

PROOF

STATE OF IOWA

House Journal

THURSDAY, MAY 23, 2013

Produced daily by the State of Iowa during the sessions of the General Assembly.
(The official bound copy will be available after a reasonable time upon adjournment.)

JOURNAL OF THE HOUSE

One Hundred Thirtieth Calendar Day - Eighty-fifth Session Day

Hall of the House of Representatives
Des Moines, Iowa, Thursday, May 23, 2013

The House met pursuant to adjournment at 9:04 a.m., Speaker Paulsen in the chair.

Prayer was offered by Pastor Tom Clegg, First Federated Church, Des Moines. He was the guest of Representative Forbes of Polk County.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Keith Paulsen, Speaker's Page from Hiawatha.

The Journal of Wednesday, May 22, 2013, was approved.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on April 24, 2013, concurred in the House amendment to the Senate amendment and passed the following bill in which the concurrence of the Senate was asked:

[House File 602](#), a bill for an act relating to transportation and other infrastructure-related appropriations to the department of transportation, including allocation and use of moneys from the road use tax fund and the primary road fund.

Also: That the Senate has on May 15, 2013, adopted the Conference Committee report and passed [House File 603](#), a bill for an act relating to and making appropriations to certain state departments, agencies, funds, and certain other entities, providing for regulatory authority, and other properly related matters.

Also: That the Senate has on May 16, 2013, adopted the Conference Committee report and passed [House File 604](#), a bill for 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 for related matters.

Also: That the Senate has on May 17, 2013, adopted the Conference Committee report and passed [House File 638](#), a bill for an act relating to and making

appropriations to state departments and agencies from the rebuild Iowa infrastructure fund and the technology reinvestment fund, providing for related matters, and including effective date provisions.

Also: That the Senate has on May 7, 2013, concurred in the House amendment and passed the following bill in which the concurrence of the Senate was asked:

[Senate File 442](#), a bill for an act relating to appropriations to the judicial branch.

MICHAEL E. MARSHALL, Secretary

The House stood at ease at 9:07 a.m., until the fall of the gavel.

The House resumed session at 10:00 a.m., Speaker Paulsen in the chair.

SENATE AMENDMENT CONSIDERED
House Concurred

Isenhart of Dubuque called up for consideration [House File 625](#), a bill for an act relating to the school tuition organization tax credit by allowing the tax credit for contributions made by certain entities, increasing the amount of total approved tax credits, and including effective date and retroactive applicability provisions, amended by the Senate, and moved that the House concur in the Senate amendment H-1462.

The motion prevailed and the House concurred in the Senate amendment H-1462.

Isenhart of Dubuque 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. 625](#))

The ayes were, 97:

Abdul-Samad	Alons	Anderson	Bacon
Baltimore	Baudler	Bearinger	Berry
Brandenburg	Byrnes	Cohon	Costello
Dawson	Deyoe	Dolecheck	Drake
Dunkel	Fisher	Forbes	Forristall
Fry	Gaines	Garrett	Gaskill
Gassman	Grassley	Hagenow	Hanson

Hanusa	Heartsill	Heaton	Heddens
Hein	Hess	Highfill	Hunter
Huseman	Isenhart	Jacoby	Jorgensen
Kajtazovic	Kaufmann	Kearns	Kelley
Klein	Koester	Kressig	Landon
Lensing	Lofgren	Lundby	Lykam
Mascher	Maxwell	McCarthy	Miller, H.
Miller, L.	Moore	Muhlbauer	Murphy
Oldson	Olson, S.	Olson, T.	Ourth
Pettengill	Prichard	Rayhons	Riding
Rogers	Ruff	Running-Marquardt	Salmon
Sands	Schultz	Shaw	Sheets
Smith, J.	Smith, M.	Soderberg	Staed
Stanerson	Steckman	Stutsman	Taylor, R.
Taylor, T.	Thede	Thomas	Upmeyer
Vander Linden	Watts	Wessel-Kroeschell	Winckler
Windschitl	Wolfe	Wood	Worthan
Mr. Speaker			
Paulsen			

The nays were, none.

Absent or not voting, 3:

Cownie	Hall	Olson, R.
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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, Mr. Speaker and this great body, this may go down as one of the shortest speeches ever given, of course I have no idea if that is correct or not, but it may be. Let me just say "thank you" to our caucus staff and my staff, I want to thank Dave Schrader and Brian Meyer for allowing to look halfway competent on some days. I want to thank the caucus staff with Joe Romano and Mary Braun, Dean, Rachele, Anna, Freeland, Epley, Zeke and Gilde. I want to thank the Republican Caucus Staff. More often than not I think we worked together this year sharing information, and helping make the trains run on time. I want to thank you, Mr. Speaker and Majority Leader Upmeyer, this session has been our best session working together and trying to do right by Iowans.

