

PROOF

STATE OF IOWA

House Journal

WEDNESDAY, MAY 9, 2012

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(The official bound copy will be available after a reasonable time upon adjournment.)

JOURNAL OF THE HOUSE

One Hundred Twenty-second Calendar Day - Eighty-sixth Session Day

Hall of the House of Representatives
Des Moines, Iowa, Wednesday, May 9, 2012

The House met pursuant to adjournment at 9:33 a.m., Speaker Paulsen in the chair.

Prayer was offered by Representative Shaw of Pocahontas County.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Nora McKenzie, Page from Carroll.

The Journal of Tuesday, May 8, 2012, was approved.

The House stood at ease at 9:35 a.m., until the fall of the gavel.

The House resumed session at 4:57 p.m., Speaker Paulsen in the chair.

MESSAGE FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on May 9, 2012, adopted the Conference Committee report and passed [House File 2465](#), a bill for an act relating to state and local finances by making and adjusting appropriations, providing for legal responsibilities, and providing for properly related matters, and including effective date and retroactive and other applicability provisions.

Also: That the Senate has on May 9, 2012, amended and passed the following bill in which the concurrence of the House is asked:

[House File 2466](#), a bill for an act making appropriations to the commission of veterans affairs for the provision of veterans services, and including effective date provisions.

Also: That the Senate has on May 9, 2012, concurred in the House amendment and passed the following bill in which the concurrence of the Senate was asked:

[Senate File 2237](#), a bill for an act relating to social and charitable gambling concerning allowable prizes at annual game nights conducted by religious organizations and concerning

the frequency of reporting and distribution of proceeds requirements for certain qualified organizations licensed to conduct social and charitable gambling.

Also: That the Senate has on May 9, 2012, adopted the Conference Committee report and passed [Senate File 2315](#), a bill for an act relating to redesign of publicly funded mental health and disability services by requiring certain core services and addressing other services and providing for establishment of regions and including effective date and applicability provisions.

Also: That the Senate has on May 9, 2012, adopted the Conference Committee report and passed [Senate File 2336](#), a bill for an act relating to appropriations for health and human services and including other related provisions and appropriations, making penalties applicable, and including effective, retroactive, and applicability date provisions.

MICHAEL E. MARSHALL, Secretary

ADOPTION OF THE REPORT OF THE
CONFERENCE COMMITTEE
([Senate File 466](#))

Schultz of Crawford called up for consideration the report of the conference committee on [Senate File 466](#), a bill for an act relating to residential contractors and providing a penalty, and moved the adoption of the conference committee report and the amendments contained therein.

The motion prevailed and the conference committee report was adopted.

Schultz of Crawford moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" ([S.F. 466](#))

The ayes were, 72:

Baltimore	Berry	Brandenburg	Cohon
Cownie	Deyoe	Dolecheck	Drake
Forristall	Fry	Gaines	Gaskill
Grassley	Hagenow	Hall	Hanson
Hanusa	Heddens	Hein	Helland
Hunter	Huseman	Isenhart	Jacoby
Jorgensen	Kajtazovic	Kaufmann	Kearns
Kelley	Koester	Kressig	Lensing
Lofgren	Lukan	Lykam	Mascher
McCarthy	Miller, H.	Miller, L.	Moore

Muhlbauer	Murphy	Oldson	Olson, S.
Olson, T.	Petersen	Pettengill	Rogers
Running-Marquardt	Schulte	Schultz	Smith, J.
Smith, M.	Soderberg	Steckman	Sweeney
Taylor, J.	Taylor, T.	Thede	Thomas
Tjepkes	Upmeyer	Vander Linden	Wagner
Wenthe	Wessel-Kroeschell	Willems	Winckler
Windschitl	Wittneben	Worthan	Mr. Speaker Paulsen

The nays were, 23:

Abdul-Samad	Alons	Arnold	Baudler
Byrnes	Chambers	De Boef	Garrett
Hager	Heaton	Horbach	Klein
Massie	Olson, R.	Pearson	Quirk
Raecker	Rasmussen	Rayhons	Shaw
Van Engelenhoven	Watts	Wolfe	

Absent or not voting, 5:

Anderson	Iverson	Paustian	Sands
Swaim			

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

PRESENTATION TO RETIRING MEMBERS AND LEADERS

Speaker Paulsen, Majority Leader Upmeyer and Minority Leader McCarthy invited to the well of the House, for a special recognition, members of the House who will be retiring or are a candidate for the Iowa Senate. Plaques were presented to the following:

Richard T. Anderson, District 97	2005 – 2013
Richard D. Arnold, District 72	1995 – 2013
Royd E. Chambers, District 5	2003 – 2013
Betty R. De Boef, District 76	2001 – 2013
Lance J. Horbach, District 40	1999 – 2013
Stewart Iverson, Jr. District 9	1990 – 1994 and 2011 – 2013
Jeff Kaufmann, District 79	2005 – 2013
Steven F. Lukan, District 32	2003 – 2013
Glen H. Massie, District 74	2011 – 2013
Kim Pearson, District 42	2011 – 2013
Janet Petersen, District 64	2001 – 2013

J. Scott Raecker, District 63	1999 – 2013
Dan Rasmussen, District 23	2003 – 2008 and 2011 – 2013
Kurt Swaim, District 94	2003 – 2013
David A. Tjepkes, District 50	2003 – 2013
James Van Engelenhoven, District 71	1999 – 2013
Andrew J. Wenthe, District 18	2007 – 2013
Nathan Willems, District 29	2009 – 2013

The House rose and expressed its appreciation.

Jeff Kaufmann, on behalf of the House, presented plaques to each leader in appreciation of their service and dedication to the Iowa House of Representatives during the Eighty-fourth General Assembly.

The House rose and expressed its appreciation.

SENATE AMENDMENT CONSIDERED

Chambers of O'Brien called up for consideration [House File 2466](#), a bill for an act making appropriations to the commission of veterans affairs for the provision of veterans services, and including effective date provisions, amended by the Senate, and moved that the House concur in the Senate amendment [H-8519](#).

The motion prevailed and the House concurred in the Senate amendment [H-8519](#).

