corporation, limited liability company, or partnership, established on or after the effective date of this Act, other than either a professional corporation organized under chapter 496C or a veterinarian licensed under this chapter, shall not provide veterinary medical services, own a veterinary clinic, or practice in this state, except as otherwise provided in this chapter. However, this section shall not prohibit a person from owning an interest in real property or a building where a clinic is located, if veterinary medical services or a practice is conducted by the clinic by a professional corporation or a veterinarian licensed under this chapter.

Sec. 36. Section 173.14B, subsection 2, Code 1993, is amended to read as follows:

2. The board may issue negotiable bonds and notes of the authority in principal amounts which are necessary to provide sufficient funds for achievement of its corporate purposes, the payment of interest on its bonds and notes, the establishment of reserves to secure its bonds and notes, and all other expenditures of the board incident to and necessary or convenient to carry out its purposes and powers, subject to authorization and approval required under subsection 1. However, the total principal amount of bonds and notes outstanding at any time under subsection 1 and this subsection shall not exceed ~~six~~ twenty-five million dollars. The bonds and notes are deemed to be investment securities and negotiable instruments within the meaning of and for all purposes of the uniform commercial code.

Sec. 37. Section 190.14, subsection 1, Code 1993, is amended to read as follows:

1. The department shall administer this chapter consistent with the provisions of the "Grade 'A' Pasteurized Milk Ordinance, ~~1989~~ 1993 Revision", as provided in section 192.102.

Sec. 38. Section 191.9, subsection 1, Code 1993, is amended to read as follows:

1. The department shall administer this chapter consistent with the provisions of the "Grade 'A' Pasteurized Milk Ordinance, ~~1989~~ 1993 Revision", as provided in section 192.102.

Sec. 39. Section 192.102, Code 1993, is amended to read as follows:

192.102 GRADE "A" PASTEURIZED MILK ORDINANCE.

The department shall adopt, by rule, the "Grade 'A' Pasteurized Milk Ordinance, ~~1989~~ 1993 Revision", including a subsequent revision of the ordinance. If the ordinance specifies that compliance with a provision of the ordinance's appendices is mandatory, the department shall also adopt that provision. The department shall not amend the ordinance, unless the department explains each amendment and reasons for the amendment in the Iowa administrative bulletin when the rules are required to be published pursuant to chapter 17A. The department shall administer this chapter consistent with the provisions of the ordinance.

Sec. 40. Section 192.110, subsection 2, Code Supplement 1993, is amended to read as follows:

2. The facilities and equipment used to produce, store, or transport milk or milk products comply with requirements of the "Grade 'A' Pasteurized Milk Ordinance, ~~1989~~ 1993 Revision" as provided in section 192.102.

Sec. 41. Section 200.22, subsection 1, paragraph a, as enacted by 1994 Iowa Acts, Senate File 94,\* section 1, is amended to read as follows:

\*Chapter 1002 herein

a. "Local governmental entity" means any political subdivision, or any state authority which is not the general assembly or under the direction of a principal central department as enumerated in section 7E.5, including a city as defined in section 362.2, a county as provided in chapter ~~359~~ 331, or any special purpose district.

Sec. 42. Section 206.34, subsection 1, paragraph a, as enacted by 1994 Iowa Acts, Senate File 94,\* section 2, is amended to read as follows:

a. "Local governmental entity" means any political subdivision, or any state authority which is not the general assembly or under the direction of a principal central department as enumerated in section 7E.5, including a city as defined in section 362.2, a county as provided in chapter ~~359~~ 331, or any special purpose district.

Sec. 43. NEW SECTION. 214.4 TAGGING OF EQUIPMENT.

1. If the department does not receive payment of the license fee required pursuant to section 214.3 within one month from the due date, the department shall send a notice to the owner or operator of the device. The notice shall be delivered by certified mail. The notice shall state all of the following:

a. The owner or operator is delinquent in the payment of the required fee.

b. The owner or operator has fifteen days after receipt of the notice to pay the license fee required pursuant to section 214.3.

c. If the department does not receive payment of the license fee as required, the department may summarily tag and remove from service the commercial weighing and measuring device.

2. If the license fee is not received by the department within fifteen days after receipt of the notice by the owner or operator of the commercial weighing and measuring device, the department may tag and remove from service the device for which the license fee has not been paid.

Sec. 44. NEW SECTION. 266.39D LIVESTOCK PRODUCERS ASSISTANCE PROGRAM.

Iowa state university shall establish and administer a livestock producers assistance program to provide on-site assistance to persons involved in livestock production in order to increase the efficiency, productivity, and profitability of their operations. The program, to every extent practicable, shall be supported by nonstate moneys. The university shall submit a report to the legislative fiscal bureau by November 1 of each year, if the university expects that state moneys may be required to support the program during the subsequent state fiscal year. The report shall include all expected sources of revenues and the amounts expected to be contributed by these sources for the subsequent state fiscal year.