My comments will be very brief, unlike the gridlock that has paralyzed Washington, D.C., the unwillingness to compromise, the unwillingness to govern, staking out positions and holding them to the last breath. We had some choices to make this week as an institution, and as a chamber, and we chose to behave like adults; to find common ground, and to govern. All of us today should be very proud to be part of this great body, this great institution, and even more proud to be Iowans. Thank you.

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 23, 2013, adopted the following resolution in which the concurrence of the Senate was asked:

[Senate Concurrent Resolution 6](#), a concurrent resolution to provide for adjournment sine die.

MICHAEL E. MARSHALL, Secretary

ADOPTION OF THE REPORT OF THE CONFERENCE COMMITTEE ([Senate File 446](#))

Heaton of Henry called up for consideration the report of the conference committee on [Senate File 446](#), a bill for an act relating to appropriations for health and human services and including other related provisions and appropriations, providing penalties, 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. 446](#))

The ayes were, 80:

Abdul-Samad	Bacon	Baltimore	Baudler
Bearinger	Berry	Byrnes	Cohoon
Costello	Dawson	Deyoe	Dolecheck
Drake	Dunkel	Forbes	Forristall
Fry	Gaines	Gaskill	Grassley
Hagenow	Hanson	Hanusa	Heaton
Heddens	Hein	Hess	Highfill
Huseman	Isenhart	Jacoby	Jorgensen
Kajtazovic	Kaufmann	Kearns	Kelley
Klein	Koester	Kressig	Landon
Lensing	Lofgren	Lundby	Lykam
Mascher	Maxwell	McCarthy	Miller, H.
Miller, L.	Moore	Murphy	Oldson
Olson, S.	Olson, T.	Ourth	Pettengill
Prichard	Rayhons	Riding	Rogers
Ruff	Running-Marquardt	Sands	Smith, J.
Smith, M.	Soderberg	Staed	Stanerson
Steckman	Stutsman	Taylor, R.	Taylor, T.
Thomas	Upmeyer	Vander Linden	Windschitl
Wolfe	Wood	Worthan	Mr. Speaker Paulsen

The nays were, 17:

Alons	Anderson	Brandenburg	Fisher
Garrett	Gassman	Heartsill	Hunter
Muhlbauer	Salmon	Schultz	Shaw
Sheets	Thede	Watts	Wessel-Kroeschell
Winckler			

Absent or not voting, 3:

Cownie	Hall	Olson, R.
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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 Cerro Gordo offered the following remarks:

Thank you, Mr. Speaker.

A little over two years ago the House Republican caucus set out on a mission. We wanted to address the fundamental problems in the budget process.

For too long, and at the hands of Democrats and Republicans alike, the state's budget resembled a rollercoaster. One with steep inclines that inevitably led to even steeper declines.

We spent every dollar we had and were only limited by the maximum the law allowed for. This meant we were ill prepared to handle a downturn in the economy.

It meant that government grew, without regard for the income of Iowans. It meant that we had to borrow money. It meant fees had to be increased to raise revenue. It meant that the state made commitments and it did not keep them.

I am proud to serve as the Leader of a caucus who committed to change course. We committed to being limited by common sense, not the minimum standards of the law. We committed to putting the hardworking taxpayers of Iowa first. We committed to retiring debt, not accumulating it.

We have done this by adhering to some common sense budgeting principles.

- We will not spend more than we take in.
- We will not intentionally underfund obligations to balance the budget.
- We will not use one-time funds for ongoing expenses.
- We will return the over collection of taxes to the taxpayers.

Now I know you all have heard those before, but if you subscribe to the "rule of 7" from the advertising world, those principles are just about ready to sink in!

I admire my caucus for sticking to these principles. It certainly is not the easy thing to do. Not when the siren song of "more spending" can be heard coming from all directions inside and outside the Capitol. Like most things in life however, the right thing to do is also difficult.

It is remarkable that we have been able to reach a bipartisan agreement on a budget that grows at a very responsible rate of 3 percent. While the law allows us to spend 99% of all funds available, that would equal 18 percent growth in one year and would unsustainably build ongoing expenses into the baseline. Instead, we are spending 99 percent of ongoing revenue. That amounts to 88 percent of all available funds and ensures a strong financial position for our state.

Two years ago, we came together and established the Taxpayer Trust Fund. This was set up to capture unused revenue and send it back to the taxpayers. Today we move forward by establishing the mechanism by which that money is sent back to the taxpayer.

This is not a one-time deal. This is a permanent mechanism that will kick in anytime the state collects more in taxes than it needs. This is another sign that the mindset is changing when it comes to the budget. We must spend wisely and we must continue to put the hardworking taxpayers of Iowa first.

As a result of a strong economy and sound budgeting practices, we have found ourselves in a position to do things that seemed impossible a few short years ago. Rather than accumulating debt, we are retiring it.