Chambers of O'Brien moved that the bill, as amended by the Senate and concurred in by the House, be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" ([H.F. 2466](#))

The ayes were, 97:

Abdul-Samad	Alons	Arnold	Baltimore
Baudler	Berry	Brandenburg	Byrnes
Chambers	Cohoon	Cownie	De Boef
Deyoe	Dolecheck	Drake	Forristall
Fry	Gaines	Garrett	Gaskill
Grassley	Hagenow	Hager	Hall
Hanson	Hanusa	Heaton	Heddens

Hein	Helland	Horbach	Hunter
Huseman	Isenhart	Jacoby	Jorgensen
Kajtazovic	Kaufmann	Kearns	Kelley
Klein	Koester	Kressig	Lensing
Lofgren	Lukan	Lykam	Mascher
Massie	McCarthy	Miller, H.	Miller, L.
Moore	Muhlbauer	Murphy	Oldson
Olson, R.	Olson, S.	Olson, T.	Paustian
Pearson	Petersen	Pettengill	Quirk
Raecker	Rasmussen	Rayhons	Rogers
Running-Marquardt	Sands	Schulte	Schultz
Shaw	Smith, J.	Smith, M.	Soderberg
Steckman	Sweeney	Taylor, J.	Taylor, T.
Thede	Thomas	Tjepkes	Upmeyer
Van Engelenhoven	Vander Linden	Wagner	Watts
Wenthe	Wessel-Kroeschell	Willems	Winckler
Windschitl	Wittneben	Wolfe	Worthan
Mr. Speaker			
Paulsen			

The nays were, none.

Absent or not voting, 3:

Anderson	Iverson	Swaim
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The bill having received a constitutional majority was declared to have passed the House and the title, as amended, was agreed to.

REMARKS BY MINORITY LEADER MCCARTHY

McCarthy of Polk offered the following remarks:

Thank you, Mr. Speaker and ladies and gentlemen of the House. I'll be very brief, I know everyone wants to finish up.

First, a few thanks. Thanks to everyone here for the pleasure of serving with all of you. I was struck just a few moments ago when Rep. Swaim was acknowledged for his retirement award. As a citizen lawmaker, he actually has a law practice and is in a very important court case right now. He's not here for sine die or to get his award. He was able to give, like a lot of people here, a retirement speech, some reflection both for the individual giving the speech and for all us listening on a career of public service. I think that's very, very important. But a lot of us, and this puts our work in perspective here, may never see him again. Unless he comes back and visits, when he may get a welcome back on the back of the floor, and we may acknowledge it, but many of us may never see him again or work with him again. We hope that we will.

There are other people in this chamber through the vagaries of the electorate this November who won't have an opportunity to give your retirement speech and may not be back here and we may not have the opportunity to work with you again. And that

gives me pause to reflect back on the tone and rhetoric that we all, unfortunately, engage in from time to time when the passions of the moment take us and we get too many partisan words in us and too much partisan energy. It's moments like we just had that are good for the institution and it's good for us to reflect on how we all want to be viewed and remembered when we are not here anymore. So I want to thank all of you.

I also want to thank the staff, Brian Meyer and Dave Schrader in my office, who have done a good job trying to herd me, which is a very difficult job in making sure I know what's going on. I want to thank the Republican staff and also Matt, Angie, Tony and others who have kept Dave and Brian informed on what's going on so our caucus is informed. I want to thank our Democratic Caucus Staff, Joe and Mary and Gilde and Zeke and Epley and Bill Freeland and Anna and Dean and Rachelle. Thanks to them for all the good work. A few years ago I thanked the Republican Caucus Staff and forgot my own. I got in trouble for that one.

The election will be just under six months from now and we are all going to hit the campaign trail. Some of us have opponents, some of us don't. Some of us will be in real tough races, some of us won't. I think the case that House Democrats will be making to the voters and the question that I hope is on the voters mind is the following: Is there too much partisanship and focus on divisive issues occurring at our Capitol in Des Moines?

What's the answer to that question, voters? If you think things are going swimmingly, you have a choice there. If you think there needs to be a change, there's a choice there. Which party, which candidate is going to come to work every day with a focus on standing up and fighting for the middle class every day and on every issue? What legislator or candidate is going to come and stand up for issues that the average ordinary Iowan without an ideological agenda cares about? A strong education system. Preservation of our public preschool system. Certain collective bargaining rights for our police officers firefighters, corrections workers, troopers. Focus on the jobs and the economy, but including access to jobs through workforce development centers. A strong health care system that protects the most vulnerable. And clean air and a clean environment.

If those are the questions percolating around voters' minds, then House Democrats are going to do ok.

If they are not, and sometimes that happens, then we're proud for all we have fought for these last two years whether it was preschool or rights for workers or access to jobs or whether we have mainstream, reasonable gun laws. That is the direction that we would take this state, a mainstream direction that invests in our future.

It was a pleasure to work with all of you. For those of you who don't come back, stop back and visit so we can have some moments that others who are retiring were able to experience.

CONFERENCE COMMITTEE REPORT FILED

MR. SPEAKER: The Chief Clerk of the House respectfully reports that the conference committee report on the following bill has been received and is on file in the office of the Chief Clerk.

W. CHARLES SMITHSON
Chief Clerk of the House

[Senate File 2315](#), a bill for an act relating to redesign of publicly funded mental health and disability services by requiring certain core services and addressing other services and providing for establishment of regions and including effective date and applicability provisions.

ON THE PART OF THE HOUSE:

RENEE SCHULTE, Chair
LINDA UPMEYER
NICK WAGNER

ON THE PART OF THE SENATE:

JACK HATCH, Chair
JOE BOLKCOM
JONI ERNST
DAVID JOHNSON
AMANDA RAGAN

ADOPTION OF THE REPORT OF THE
CONFERENCE COMMITTEE
([Senate File 2315](#))

Schulte of Linn called up for consideration the report of the conference committee on [Senate File 2315](#), a bill for an act relating to redesign of publicly funded mental health and disability services by requiring certain core services and addressing other services and providing for establishment of regions and including effective date and applicability provisions, and moved the adoption of the conference committee report and the amendments contained therein.

The motion prevailed and the conference committee report was adopted.