Sec. 45. Section 321.453, Code 1993, as amended by 1994 Iowa Acts, Senate File 2080,\*\* section 3, is amended by striking the section and inserting in lieu thereof the following:

321.453 EXCEPTIONS.

The provisions of this chapter governing size, weight, and load, and the permit requirements of chapter 321E do not apply to fire apparatus, to road maintenance equipment owned by or under lease to any state or local authority, to implements of husbandry temporarily moved upon a highway, to implements moved from farm site to farm site or between the retail seller and a farm purchaser within a one hundred mile radius from the retail seller's place of business, to indivisible implements of husbandry temporarily moved between the place of manufacture and a retail seller or a farm purchaser, to implements received and moved by a retail seller of implements of husbandry in exchange for an implement purchased, or to implements of husbandry moved for repairs, except on any part of the interstate highway system. A vehicle, carrying an implement of husbandry, which is exempted from the permit requirements under this section shall be equipped with an amber flashing light under section 321.423, shall be equipped with warning flags on that portion of the vehicle which protrudes into oncoming traffic, and shall only operate from thirty minutes prior to sunrise to thirty minutes following sunset.

\*Chapter 1002 herein

\*\*Chapter 1087 herein

Sec. 46. Section 455A.18, Code Supplement 1993, is amended by adding the following new subsection:

NEW SUBSECTION. 4. Notwithstanding section 12C.7, interest or earnings on investments or time deposits of the moneys in the Iowa resources enhancement and protection fund or any of its accounts shall be credited to the Iowa resources enhancement and protection fund.

Sec. 47. Section 455B.105, subsection 11, paragraph b, Code 1993, is amended to read as follows:

b. The Except as otherwise provided in this chapter, fees collected by the department under this subsection shall be remitted to the treasurer of state and credited to the general fund of the state.

Sec. 48. NEW SECTION. 455B.183A WATER QUALITY PROTECTION FUND.

1. A water quality protection fund is created in the state treasury under the control of the department. The fund consists of moneys appropriated to the fund by the general assembly, moneys deposited into the fund from fees described in subsection 2, and other moneys available to and obtained or accepted by the department from the United States government or private sources for placement in the fund. The fund is divided into two accounts, including the administration account and the public water supply system account. Moneys in the administration account shall be used for purposes of carrying out the provisions of this division, which relate to the administration, regulation, and enforcement of the federal Safe Drinking Water Act. Moneys in the public water supply system account shall be used to support the program to assist supply systems, as provided in section 455B.183B.

2. The commission shall adopt fees as required pursuant to section 455B.105 for permits required for public water supply systems as provided in sections 455B.174 and 455B.183. Fees paid pursuant to this section shall not be subject to the sales or services tax. The fees shall be for each of the following:

a. The construction, installation, or modification of a public water supply system. The amount of the fees may be based on the type of system being constructed, installed, or modified.

b. The operation of a public water supply system, including any part of the system. The fees may be based on the type and size of community served by the system. The commission shall adopt a fee schedule. The commission shall calculate all fees in the schedule to produce total revenues equaling four hundred seventy-five thousand dollars for the fiscal year beginning July 1, 1994, and ending June 30, 1995, seven hundred thousand dollars for the fiscal year beginning July 1, 1995, and ending June 30, 1996, nine hundred thousand dollars for the fiscal year beginning July 1, 1996, and ending June 30, 1997, and one million two hundred thousand dollars for each subsequent fiscal year. For the fiscal year beginning July 1, 1994, and ending June 30, 1995, twenty-five thousand dollars shall be deposited in the administration account and four hundred fifty thousand dollars shall be deposited in the public water supply system account. For each subsequent fiscal year, one-half of the fees shall be deposited into the administration account and one-half of the fees shall be deposited into the public water supply system account. By May 1 of each year, the department shall estimate the total revenue expected to be collected from the overpayment of fees, which are all fees in excess of the amount of the total revenues which are expected to be collected under the current fee schedule, and the total revenue expected to be collected from the payment of fees during the next fiscal year. The commission shall adjust the fees if the estimate exceeds the amount of revenue required to be deposited in the fund pursuant to this paragraph.

3. Moneys in the fund are subject to an annual audit by the auditor of state. The fund is subject to warrants by the director of revenue and finance, drawn upon the written requisition of the department.

4. Section 8.33 does not apply to moneys in the fund. Moneys earned as income, including interest from the fund, shall remain in the fund until expended.