We are using available funds to pay off bonds and shore up our pension systems. This is another example of employing a common sense approach, just like Iowans do at home.

This session is truly historic thanks to the incredible bipartisan work that has been done. When we opened this session, I asked that we set an example of the best in public service. Washington D.C.'s divisive politics have no place here. This session we have shown that there is a better way.

Working together towards common goals means we can achieve great things. It means in one session we can pass education reform, healthcare reform and historic property tax relief. All the while, adhering to sound budgeting principles that started as reforms but are now the new standard practice of the legislature.

Iowans can be proud of the progress that has been made here this year, and confident that the state is in a strong position for the days ahead.

Ladies and gentlemen of the House, thank you for your hard work. Thank you for your contribution on behalf of the good people of your districts. It is truly an honor to serve with you.

To those that keep this building running and always beautiful, thank you.

I want to thank everyone in LSA and the Chief Clerk's office. Your hard work and expertise elevates the work we do here.

Thank you to Minority Leader McCarthy, the House Democrat caucus and your staff for your hard work and dedication.

Thank you to Governor Branstad, Lieutenant Governor Reynolds and your team for your dedication to the great state of Iowa.

Thank you to our staff: Jeff, Brad, Jason, Amanda, Carrie, Colin, Kristi, Lew, Dustin, Louis, Terri, Josie, Doug, Tony and Angie. You guys are the best at what you do!

To my caucus, thank you for your steadfast focus and your hard work. The state is better for it. To the leadership team: Steve, Chris, Matt, Jeff, Joel and Walt, thank you for your support and counsel.

Mr. Speaker, thank you for your friendship and your leadership.

SENATE AMENDMENT CONSIDERED

House Concurred

Soderberg of Plymouth called up for consideration [House File 648](#), a bill for an act relating to state and local finances by making transfers and appropriations and including effective date and applicability provisions, amended by the Senate, and moved that the House concur in the Senate amendment H-1463.

The motion prevailed and the House concurred in the Senate amendment H-1463.

Soderberg of Plymouth 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. 648](#))

The ayes were, 97:

Abdul-Samad	Alons	Anderson	Bacon
Baltimore	Baudler	Bearinger	Berry
Brandenburg	Byrnes	Cohoon	Costello
Dawson	Deyoe	Dolecheck	Drake
Dunkel	Fisher	Forbes	Forristall
Fry	Gaines	Garrett	Gaskill
Gassman	Grassley	Hagenow	Hanson
Hanusa	Heartsill	Heaton	Heddens
Hein	Hess	Highfill	Hunter
Huseman	Isenhart	Jacoby	Jorgensen
Kajtazovic	Kaufmann	Kearns	Kelley
Klein	Koester	Kressig	Landon
Lensing	Lofgren	Lundby	Lykam
Mascher	Maxwell	McCarthy	Miller, H.
Miller, L.	Moore	Muhlbauer	Murphy
Oldson	Olson, S.	Olson, T.	Ourth
Pettengill	Prichard	Rayhons	Riding
Rogers	Ruff	Running-Marquardt	Salmon
Sands	Schultz	Shaw	Sheets
Smith, J.	Smith, M.	Soderberg	Staed
Stanerson	Steckman	Stutsman	Taylor, R.
Taylor, T.	Thede	Thomas	Upmeyer
Vander Linden	Watts	Wessel-Kroeschell	Winckler
Windschitl	Wolfe	Wood	Worthan
Mr. Speaker			
Paulsen			

The nays were, none.

Absent or not voting, 3:

Cownie	Hall	Olson, R.
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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:

A sincere thank you to the members of the eighty-fifth general assembly, and in particular, House Republicans – I appreciate the hard work, commitment and honest debates we had at the state capitol this year. Thanks also to your families who deal with hectic schedules and our absences all so we can serve the good people of this state.

Thank you specifically to my wife, Cathy, and our children for your continued support, understanding and sharing in the sacrifice of our time together.

I want to thank a great leadership team that I am honored to work with – Reps. Windschitl, Hagenow, Rogers, Smith and Fry - I appreciate your leadership and dedication to the Republican caucus. To Speaker Pro Tem Steve Olson, thanks for your input, advice and the guidance you provide.

Majority Leader Linda Upmeyer – I appreciate, and House Republicans value, the work that you do. Your service and vision are vital to our efforts and have not only made our caucus more determined, but made the state better.

I'd also like to recognize Leader McCarthy and the minority party. Thank you for your efforts this year and for continuing to work in a bipartisan manner when you could and keeping your opposition civil when you could not.

Once again, thank you to the leadership staff: Doug, Terri, Josie, Angie, and Tony. And, in my opinion, the best caucus staff in the building – the House Republican Caucus staff: Jeff, Lew, Brad, Jason, Kristi, Carrie, Colin, 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 Boal, thank you to you and your staff, the work you all do right here in front me and behind the scenes make this chamber operate efficiently.