Schulte of Linn moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" ([S.F. 2315](#))

The ayes were, 66:

Alons	Baltimore	Baudler	Berry
Brandenburg	Byrnes	Chambers	Cownie
Deyoe	Dolecheck	Drake	Forristall
Fry	Garrett	Grassley	Hagenow
Hager	Hanusa	Heaton	Hein
Helland	Horbach	Huseman	Jacoby
Kajtazovic	Kaufmann	Kelley	Klein
Koester	Kressig	Lensing	Lofgren
Lukan	Lykam	Mascher	Massie
Miller, L.	Moore	Olson, S.	Paustian
Pearson	Quirk	Raecker	Rasmussen
Rayhons	Rogers	Running-Marquardt	Sands
Schulte	Schultz	Shaw	Smith, J.
Soderberg	Sweeney	Thede	Thomas
Tjepkes	Upmeyer	Van Engelenhoven	Vander Linden
Wagner	Watts	Winckler	Windschitl
Worthan	Mr. Speaker		
	Paulsen		

The nays were, 31:

Abdul-Samad	Arnold	Cohoon	De Boef
Gaines	Gaskill	Hall	Hanson
Heddens	Hunter	Isenhart	Jorgensen
Kearns	McCarthy	Miller, H.	Muhlbauer
Murphy	Oldson	Olson, R.	Olson, T.
Petersen	Pettengill	Smith, M.	Steckman
Taylor, J.	Taylor, T.	Wenthe	Wessel-Kroeschell
Willems	Wittneben	Wolfe	

Absent or not voting, 3:

Anderson	Iverson	Swaim
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The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

REMARKS BY MAJORITY LEADER UPMEYER

Upmeyer of Hancock offered the following remarks:

Thank you, Mr. Speaker. Mr. Speaker, ladies and gentlemen of the House.

It is hard to fully describe the honor of serving in this building but it is not difficult to know who to thank. I think I speak for us all when I say thank you to our constituents. They put their trust in us and keep us focused on what is important. It is the people of Iowa that will always make this job worthwhile.

I want to thank my colleagues on both sides of the aisle. You all give so much of yourselves to do this job. It is not easy taking time away from family, work and life. But you have all done that so the people in your district could be well represented.

Minority Leader McCarthy, your caucus and your staff deserve to be commended for their tireless work and their contribution. I am proud of the bipartisan spirit that can be found in much of the legislation we have done this year.

Thank you to all the people who keep this building running – day and night. You often work without recognition, but we appreciate all you do. Thank you to Tom, Katelyn and all the pages. I am so impressed with all of you and know you have a bright future.

A special thank you to our staff: Jeff, Lon, Jason, Amanda, Kristi, Lew, Louis, Brad, Dustin, Jill, Matt, Josie, Terri, Tony and Angie. You are simply the best at what you do.

When I was thinking about what I have learned over the last two sessions and what we have accomplished, I kept coming back to one thought: big things do not often happen all at once. A building is not merely placed on the corner of a street, rather it is built brick by brick. It is the culmination of many smaller contributions through which big things are done.

It is that idea which describes the work we have accomplished over these last two years. There is no magic bill to cure all woes, and NO... waiting for one to come is not what made the last two sessions run long. To effect change, you need to make a consistent effort to focus on your priorities and principles.

Over the last two sessions we have made a consistent effort to focus on delivering a more effective and efficient state government for the hardworking taxpayers of Iowa. First and foremost that was accomplished by delivering on our promise that we would live within our means, just like Iowans have to. We committed to not spend more than we took in, and we have stood strong.

We have made the budget process more transparent and accountable. We have dramatically reduced the number of “notwithstandings” in the budget. In fact, RIIF went from 98% “notwithstandings” to only 25%. That is significant progress, but clearly there is work yet to be done. Over the years, many things were moved off budget which made it hard to determine exactly how much the State was spending each year. We tackled that, not all at once, but each day as we worked through the budgets.

We have created stability in the budget by refusing to spend one-time money for ongoing expenses. Again, this took vigilance on a daily basis by Representative Raecker and his team. Old habits die hard, but they fought for it and the financial health of our government is better as a result. Nothing is harder on our communities or erodes the

public confidence more than rollercoaster budgeting. Using stable funding sources ensures we keep the promises we make and creates certainty for Iowans.

It goes without saying that balancing a budget is hard work. Even harder is finding agreement on a budget when you have many cooks in the kitchen. An expedient choice to help resolve the budget in the past was to knowingly underfund the commitments we had made to Iowans in order to balance the budget or spend more in other areas.

That is precisely the situation we found ourselves in last year with K-12 funding. Schools were underfunded by \$156 million, which placed an unfair burden on our school districts and the property taxpayers. To remedy this, we committed a historic amount of new funding to education last year. Intentionally underfunding known obligations to balance the budget is irresponsible and I am proud we kept our promise to avoid it.

Sometimes making a positive change and doing the right thing can also be the easy thing to do! We made a commitment to conducting our work in the light of day, which meant we would not debate in the middle of the night. Representative Cownie, what could be easier than NOT debating after midnight? Even if it was not convenient at times, it was the right thing to do.

We wanted Iowans to have the opportunity to be participants in this process. Part of that was making sure we were not working in the dead of night. Another part of that was providing for streaming video of floor activity. What a wonderful way to truly open the doors to the people's House.

What I covered today is only a small sampling of the many positive contributions that have come over these last two years. When you add them up, you are looking at a substantive change in the culture of state government. We should be proud that we have held ourselves accountable to the commitments we made to Iowans. That is what they expect from us and it is what they deserve.

The progress is significant, but we should not lose sight that there is more to be done. We have to turn the cultural change over the last two years into a pattern of practice. We have to continue making the hardworking taxpayers of Iowa a priority. We have to keep working towards delivering a world class education to our children. We have to continue striving to deliver the most efficient and effective government in the nation. We absolutely must continue to ensure state government is aiding job creation, not impeding it.

That has been our focus. That will continue to be our mission.

I want to thank Governor Branstad and Lieutenant Governor Reynolds for their effort to be partners in our shared goals. Your leadership and the message you have carried across this state have been instrumental.

Thank you to the members of my caucus. I am humbled everyday by your hard work and the opportunity you have provided me. Thank you to the retirees for your service. You will be missed. I am proud that you will return home knowing you left our state in a better position and that you were able to make a difference.

Mr. Speaker, as always thank you for your leadership and your friendship. The 84th General Assembly has come to a close and we should be proud of the work that was done in this chamber.

CONFERENCE COMMITTEE REPORT FILED

MR. SPEAKER: The Chief Clerk of the House respectfully reports that the conference committee report on the following bill has been received and is on file in the office of the Chief Clerk.

W. CHARLES SMITHSON
Chief Clerk of the House

[Senate File 2336](#), a bill for an act relating to appropriations for health and human services and including other related provisions and appropriations, making penalties applicable, and including effective, retroactive, and applicability date provisions.

ON THE PART OF THE HOUSE:

DAVE HEATON, Chair
LINDA MILLER
MATT WINDSCHITL

ON THE PART OF THE SENATE:

JACK HATCH, Chair
JOE BOLKCOM
AMANDA RAGAN

ADOPTION OF THE REPORT OF THE CONFERENCE COMMITTEE ([Senate File 2336](#))

Heaton of Henry called up for consideration the report of the conference committee on [Senate File 2336](#), a bill for an act relating to appropriations for health and human services and including other related provisions and appropriations, making penalties applicable, and including effective, retroactive, and applicability date provisions, and moved the adoption of the conference committee report and the amendments contained therein.