5. On or before November 15 of each fiscal year, the department shall transmit to the department of management and the legislative fiscal bureau information regarding the fund and accounts, including all of the following:

- a. The balance of unobligated and unencumbered moneys in each account as of November 1.
- b. A summary of revenue deposited in and expenditures from each account during the current fiscal year.
- c. Estimates of revenues expected to be deposited into the public water supply system account during the current fiscal year, and an estimate of the expected balance of unobligated and unencumbered moneys in the account on June 30 of the current fiscal year.

**Sec. 49. NEW SECTION. 455B.183B PROGRAM TO ASSIST SUPPLY SYSTEMS.**

1. The state of Iowa declares its intention to retain its jurisdiction to enforce areas provided under the federal Safe Drinking Water Act as delegated to the state by the United States.
2. The department shall establish a program to assist supply systems, in order to provide assistance to ensure safe public water supplies. The department in administering the program shall provide technical advice and perform vulnerability and viability studies of public water supply systems.
3. Whenever practical, the department may enter into a contract with a person qualified to provide assistance services under this section, if the agreement for the services is cost-effective and the quality of the services ensures compliance with state and federal law. A person entering into a contract with the department for the purpose of providing the services shall be deemed to be an agent of the department, and shall have the same authority as provided to the department, unless the contract specifies otherwise. The department shall review assistance services performed by a person under a contract to ensure that quality cost-effective service is being provided.
4. The program shall be supported by moneys deposited in the public water supply system account created in the water quality protection fund established pursuant to section 455B.183A.

**Sec. 50. NEW SECTION. 455B.183C PERSONNEL — DEPARTMENT OF MANAGEMENT.**

Notwithstanding any limitation upon the department's number of full-time equivalent positions as defined in section 8.36A, any point limitation on personnel, or any other limitation upon the number of personnel or their employment classification, imposed by the department of management, the department may employ the number of full-time equivalent positions which equals the number of positions allocated by the general assembly to the department for each applicable fiscal year in order to carry out the provisions of this division relating to the administration, regulation, and enforcement of the federal Safe Drinking Water Act and the program to assist supply systems, but only to the extent that moneys used to support the positions derive from moneys deposited in the water quality protection fund, as provided in section 455B.183A. If a specific number of full-time equivalent positions are not allocated by the general assembly, the department may fill any number of positions required to administer the program, to the extent the positions are supported by the fund.

**Sec. 51. RULES REQUIRED.** The department of natural resources shall adopt all rules necessary to implement sections 455B.183A and 455B.183B by December 31, 1994. All rules shall be adopted pursuant to chapter 17A.

**Sec. 52. EFFECTIVE DATE.** Sections 2, 26, 28, 30, 31, 47, 48, 49, 50, 51, and this section of this Act, being deemed of immediate importance, take effect upon enactment.

*Approved May 13, 1994, except the items which I hereby disapprove and which are designated as Sections 26 and 27 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 Senate File 2314, an Act relating to appropriations and revenue involving agriculture and natural resources, making related statutory changes, and providing fees and effective dates.

Senate File 2314 is, therefore, approved on this date with the following exceptions which I hereby disapprove.

I am unable to approve the items designated as Sections 26 and 27, in their entirety. These provisions would restrict executive branch agencies from entering into lease-purchase agreements. These provisions, like those included in other appropriations bills, are overly restrictive and do not allow agencies to respond to unforeseen circumstances, therefore they cannot be approved.

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 2314 are hereby approved as of this date.

Sincerely,  
TERRY E. BRANSTAD, *Governor*

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## CHAPTER 1199

### MISCELLANEOUS APPROPRIATIONS, REDUCTIONS, TRANSFERS, AND OTHER MATTERS

*S.F. 2330*

**AN ACT** relating to and making standing appropriations, appropriations for capital projects, transfers of certain funds, and other state financial and regulatory matters and providing effective and applicability date provisions.

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

#### DIVISION I STANDING APPROPRIATIONS

Section 1. **NEW SECTION.** 8.8 SPECIAL OLYMPICS FUND.

A special olympics fund is created in the office of the treasurer of state under the control of the department of management. There is appropriated annually from the general fund of the state to the special olympics fund twenty thousand dollars for distribution to one or more organizations which administer special olympics programs benefiting the citizens of Iowa with disabilities.

Sec. 2. Section 422.12A, Code Supplement 1993, is repealed.

Sec. 3. 1993 Iowa Acts, chapter 144, section 6, is repealed.

Sec. 4. 1994 Iowa Acts, Senate File 2229,\* section 24, is repealed.

Sec. 5. **RETROACTIVITY.** Section 2 of this Act applies retroactively to January 1, 1994. Section 3 of this Act applies retroactively to January 1, 1993.

Sec. 6. **EFFECTIVE DATES.** Sections 2, 3, 4, and 5 of this Act, being deemed of immediate importance, take effect upon enactment.

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\*Chapter 1188 herein