A special thanks to LSA for all of your hard work, much of what you do is not seen but it does not go unnoticed.

I also want to recognize and thank the gentleman to my right, the Speaker's page, Keith Paulsen. Keith and I go way back. Thanks for taking care of me this year, Keith. Having you by my side these few months has made this one of the most special and memorable sessions I've had serving in the legislature.

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

At the start of the 2013 session, I outlined an action plan to promote a strong Iowa – one that encompasses a strong economy, strong budget leadership and strong schools and communities. As we close the session, I believe we have fulfilled this commitment to Iowans.

Iowa has the third highest commercial property taxes and the 16th highest residential property taxes in the nation. I pointed out at the beginning of session if nothing was done to address this problem, the hardworking taxpayers of Iowa were staring down the barrel of a \$2.6 billion property tax increase over the next 10 years, with the majority of that falling to homeowners. Homeowners have been and would continue to be shouldering much of the burden as the rollback turns into the roll up.

Iowans have been very clear that they want property tax reform and relief and we were able to deliver for them in a way that has never been done before. For over a decade, the legislature has wrestled with this issue without success.

We passed bipartisan tax relief and reform that:

- Includes property tax relief for all classifications of property.
- Is meaningful, inclusive and reliable reform so taxpayers can count on relief from year to year.
- Ensures residential taxpayers receive as much relief as commercial taxpayers.
- Limits assessment growth from 4 percent to 3 percent on ag and residential taxpayers.
- Includes a 10 percent rollback on taxable value for commercial and industrial property.
- Is \$560 million in property tax relief, once fully implemented.
- Additionally, this bill enacts a permanent mechanism for the taxpayer trust fund tax credit, giving any overpayment back to taxpayers.

This absolutely will make a difference for every Iowan.

We also fulfilled our commitment to provide strong budget leadership. Three years ago, Iowa faced a \$900 million budget shortfall, behaving much like they do in Washington, D.C. This was unacceptable and Iowans demanded a change. In response, House Republicans outlined budgeting principles that have guided our decisions for the last three sessions. They are:

- aligning ongoing spending with ongoing revenue.
- resisting spending one-time money on ongoing expenses.
- preventing the intentional underfunding of entitlement programs.
- returning unused tax dollars to Iowa taxpayers.

The bipartisan budget passed this session results in three percent growth over fiscal year 2013 and spends merely 88 percent of what the state is allowed to spend. Culture change in large, entrenched institutions is extremely difficult to accomplish, yet it happened. This is not something to be taken lightly. We have charted a new course for future legislatures, one that puts hardworking Iowa taxpayers first, not the government.

We also took charge in regards to the ending balance. Our debt relief bill pays off \$114 million in commitments earlier than required, fulfills our obligations in regards to pension funds, makes an investment on one-time infrastructure projects at the regents universities and in water quality.

We came together to make Iowa's schools and communities stronger by moving education reform that offers flexibility for school districts, innovation for teachers, accountability for parents and protection for taxpayers. Instead of continually

throwing money at a less-than-perfect system, we met the challenge to bring about real reform that will provide measurable results. We were also able to strengthen the role of Iowa parents, not the government.

And finally, House Republicans crafted a bipartisan health care plan that focuses on making Iowans healthier without bowing to federal pressure to expand Medicaid. The federal government attempted to force Iowa and other states into expanding a broken and outdated system. Instead of taking the easy way out, House Republicans, led by the Majority Leader and Rep. Rogers, knuckled-down and created an Iowa solution to our own health care needs. This solution improves the quality of care, lowers costs and makes Iowans healthier.

This has been a remarkable session—we set very high expectations and the 150 of us, working together, met them all. As I said in my opening day speech, we are not Washington, D.C. We do not offer ultimatums, push things off until they are nearing a cliff, or wait for a crisis to react. We're Iowans and I believe once again this General Assembly has proved that we can come together on behalf of Iowans to accomplish serious and meaningful work. Our leaders in the federal government, Congress and the Administration, both Republicans and Democrats, should take notice of our process and results. If Washington operated more like Iowa, America would be much better off.

Again, thank you for your efforts.

ADOPTION OF THE REPORT OF THE
CONFERENCE COMMITTEE
([Senate File 295](#))

Sands of Louisa called up for consideration the report of the conference committee on [Senate File 295](#), a bill for an act establishing a property tax credit for commercial, industrial, and railway property, providing penalties, making appropriations, and including implementation 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.