The motion prevailed and the conference committee report was adopted.

Heaton of Henry moved that the bill be read a last time now and

placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" ([S.F. 2336](#))

The ayes were, 53:

Arnold	Baltimore	Baudler	Byrnes
Chambers	Cownie	De Boef	Deyoe
Dolecheck	Drake	Forristall	Fry
Garrett	Grassley	Hagenow	Hager
Hanusa	Heaton	Hein	Helland
Horbach	Huseman	Kaufmann	Klein
Koester	Kressig	Lofgren	Lukan
Miller, L.	Moore	Murphy	Olson, S.
Paustian	Pettengill	Raecker	Rasmussen
Rayhons	Rogers	Sands	Schulte
Schultz	Smith, J.	Soderberg	Sweeney
Tjepkes	Upmeyer	Van Engelenhoven	Vander Linden
Wagner	Watts	Windschitl	Worthan
Mr. Speaker Paulsen			

The nays were, 44:

Abdul-Samad	Alons	Berry	Brandenburg
Cohoon	Gaines	Gaskill	Hall
Hanson	Heddens	Hunter	Isenhart
Jacoby	Jorgensen	Kajtazovic	Kearns
Kelley	Lensing	Lykam	Mascher
Massie	McCarthy	Miller, H.	Muhlbauer
Oldson	Olson, R.	Olson, T.	Pearson
Petersen	Quirk	Running-Marquardt	Shaw
Smith, M.	Steckman	Taylor, J.	Taylor, T.
Thede	Thomas	Wenthe	Wessel-Kroeschell
Willems	Winckler	Wittneben	Wolfe

Absent or not voting, 3:

Anderson	Iverson	Swaim
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The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

REMARKS BY SPEAKER PAULSEN

Paulsen of Linn offered the following remarks:

I will begin by saying thank you to the members of the Eighty-Fourth General Assembly. Thank you for your commitment and service to the people of Iowa. Special thanks to the Eighteen of you choosing to retire. You will be missed not only by your friends and colleagues here at the Capitol, but moreover by the Iowans in the districts you've served over the years.

I want to specifically recognize the two members retiring from the House Republican Leadership team; Speaker Pro-Tem Jeff Kaufmann and Assistant Leader Steve Lukan. I personally want to thank each of you for your friendship and your service to our caucus. Your leadership will be missed. To the other members of the leadership team: Erik, Renee, Dave and Matt - I truly appreciate your input and advice. And last but not least, the Majority Leader – Linda Upmeyer. House Republicans appreciate everything you do. Your dedication and insight are invaluable and have not only made our caucus more determined, but made the Iowa House stronger.

I'd also like to recognize Leader McCarthy. I know I have said this before, but you truly have a difficult job as Minority Leader. During the past two years you have done a commendable job working in a bipartisan manner when you could and trying to keep your opposition civil when you could not, something Iowans deserve and expect.

Once again, thank you to the leadership staff: Josie, Angie, Terri, Tony and Matt. And, in my opinion, the best caucus staff in the building – the House Republican Caucus staff: Jeff, Lew, Lon, Brad, Jason, Kristi, Jill, Amanda, Louis and Dustin. Thank you for your hard work and the timely and reliable information you provide year in and year out.

Chief Clerk Smithson, thank you to you and your staff. The work you all do right here in front me and behind the scenes helps make this chamber operate efficiently.

A special thanks to LSA for all of your hard work. Especially the time and effort put in by all these past few weeks.

I also want to recognize and thank the gentleman to my right, the Speaker's page Tom Biedenfeld. Tom you have taken good care of me throughout the year. I appreciate your dedication and have enjoyed our baseball conversations between votes and while the House is at ease.

And finally, a special thank you to Governor Terry Branstad and Lieutenant Governor Kim Reynolds and their team for their resolve and unwavering leadership during these last two years.

The first day that the Eighty-Fourth General Assembly convened, I outlined to Iowans a set of goals this body would seek to achieve and principals we would follow during the course of conducting legislative business. Since that day, this body has remained focused on the issues important to Iowans and the business the people sent us here to do.

We have worked hard at putting Iowans back to work and reducing the size, scope and cost of state government.

The first action we took to put Iowans back to work was to provide Iowa's business climate with some much needed certainty and stability. For too long, Iowa employers were reluctant to invest in their operations, preventing them from hiring and expanding. They were reluctant because they constantly threatened with job-killing legislation like the repeal of our Right to Work law and Open Scope Bargaining. House Republicans put those ideas in the rear-view mirror and moved forward.

Employers were reluctant to invest in Iowa's workforce and economy because Iowa's budget was unstable. State government was spending more than it took in and the threat of massive tax increases to correct the problem was real and imminent.

I can report to you today we have removed those fears and Iowa's economy is rebounding and is headed in the right direction.

When Republicans took the majority in the House, more than 110,000 Iowans were unemployed. According to Iowa Workforce Development's latest report, 87,000 Iowans are looking for work. That number, while still too high and worrisome, is a tangible sign of progress. It is also a reminder that we can and need to continue to do better.

In the last few days, we have had the opportunity to review the changes in the state budget over the last two sessions. Frankly, it really is quite remarkable. Normally a change in law is needed to alter the budget process. But this chamber has fundamentally changed the way state government budgets because we believed it was the right thing to do. In the past, legislators, including Republicans, underfunded previous commitments, spent more than the state was taking in and used one-time money for ongoing expenses. I'm proud to say those practices have ended.

When House Republicans took charge of the state budget in January 2011, Governor Culver had signed the four largest budgets in the state history, forced a \$500 million property tax increase, borrowed over \$800 million, and left a \$900 million spending gap for Governor Branstad and the new legislature.

House Republicans have led the way towards a healthy and accountable state budget that has measurable results for the hardworking taxpayers of Iowa. We have turned a \$900 million spending shortfall into \$624 million in reserves, \$300 million in ending balance and \$90 million in the House Republican created Taxpayer Trust Fund. That \$390 million should be returned to the taxpayers through broad-based tax relief and will be this body's first order of business next year.

In Fiscal Year 2011 the state was spending 118% of total available general fund revenue. In Fiscal Year 2012, we reduced that to 93% of total available general fund revenue and in Fiscal Year 2013 it will be 95%.