Sands of Louisa 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. 295](#))

The ayes were, 84:

Abdul-Samad	Alons	Bacon	Baltimore
Baudler	Bearinger	Berry	Brandenburg
Byrnes	Cohoon	Costello	Dawson
Deyoe	Dolecheck	Drake	Dunkel
Fisher	Forbes	Forristall	Fry
Gaines	Garrett	Gaskill	Gassman
Grassley	Hagenow	Hanson	Hanusa
Heartsill	Heaton	Heddens	Hein
Hess	Highfill	Huseman	Jorgensen
Kajtazovic	Kaufmann	Kelley	Klein
Koester	Kressig	Landon	Lofgren
Lundby	Lykam	Maxwell	McCarthy
Miller, H.	Miller, L.	Moore	Muhlbauer
Olson, S.	Olson, T.	Ourth	Pettengill
Prichard	Rayhons	Riding	Rogers
Ruff	Running-Marquardt	Salmon	Sands
Schultz	Shaw	Sheets	Smith, J.
Smith, M.	Soderberg	Staed	Stanerson
Stutsman	Taylor, R.	Thede	Thomas
Upmeyer	Vander Linden	Watts	Windschitl
Wolfe	Wood	Worthan	Mr. Speaker Paulsen

The nays were, 13:

Anderson	Hunter	Isenhart	Jacoby
Kearns	Lensing	Mascher	Murphy
Oldson	Steckman	Taylor, T.	Wessel-Kroeschell
Winckler			

Absent or not voting, 3:

Cownie	Hall	Olson, R.
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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.

IMMEDIATE MESSAGES

Upmeyer of Cerro Gordo asked and received unanimous consent that the following bills be immediately messaged to the Senate: **House Files 625 and 648.**

ADOPTION OF [SENATE CONCURRENT RESOLUTION 6](#)

Upmeyer of Cerro Gordo asked and received unanimous consent for the immediate consideration of [Senate Concurrent Resolution 6](#), 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 Cerro Gordo asked and received unanimous consent that [Senate Concurrent Resolution 6](#) be immediately messaged to the Senate.

BILLS REREFERRED TO COMMITTEES

Under the provision of House Rule 45, the following bills were rereferred to the committees listed:

House Joint Resolution 2	Appropriations
House File 245	Appropriations
House File 500	Human Resources
House File 609	Ways and Means
House File 618	Judiciary
House File 629	Agriculture
House File 637	State Government
House File 642	Local Government
House File 647	Ways and Means
Senate File 339	Education
Senate File 385	Public Safety
Senate File 393	Human Resources

MOTION TO RECONSIDER

([Senate File 295](#))

I move to reconsider the vote by which [Senate File 295](#) passed the House on May 23, 2013.

UPMEYER of Cerro Gordo

MOTION TO RECONSIDER
([Senate File 446](#))

I move to reconsider the vote by which [Senate File 446](#) passed the House on May 23, 2013.

UPMEYER of Cerro Gordo

EXPLANATIONS OF VOTE

On May 22, 2013, I was necessarily absent during voting in the House chamber. Had I been present, I would have voted as follows:

[House File 215](#) – “aye”
[House File 489](#) – “aye”
[House File 614](#) – “aye”
[House File 620](#) – “aye”
[House File 640](#) – “aye”
[House File 648](#) – “aye”
[Senate File 452](#) – “aye”

RUFF of Clayton

On May 23, 2013, I was necessarily absent during voting in the House chamber. Had I been present, I would have voted as follows:

[House File 625](#) – “aye”
[House File 648](#) – “aye”
[Senate File 295](#) – “aye”
[Senate File 446](#) – “aye”

HALL of Woodbury

FINAL DISPOSITION OF MOTIONS TO RECONSIDER

Pursuant to House Rule 73.6, the following motions to reconsider which remained on the House Calendar upon adjournment of the 2013 Regular Session of the Eighty-fifth General Assembly will be considered to have failed:

By Upmeyer of Cerro Gordo to [Senate File 295](#), a bill for an act establishing a property tax credit for commercial, industrial, and railway property, providing penalties, making appropriations, and including implementation and applicability provisions, filed on May 23, 2013.

By Upmeyer of Cerro Gordo to [Senate File 430](#), a bill for an act relating to appropriations to the department of cultural affairs, the economic development authority, the board of regents and certain board of regents institutions, the department of workforce development, the Iowa finance authority, and the public employment relations board, providing for other properly related matters, and including effective date and retroactive applicability provisions, filed on May 15, 2013.

By Upmeyer of Cerro Gordo to [Senate File 435](#), a bill for an act relating to and making appropriations involving state government entities involved with agriculture, natural resources, and environmental protection, filed on May 16, 2013.

By Upmeyer of Cerro Gordo [Senate File 446](#), a bill for an act relating to appropriations for health and human services and including other related provisions and appropriations, providing penalties, and including effective, retroactive, and applicability date provisions, filed on May 23, 2013.

By Upmeyer of Cerro Gordo [Senate File 447](#), a bill for an act relating to appropriations to the justice system and including effective dates, filed on May 15, 2013.