In terms of on-going revenue, which as you might have heard is a far more important measurement for House Republicans, the state will be spending just 99% in Fiscal Year 2012 and 2013. In the future, we must remain committed to spending less than the state collects from the taxpayers.

Despite skepticism, we have, at a minimum, reduced the cost of state government by \$360 million a combination of efficiencies and reprioritization.

Additionally, this General Assembly backfilled the intentional act of underfunding Iowa's K through 12 education system to ensure property taxpayers were not saddled with that burden; and we honored our commitments to parents and students by funding previous commitments.

House Republicans see it as our duty to cut out waste in government spending so our state can be more efficient and effective. A better run state government means Iowans get to keep more of their own money. Over the last two years House Republicans have persistently tackled tax relief. We sent a 20% income tax reduction to the Senate. We sent four separate and different property tax relief bills across the Rotunda; and like most bills in this chamber nearly all four proposals received bipartisan support. Regrettably, we could not find common ground with the Senate on these ideas.

All Iowans deserve to see tax relief. It helps Iowa's economy and puts people back to work. House Republicans will not be deterred or be distracted from this goal. We will be back next year continuing our fight for the hardworking taxpayers of Iowa.

When each of you walk out of here and return home you can say with pride that the House restored commonsense budgeting principles to state government while funding Iowans' priorities including: education, public safety, healthcare and infrastructure.

In closing, I wish to thank my wife Cathy and each of our four children for their never ending support. Thank you to each of you for giving me the opportunity to serve as your Speaker for the last two years. It is an honor and privilege that I do not take lightly.

During session, each day I wake up thinking about how to move Iowa forward with the hard working taxpayers in mind. We have made progress for the taxpayers but our work is not done. We must continue to build upon the success of the last two years. Iowans deserve it. Thank you and God bless the great State of Iowa.

SENATE AMENDMENT CONSIDERED

Hein of Jones called up for consideration [House File 2470](#), a bill for an act providing for sales and use taxes collected on farm machinery and equipment, amended by the Senate, and moved that the House concur in the Senate amendment [H-8517](#).

The motion prevailed and the House concurred in the Senate amendment [H-8517](#).

Hein of Jones moved that the bill, as amended by the Senate and concurred in by the House, be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" ([H.F. 2470](#))

The ayes were, 94:

Abdul-Samad	Alons	Arnold	Baltimore
Baudler	Berry	Brandenburg	Byrnes
Chambers	Cohoon	Cownie	De Boef
Deyoe	Dolecheck	Drake	Forristall
Fry	Gaines	Garrett	Gaskill
Grassley	Hagenow	Hager	Hall
Hanson	Hanusa	Heaton	Heddens
Hein	Helland	Horbach	Huseman
Isenhardt	Jacoby	Jorgensen	Kajtazovic
Kaufmann	Kearns	Kelley	Klein
Koester	Kressig	Lensing	Lofgren
Lukan	Lykam	Mascher	Massie
McCarthy	Miller, H.	Miller, L.	Moore
Muhlbauer	Murphy	Oldson	Olson, S.
Olson, T.	Paustian	Pearson	Petersen
Pettengill	Quirk	Raecker	Rasmussen
Rayhons	Rogers	Running-Marquardt	Sands
Schulte	Schultz	Shaw	Smith, J.
Smith, M.	Soderberg	Steckman	Sweeney
Taylor, J.	Taylor, T.	Thede	Thomas
Tjepkes	Upmeyer	Van Engelenhoven	Vander Linden
Wagner	Watts	Wenthe	Willems
Winckler	Windschitl	Wittneben	Wolfe
Worthan	Mr. Speaker		
	Paulsen		

The nays were, 2:

Hunter Olson, R.

Absent or not voting, 4:

Anderson Iverson Swaim Wessel-Kroeschell

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

MESSAGE FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on May 9, 2012, adopted the following resolution in which the concurrence of the House is asked:

[Senate Concurrent Resolution 102](#), a concurrent resolution to provide for adjournment sine die.

MICHAEL E. MARSHALL, Secretary

IMMEDIATE MESSAGES

Upmeyer of Hancock asked and received unanimous consent that the following bills be immediately messaged to the Senate: **House Files 2466, 2470** and **Senate Files 466, 2315** and **2336**.

ADOPTION OF [SENATE CONCURRENT RESOLUTION 102](#)

Upmeyer of Hancock asked and received unanimous consent for the immediate consideration of [Senate Concurrent Resolution 102](#), a concurrent resolution to provide for adjournment sine die, and moved its adoption.

The motion prevailed and the resolution was adopted.

IMMEDIATE MESSAGE

Upmeyer of Hancock asked and received unanimous consent that [Senate Concurrent Resolution 102](#) be immediately messaged to the Senate.

LEAVE OF ABSENCE

Leave of absence was granted during voting as follows:

Anderson of Page
Paustian of Scott

Iverson of Wright
Sands of Louisa

BILL ENROLLED, SIGNED
AND SENT TO THE SECRETARY OF STATE

The Chief Clerk of the House submitted the following report:

Mr. Speaker: The Chief Clerk of the House respectfully reports that the following bill has been examined and found correctly enrolled, signed by the Speaker of the House and the President of the Senate, and presented to the Secretary of State on this 9th day of May, 2012: [House Joint Resolution 2008](#).

W. CHARLES SMITHSON
Chief Clerk of the House

Report adopted.

FINAL ADJOURNMENT

By virtue of [Senate Concurrent Resolution 102](#), duly adopted, the day of May 9, 2012 having arrived, the Speaker of the House of Representatives declared the 2012 Regular Session of the Eighty-fourth General Assembly adjourned sine die at 6:13 p.m.

SUPPLEMENT TO THE HOUSE JOURNAL

BILL ENROLLED, SIGNED AND SENT TO GOVERNOR

The Chief Clerk of the House submitted the following report:

Mr. Speaker: The Chief Clerk of the House respectfully reports that the following bill has been examined and found correctly enrolled, signed by the Speaker of the House and the President of the Senate, and presented to the Governor for his approval on this 15th day of May, 2012: [House File 2338](#).

W. CHARLES SMITHSON
Chief Clerk of the House

Report adopted.

BILLS ENROLLED, SIGNED AND SENT TO GOVERNOR

The Chief Clerk of the House submitted the following report:

Mr. Speaker: The Chief Clerk of the House respectfully reports that the following bills have been examined and found correctly enrolled, signed by the Speaker of the House and the President of the Senate, and presented to the Governor for his approval on this 18th day of May, 2012: House Files 609, 2335, 2336, 2337, 2460, 2465, 2466, 2470 and 2473.