By Upmeyer of Cerro Gordo [Senate File 452](#), a bill for an act relating to state and local finances by making appropriations, providing for fees, providing for legal responsibilities, providing for certain employee benefits, and providing for properly related matters, and including effective date and retroactive and other applicability provisions, filed on May 22, 2013.

FINAL ADJOURNMENT

By virtue of [Senate Concurrent Resolution 6](#), duly adopted, the day of May 23, 2013 having arrived, the Speaker of the House of Representatives declared the 2013 Regular Session of the Eighty-fifth General Assembly adjourned sine die at 11:09 a.m.

SUPPLEMENT

The following reports and communications were received subsequent to final adjournment:

EXPLANATIONS OF VOTE

On May 17, 2013, I was necessarily absent during voting in the House chamber. Had I been present, I would have voted as follows:

[House File 638](#) – “aye”

H. MILLER of Webster

On May 22, 2013, I was necessarily absent during voting in the House chamber. Had I been present, I would have voted as follows:

[House File 215](#) – “aye”

[House File 489](#) – “aye”

[House File 614](#) – “aye”

[House File 620](#) – “aye”

[House File 640](#) – “aye”

[House File 648](#) – “aye”

WOOD of Scott

COMMITTEE REVISIONS

The Speaker announced the following changes to the House committee assignments, effective June 17, 2013:

Jacoby of Johnson replaced Murphy of Dubuque on the committee on Appropriations.

Jacoby of Johnson was appointed Ranking Member on the committee on Appropriations replacing T. Olson of Linn who will remain on the committee.

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 31st day of May, 2013: [House File 215](#).

CARMINE BOAL
Chief Clerk of the House

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 3rd day of June, 2013: House Files 489, 599, 602, 603, 604, 614, 620, 625, 638, 640, 648 and 649.

CARMINE BOAL
Chief Clerk of the House

**BILLS APPROVED
SUBSEQUENT TO ADJOURNMENT**

The following is a record of the action of the Governor on the bills passed by the 2013 Regular Session of the Eighty-fifth General Assembly and which action was had subsequent to the date of final adjournment.

[House File 119](#), an Act relating to county attorney duties when representing the Department of Human Services in juvenile court. Approved 5-24-13.

[House File 215](#), an Act relating to and providing for education reform involving student, teacher, and administrator programs and activities under the purview of the department of education, the state board of education, the college student aid commission, school districts, and accredited nonpublic schools; providing for independent private instruction for students; providing for private instruction for students; concerning driver education by a teaching parent; making appropriations and providing for the establishment and retention of certain fees; and including transition and effective date provisions. Approved 6-3-13.

[House File 489](#), an Act relating to various matters involving insurance and the insurance division of the department of commerce, providing penalties, and including applicability and effective date provisions. Approved 6-17-13.

[House File 586](#), an Act relating to the rulemaking process and state agency decision making. Approved 5-24-13.

[House File 590](#), an Act relating to child abuse reporting, assessment procedures, and placement on the central registry for child abuse, and including effective date and applicability provisions. Approved 5-24-13.

[House File 592](#), an Act relating to payments from the indigent defense fund by the State Public Defender. Approved 5-24-13.

[House File 599](#), an Act relating to beginning farmers by modifying the agricultural assets transfer tax credit, providing a custom farming contract tax credit, and terminating the agricultural loan assistance program, and including effective date and retroactive applicability provisions. Approved 6-17-13.

[House File 602](#), an Act relating to transportation and other infrastructure-related appropriations to the department of transportation, including allocation and use of moneys from the road use tax fund and the primary road fund. Approved 6-17-13.

[House File 603](#), an Act relating to and making appropriations to certain state departments, agencies, funds, and certain other entities, providing for regulatory authority, and other properly related matters. Approved 6-17-13.

[House File 614](#), an Act appropriating federal funds made available from federal block grants and other non-state sources, allocating portions of federal block grants, and providing procedures if federal funds are more or less than anticipated or if federal block grants are more or less than anticipated and including effective date and retroactive applicability provisions. Approved 6-17-13.

[House File 615](#), an Act relating to the innovation fund investment tax credit and including effective date and retroactive applicability provisions. Approved 5-24-13.

[House File 620](#), an Act relating to the economic development financial assistance duties and powers of the economic development authority by authorizing and creating fees, affecting the aggregate tax credit limit for certain economic development programs and the tax credit for the endow Iowa tax credit, making appropriations, and including effective date and retroactive applicability provisions. Approved 6-17-13.

[House File 625](#), an Act relating to revenue and taxation, including retailers maintaining a place of business in this State for purposes of sale and use taxes, agreements relating to the collection of sales and use taxes, sales of tangible personal property and services to state agencies, modifying the school tuition organization income tax credit, and including effective date and retroactive applicability provisions. Approved 6-11-13.

[House File 632](#), an Act relating to the assessment of certain real estate used in the cultivation and production of algae, and including effective date and retroactive applicability provisions. Approved 5-24-13.

[House File 640](#), an Act relating to liquids which are flammable or combustible, by providing for the storage, marketing, and distribution of such liquids, providing for the marketing and distribution of liquids classified as motor fuel, including a conventional blendstock for oxygenate blending, and blended and unblended gasoline and diesel fuel, extending the period for determining the rates of the motor fuel tax based on calculating the distribution of ethanol blended gasoline and other motor fuel, including fees and penalties, and including effective date provisions. Approved 6-17-13.

[House File 641](#), an Act authorizing the establishment of reinvestment districts following approval of the Economic Development Authority Board, providing for the remittance of certain state sales tax revenues and certain state hotel and motel tax revenues to municipalities, establishing a state reinvestment district fund, and making appropriations. Approved 5-24-13.

[House File 644](#), an Act relating to enhanced E911 emergency communication systems, and providing penalties. Approved 5-24-13.

[House File 649](#), an Act relating to the liability of a land holder for the public use of private lands and waters for a recreational purpose or urban deer control. Approved 6-17-13.

[Senate File 295](#), an Act relating to state and local finances by establishing a business property tax credit for commercial, industrial, and railway property, establishing and modifying property assessment limitations, providing for commercial and industrial property tax replacement payments, providing for the classification of multiresidential property, modifying provisions for the taxation of telecommunications company property, providing for the study of the taxation of telecommunications company property, providing a taxpayers trust fund tax credit, modifying provisions relating to the property assessment appeal board, modifying the amount of the earned income tax credit, making appropriations, providing penalties, and including effective date, implementation, retroactive applicability, and other applicability provisions. Approved 6-12-13.

[Senate File 435](#), an Act relating to and making appropriations involving state government entities involved with agriculture, natural resources, and environmental protection. Approved 6-17-13.

[Senate File 442](#), an Act relating to appropriations to the judicial branch. Approved 6-17-13.

GOVERNOR'S ITEM VETO MESSAGES SUBSEQUENT TO ADJOURNMENT

A copy of the following communications were received and placed on file:

[HOUSE FILE 604](#)

June 20, 2013

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

Dear Mr. Secretary:

I hereby transmit [House File 604](#), 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, the economic development authority, the department of workforce development, and the state board of regents, and providing for related matters.

[House File 604](#) is approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the designated portion of the item designated as Section 30, subsection 1, lettered paragraph b, subparagraph 4. This item allocates funds for an organization to provide resources and support services for international refugees for fiscal year 2014. This potentially creates a sole-source appropriation. It is important for the State to receive competitive requests for proposals (RFPs) from all qualified organizations in order to protect Iowa taxpayers' interests and best serves the needs of refugees.

I am unable to approve the designated portion of the item designated as Section 54, subsection 1, lettered paragraph b, subparagraph 4. This item allocates funds for an organization to provide resources and support services for international refugees for fiscal year 2015. This potentially creates a sole-source appropriation. It is important for the State to receive competitive requests for proposals (RFPs) from all qualified organizations in order to protect Iowa taxpayers' interests and best serves the needs of refugees.

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 604](#) are hereby approved as of this date.

Sincerely,

TERRY E. BRANSTAD
Governor

[HOUSE FILE 638](#)

June 20, 2013

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

Dear Mr. Secretary:

I hereby transmit [House File 638](#), an Act relating to and making appropriations to state departments and agencies from the Rebuild Iowa Infrastructure Fund and the Technology Reinvestment Fund, providing for related matters, and including effective date provisions.

[House File 638](#) is approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the designated portion of the item designated as Section 1, subsection 1, lettered paragraph a. This item allocates funds for the moving of all employees housed in the Wallace Building to a new location, and for the repairs and maintenance of the Wallace Building. I made it clear that my top priority for the State Capitol Complex is the repair and remodeling of the State Historical Building. The \$1.8 million shall revert to the Rebuild Iowa Infrastructure Fund.

I am unable to approve Section 1, subsection 1, lettered paragraph b in its entirety. These items allocate funds in fiscal years 2014 and 2015 for the moving of all employees housed in the Wallace Building to a new location, and for the repairs and maintenance of the Wallace Building. Infrastructure investments must be made pursuant to a long-term strategic plan. I made it clear that my top priority for the State Capitol Complex is the repair and remodeling of the State Historical Building.

I am unable to approve Section 1, subsection 3, lettered paragraph b in its entirety. This item appropriates \$1 million for the River Enhancement Community Attraction and Tourism program. The Iowa Economic Development Authority (IEDA) did not request this item and it was not a part of the budget recommendation I submitted to the General Assembly.