W. CHARLES SMITHSON
Chief Clerk of the House

Report adopted.

**BILLS APPROVED
SUBSEQUENT TO ADJOURNMENT**

The following is a record of the action of the Governor on the bills passed by the 2012 Regular Session of the Eighty-fourth General Assembly and which action was had subsequent to the date of final adjournment.

[House File 609](#), an Act relating to trusts and estates including the administration of small estates, and certain state inheritance tax provisions, and including applicability provisions. Approved 5-25-12.

[House File 2335](#), an Act relating to appropriations to the justice system, and providing effective dates. [House File 2335](#) is approved before I take action on [Senate File 2336](#), Eighty-fourth General Assembly. Approved 5-25-12.

[House File 2338](#), an Act relating to appropriations to the Judicial Branch. Approved 5-25-12.

[House File 2460](#), an Act relating to Iowa's urban renewal law and incremental taxes by modifying provisions relating to divisions of revenue, modifying provisions relating to the approval of urban renewal plans and projects and approval of the use of certain local sales and services tax revenue, requiring certain reporting and auditing, and including applicability provisions. Approved 5-25-12.

[House File 2466](#), an Act relating to veterans by making appropriations to the Commission of Veterans Affairs for the provision of veterans services and by providing certain sales tax exemptions to qualified organizations representing veterans, and including effective date and retroactive applicability provisions. Approved 5-25-12.

[House File 2470](#), an Act providing for sales and use taxes collected on farm machinery and equipment. Approved 5-25-12.

[House File 2473](#), an Act relating to economic development and the use of funds by establishing programs and funds, affecting programs, tax incentives, and project completion and other assistance administered by the Economic Development Authority, by replacing references to the Economic Development Fund and Financial Assistance Program, and by providing spending authority, by providing for properly related matters, and including effective date and retroactive applicability provisions. Approved 5-25-12.

[Senate File 466](#), an Act relating to residential contractors and providing a penalty and including applicability provisions. Approved 5-25-12.

[Senate File 2237](#), an Act relating to social and charitable gambling concerning allowable prizes at annual game nights conducted by religious organizations and concerning the frequency of reporting and distribution of proceeds requirements for certain qualified organizations licensed to conduct social and charitable gambling. Approved 5-25-12.

[Senate File 2283](#), an Act relating to various recreation and conservation activities under the purview of the Department of Natural Resources, providing for repeals, making penalties applicable, and including effective date provisions. Approved 5-25-12.

[Senate File 2284](#), an Act relating to programs and activities under the purview of the Department of Education, the State Board of Education, the Board of Educational Examiners, the State Board of Regents, school districts, and accredited nonpublic schools, and including effective date provisions. Approved 5-25-12.

[Senate File 2313](#), an Act relating to appropriations to certain state departments, agencies, funds, and certain other entities, providing for regulatory authority, and other properly related matters and including effective date and retroactive applicability provisions. Approved 5-25-12.

[Senate File 2315](#), an Act relating to redesign of publicly funded mental health and disability services by requiring certain core services and addressing other services and providing for establishment of regions, revising related property tax levy provisions, and including effective date and applicability provisions. Approved 5-25-12.

[Senate File 2321](#), an Act relating to the funding of, the operation of, and appropriation of moneys to the College Student Aid Commission, the Department for the Blind, the Department of Education, and the State Board of Regents, and providing effective date provisions. Approved 5-25-12.

[Senate File 2342](#), an Act relating to state taxation by providing specified tax credits for the construction and installation of solar energy systems and geothermal heat pumps, modifying sales and use tax provisions related to property purchased for resale, and creating a sales tax exemption for certain items purchased for use in providing vehicle wash and wax services and including effective date and retroactive and other applicability provisions. Approved 5-25-12.

[Senate File 2343](#), an Act making changes to the controlled substance schedules, applying penalties, and including effective date provisions. Approved 5-25-12.

GOVERNOR'S VETO MESSAGE SUBSEQUENT TO ADJOURNMENT

A copy of the following communication was received and placed on file:

[SENATE FILE 2338](#)

May 25, 2012

The Honorable Matt Schultz
Secretary of State of Iowa
State Capitol
Des Moines, Iowa 50319

Dear Mr. Secretary:

[Senate File 2338](#), an Act relating to government operations and efficiency and other related matters and including effective date and applicability provisions, is hereby disapproved and transmitted to you in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa.

[Senate File 2338](#) is hereby disapproved on this date.

I am unable to approve [Senate File 2338](#) for the following reasons:

This legislation purports to make government more efficient; however, the minor changes proposed are not significant. As Governor, I am committed to working with the legislature to restore good budget practices and increase the accountability and efficiency of our state government. [Senate File 2338](#) fails to adequately further these goals and commitments.

The majority of the purported savings is from the Medication Therapy Management (MTM) program. Although I believe the State must find ways to reduce the cost of health care for employees, MTM could end up costing taxpayers more than the program would save. Further, employee benefits should be properly bargained rather than codified into law through legislation. Moreover, the legislature uses one-time money to pay for this ongoing expense. This budget practice must stop in order to achieve my goal of restoring predictability and stability to government budgeting practices.

Additionally, this bill proposes MTM in an inefficient manner, through code, rather than a Request for Proposal (RFP) through the state's medical plan. The most efficient application of MTM would be a program implemented by the Department of Administrative Services (DAS) through a competitive RFP process with strong integration with the programs offered by the State's Pharmacy Benefits Manager and the Administrator of the State's Medical Plan.

At my direction, many of the proposed efficiencies in this bill are already being implemented by the executive branch departments. I have asked state agencies to work diligently to reduce administrative costs such as minimizing printing and paper, reducing energy costs, minimizing administrative overhead, and reducing work space.

My administration is committed to reducing the size and cost of government by 15% through efficiencies and new technologies that allow for savings. I desire to work with the legislature and conduct a comprehensive review of all boards and commissions to eliminate any that are unnecessary and combine any that are duplicative. This comprehensive review of boards and commissions would result in significant savings to Iowa taxpayers.

For the above reasons, I respectfully disapprove of [Senate File 2338](#), in its entirety, in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa.

Sincerely,

TERRY E. BRANSTAD
Governor

GOVERNOR'S ITEM VETO MESSAGES SUBSEQUENT TO ADJOURNMENT

A copy of the following communication was received and placed on file:

[HOUSE FILE 2336](#)

May 25, 2012

The Honorable Matt Schultz
Secretary of State of Iowa
State Capitol Building
Des Moines, Iowa 50319

Dear Mr. Secretary:

I hereby transmit [House File 2336](#), an Act relating to appropriations involving state government entities involved with agriculture, natural resources, and environmental protection, and including effective date provisions.

[House File 2336](#) is, therefore, signed on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the item designated as Section 8, amending 2011 Iowa Acts, Chapter 128, Section 49, inserting numbered paragraph 2A. This language would require Department of Natural Resources (“DNR”) to hire two to four additional park rangers. While I support efforts to ensure adequate numbers of park rangers, I believe that the language mentioned above requiring specific staff levels, hinders the state’s ability to manage overall operational needs. I believe that flexibility is needed to determine how many park rangers are hired based on costs, availability of funding and specific park needs.

I am unable to approve the designated portion of the item designated as Section 9, amending 2011 Iowa Acts, Chapter 128, Section 50, inserting numbered paragraph 1A. This item would require DNR to support at least 84 full-time conservation officer positions. While I support efforts to ensure adequate numbers of conservation officers, I believe that the language mentioned above requiring specific staff levels, hinders the state’s ability to manage overall operational needs. I believe that flexibility is needed to determine how many conservation officers are hired based on costs, availability of funding and specific park needs.

For the above reasons, I respectfully disapprove the designated 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 2336](#) are hereby approved as of this date.

Sincerely,

TERRY E. BRANSTAD
Governor

[HOUSE FILE 2337](#)

May 25, 2012

The Honorable Matt Schultz
Secretary of State of Iowa
State Capitol Building
Des Moines, Iowa 50319

Dear Mr. Secretary:

I hereby transmit [House File 2337](#), an Act relating to appropriations to the Department of Cultural Affairs, the Economic Development Authority, certain Board of Regents institutions, the department of Workforce Development, the Iowa Finance Authority, the Rebuild Iowa Infrastructure Fund, and the Public Employment

Relations Board, eliminating the film tax credit program, providing for other properly related matters, including effective date and retroactive and other applicability provisions.

[House File 2337](#) is, therefore, signed on this date with the following exception, which I hereby disapprove.

I am unable to approve the item designated as Section 19, numbered paragraph 2, subparagraph c in its entirety. This item provides \$153,000 to the Workers Compensation Division to create a new position of Chief Deputy Commissioner. The effect of this disapproval shall cause the \$153,000 contained in this item to revert to the General Fund. Even after this item veto, the Division of Workers Compensation will receive an increase in its state appropriation over the current fiscal year to assist its efforts to effectively accomplish its mission.

For the above reasons, I respectfully disapprove the designated item in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in [House File 2337](#) are hereby approved as of this date.

Sincerely,

TERRY E. BRANSTAD
Governor

[HOUSE FILE 2465](#)

May 25, 2012

The Honorable Matt Schultz
Secretary of State of Iowa
State Capitol
Des Moines, Iowa 50319

Dear Mr. Secretary:

I hereby transmit [House File 2465](#), an Act relating to state and local finances by making and adjusting appropriations, providing for funding of property tax credits and reimbursements and for other matters pertaining to taxation, providing for fees and criminal penalties, providing for legal responsibilities, providing for certain insurance and employee benefits, and providing for properly related matters, and including effective date and retroactive and other applicability provisions.

[House File 2465](#) is approved on this date with the following exception, which I hereby disapprove.

I am unable to approve of the item designated as Division VIII in its entirety. This item allows a city subject to a judgment, where the city is required to return previously collected franchise fees revenue, the ability to impose a franchise fee at the rate of up to 7.5%. A referendum approving this increase must be passed by the voters before a rate greater than 5.0% can be imposed. I am committed to continuing a tax and jobs policy discussion with the House and Senate to adopt a package of tax reductions that

facilitates our long-term economic growth and job creation. It is my desire to approach tax policy in a comprehensive and holistic manner. As such, I urge members of the House and Senate to continue to work with my office on an overall tax reduction package that both fits within our sound budgeting principles while reducing those taxes that are impeding our state's ability to compete for new business and jobs.

For the above reasons, I respectfully disapprove the designated item 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

[SENATE FILE 2316](#)

June 7, 2012

The Honorable Matt Schultz
Secretary of State of Iowa
State Capitol Building
Des Moines, Iowa 50319

Dear Mr. Secretary:

I hereby transmit [Senate File 2316](#), an Act relating to and making appropriations to state departments and agencies from the Rebuild Iowa Infrastructure Fund, the Technology Reinvestment Fund, the Endowment for Iowa's Health Restricted Capitals Fund, and the Mortgage Servicing Settlement Fund, providing for related matters, and including effective date and retroactive applicability provisions.

[Senate File 2316](#) is, therefore, signed on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the item designated as Section 1, subsection 9, lettered paragraph b, in its entirety. This item allows \$400,000 to be used for Iowa State University (ISU) College of Veterinary Medicine to modernize animal care facilities. The Board of Regents did not request this item and was not a part of the budget recommendation I submitted to the General Assembly.

I am unable to approve the item designated as Section 3, subsection 5, lettered paragraph a, in its entirety. This item requires the Iowa Communications Network (ICN) to conduct an audit and appraisal prior to any sale or lease of the ICN. An audit and appraisal is premature and unnecessary. If such an audit is needed in the future one could be conducted at that time.

I am unable to approve the items designated as Sections 24, 25 and 26 in their entirety. These items create a permanent \$3 million revenue diversion out of the General Fund completely circumventing the annual appropriation process. This does not work to advance my goals of returning predictability and sustainability back to government

budgeting. The Housing Trust Fund's funding level will remain approximately the same as the previous fiscal year. It is my goal to eliminate this bad budgeting practice of automatic diversions from General Fund revenue.

For the above reasons, I respectfully disapprove the designated 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 2316](#) are hereby approved as of this date.

Sincerely,

TERRY E. BRANSTAD
Governor

[SENATE FILE 2336](#)

May 25, 2012

The Honorable Matt Schultz
Secretary of State of Iowa
State Capitol Building
Des Moines, Iowa 50319

Dear Mr. Secretary:

I hereby transmit [Senate File 2336](#), an Act relating to appropriations for health and human services and including other related provisions and appropriations, making penalties applicable, and including effective, retroactive, and applicability date provisions.

[Senate File 2336](#) is, therefore, signed on this date with the following exceptions, which I hereby disapprove.

I am concerned that [Senate File 2336](#) does not adequately fund the state share of Medicaid. The legislature was unable to reach an agreement on Medicaid so there has not been an adjustment to the Medicaid appropriation since the last legislative session. It is estimated that the Medicaid appropriation will fall \$30 to \$40 million short of the low-range projections. Sufficient funds will exist in the ending balance to cover any shortfall and the money has not been used for other purposes. Simply put, this is not a good budget practice and should not be continued in the future.

I am unable to approve the designated portion of the item designated as Section 3, subsection 2, lettered paragraph d. This item creates a redundant, overly burdensome mandate requiring the Iowa Veterans' Home to make expenditure reports monthly to the Legislative Services Agency for fiscal year 2013. While I strongly support transparency efforts that publicly disclose how departments spend their resources, this information is already available within the State's accounting and budgeting systems.

I am unable to approve the designated portion of the item designated as Section 7, amending 2011 Iowa Acts, chapter 129, section 119 inserting numbered paragraph 5. This item appropriates \$500,000 to the Food Bank of Iowa. This is a new appropriation. The effect of this disapproval shall cause the \$500,000 contained in this

item to revert to the General Fund. I strongly support the Food Bank of Iowa and their important work to help needy Iowans. In fact, I started in the 1980's and annually lead a fund drive to help raise private donations for the Food Bank. I am proud of the generous contributions state of Iowa employees make to the Food Bank. I believe that private donations are the best way to support the Food Bank.

I am unable to approve the item designated as Section 11 in its entirety. This language sets a poor policy precedent because it limits savings that can be achieved in our Medicaid program. The Department of Human Services needs to have the flexibility to manage the Medicaid entitlement program and its' cost to the taxpayers.

I am unable to approve the item designated as Section 16 in its entirety. The effect of this disapproval shall cause the \$37,000 contained in this item to revert to the General Fund. It is inappropriate to designate a special reimbursement method directed for one single provider. This issue should be dealt with through the Children's Disability Services workgroup. This group is working together so that unmet needs and reimbursement issues can be addressed as a whole, rather than for certain providers.

I am unable to approve the designated portion of the item designated as Section 29, amending 2011 Iowa Acts, chapter 129, section 138 inserting numbered paragraph 3. This item creates carry-forward language which is unnecessary for the Department of Human Services from fiscal year 2013 to 2014 for field operations. The carry-forward language does not work to advance my goals of returning predictability and sustainability back to government budgeting. Additionally, providing carry-forward language for the Department of Human Services before the fiscal year has begun and before it can be known if funds will exist to carry-forward is inappropriate.

I am unable to approve the designated portion of the item designated as Section 30 amending 2011 Iowa Acts, chapter 129, section 139 inserting numbered paragraph 9. This item creates carry-forward language which is unnecessary for the Department of Human Services from fiscal year 2013 to 2014 for general administration. The carry-forward language does not work to advance my goals of returning predictability and sustainability back to government budgeting. Additionally, providing carry-forward language for the Department of Human Services before the fiscal year has begun and before it can be known if funds will exist to carry-forward is inappropriate.

I am unable to approve the designated portion of the item designated as Section 50, paragraph 3. The effect of this disapproval shall cause the disapproved funds to not be appropriated and the terms of the federal funding shall control disbursement. This item appropriates funds for a child welfare resources fund to pay for infrastructure, supplies, and equipment for private child welfare providers. The Department of Human Services has emphasized the value and effectiveness of care in home and community-based settings over institutions. Psychiatric Medical Institutions for Children already have the ability to be reimbursed by Medicaid for the costs of infrastructure, supplies and equipment.

I am unable to approve the item designated as Section 73 in its entirety. The effect of this disapproval shall cause the disapproved funds to revert to the community housing revolving loan program. This item diverts critically important funds away from cost effective community-based care. Instead it uses the one-time funds for building or rehabilitation of institutions. Due to scarce state resources, care of children in home and community-based settings must have funding priority.

I am unable to approve the item designated as Section 75 in its entirety. This item creates carry-forward language which is unnecessary for the Department of Human Services from fiscal year 2012 to 2013 for the family investment program. This carry-forward language is not needed for this program.

The DHS carry-forward for state supplementary assistance found in Section 78 is not consistent with best budget practices. It is inappropriate, but unfortunately necessary due to federal maintenance of effort requirements. We must return predictability and sustainability back to government budgeting. It is my goal that in next year's biennial budget, the legislature will forgo the use of any carry-forward language for general fund dollars.

The DHS carry-forwards for facilities, field operations and general administration found in Sections 79-83 and 85 are not consistent with best budget practices. They are inappropriate, but unfortunately necessary due to underfunding. We must return predictability and sustainability back to government budgeting. It is my goal that in next year's biennial budget, the legislature will forgo the use of any carry-forward language for general fund dollars.

I am unable to approve the item designated as Section 84 in its entirety. This item creates carry-forward language which is unnecessary for the Department of Human Services from fiscal year 2012 to 2013 for child protection system improvements because the carry-forward for general administration makes this carry-forward unnecessary.

I am unable to approve the item designated as Section 92 in its entirety. This language creates a grant program to provide housing or infrastructure funds for organizations which provide the Psychiatric Medical Institution for Children (PMIC) level of care. It is no longer needed due to the disapproval of Section 73 which would have funded the grant program.

I am unable to approve the item designated as Section 100 in its entirety. Given current uncertainty about what charges may be billed as costs of special education instructional programs, it is expected that all impacted entities will continue existing billing practices through June 30, 2013. Clarification of allowable costs is anticipated by the fiscal year that begins July 1, 2014. The goal is to provide stability and predictability, assuring a high level of educational services and a fair playing field for use of funding for all involved.

For the above reasons, I respectfully disapprove the designated 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 2336](#) are hereby approved as of this date.

Sincerely,

TERRY E. BRANSTAD
Governor

COMMUNICATION RECEIVED

The following communication was received and filed in the office of the Chief Clerk:

DEPARTMENT OF HUMAN SERVICES

Medical Assistance Medicaid Cost Containment Strategies Quarterly Report, pursuant to 2011 Iowa Acts, [House File 649](#).

RESIGNATION FROM OFFICE

From: Steven F. Lukan, State Representative District 32
To: The Honorable Governor Terry E. Branstad, Governor of Iowa
Re: Letter of Resignation from the Iowa House of Representatives
Date: 30 May 2012

To the Governor,

I wish to submit my resignation from the position of State Representative, current House District 32 effective today, 30 May 2012. I am not on the ballot for this or any other office for the 2012 elections.

It has been a great honor to serve the people of House District 32 and the State of Iowa in this position and I hope to continue my service in another fashion.

Sincerely,

Steven F. Lukan
House District 32