I am unable to approve the item designated as Section 1, subsection 4 in its entirety. This item appropriates \$300,000 for the renovation and construction of certain nursing facilities. Currently, the State of Iowa reimburses nursing facilities for construction and renovation through the current Medicaid cost reporting and reimbursement rates. The Department of Human Services did not request this item. Additionally, nursing facilities are receiving a \$15,268,148 provider rate increase based on the cost reports submitted to the State, \$1 million more than I recommended as part of the budget recommendation I submitted to the General Assembly.

I am unable to approve the item designated as Division VIII in its entirety. This item requires the IEDA to conduct a study to determine the effectiveness of giving priority to projects that attract the highest number of visitors and highest match levels from the Community Attraction and Tourism (CAT) fund. The CAT program has been an important economic development tool for smaller communities throughout our state. This provision suggests a shift in the program's policy focus which I cannot support.

I am unable to approve Section 44 in its entirety. This item allocates \$800,000 for the moving of all employees housed in the Wallace Building to a new location, and for the repairs and maintenance of the Wallace Building. I made it clear that my top priority for the State Capitol Complex is the repair and remodeling of the State Historical Building. The \$800,000 shall revert to the Rebuild Iowa Infrastructure Fund.

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 638](#) are hereby approved as of this date.

Sincerely,

TERRY E. BRANSTAD
Governor

[HOUSE FILE 648](#)

June 20, 2013

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

Dear Mr. Secretary:

I hereby transmit [House File 648](#), an Act relating to state and local finances by making transfers and appropriations and including effective date and applicability provisions.

[House File 648](#) is approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the item designated as Division II in its entirety. This item provides supplemental appropriations from the General Fund to the Judicial Retirement and Peace Officer Retirement Funds. While these retirement plans have funding shortfalls, trying to make up for these shortfalls should not be borne only by taxpayers of the State. Iowa needs a comprehensive, long-term, sustainable plan for making up the shortfall in these retirement funds. The plan should include both the State and the participants of the plan as financial partners in bringing these funds to financial balance. The division also eliminates the annual standing appropriation of \$5,000,000 to the Peace Officer Retirement Fund. My disapproval of the division restores \$5,000,000 in funding starting in fiscal year 2014.

I am unable to approve the item designated as Section 9, paragraph 6, subparagraph c in its entirety. This item provides \$1,000,000 in maintenance funding for community colleges. I did not include this spending in my budget recommendation. Community colleges have received other increases and additional funding for the next fiscal year in other areas beyond my recommendations. Therefore, this funding is not approved.

I am unable to approve the item designated as Section 9, paragraph 10, subparagraph b in its entirety. This item provides \$50,000 to fund a new public safety training and facilities task force. This funding is no longer necessary due to the fact that the new task force was disapproved in [Senate File 447](#).

I am unable to approve the item designated as Section 9, paragraph 10, subparagraph c in its entirety. This item provides \$150,000 to regional emergency response training centers, distributed on an equal basis. Providing funding to entities without guidance or oversight is not an efficient use of taxpayer funds.

I am unable to approve the item designated as Section 9, paragraph 11, subparagraph g in its entirety. This item spends \$3,000,000 to plan and design a new project, the University of Iowa Pharmacy Building Renovation. Early estimates reveal an anticipated cost of at least \$67,600,000. Until strategic plans and sustainable financing are secure, it is not appropriate to spend taxpayer money designing and planning the project. The Iowa Board of Regents should continue to engage in a long-term strategic planning process to review infrastructure needs in light of changes in educational technology. Technology and innovation should make it feasible to deliver high-quality education to students at a lower tuition and infrastructure cost, as delivery of educational services will require less physical presence on college campuses in the future.

I am unable to approve the item designated as Section 9, paragraph 11, subparagraph h in its entirety. This item spends \$2,500,000 to plan and design a new project, the Iowa State University Biosciences Building. Early estimates reveal an anticipated cost of at least \$42,500,000. Until strategic plans and sustainable financing are secure, it is not appropriate to spend taxpayer money designing and planning the project. The

Iowa Board of Regents should continue to engage in a long-term strategic planning process to review infrastructure needs in light of changes in educational technology. Technology and innovation should make it feasible to deliver high-quality education to students at a lower tuition and infrastructure cost, as delivery of educational services will require less physical presence on college campuses in the future.

I am unable to approve the item designated as Section 9, paragraph 11, subparagraph i in its entirety. This item spends \$1,500,000 to plan and design a new project, the University of Northern Iowa Schindler Education Center Renovation. Early estimates reveal an anticipated cost of at least \$31,600,000. Until strategic plans and sustainable financing are secure, it is not appropriate to spend taxpayer money designing and planning the project. The Iowa Board of Regents should continue to engage in a long-term strategic planning process to review infrastructure needs in light of changes in educational technology. Technology and innovation should make it feasible to deliver high-quality education to students at a lower tuition and infrastructure cost, as delivery of educational services will require less physical presence on college campuses in the future.

I am unable to approve the item designated as Section 9, paragraph 12 in its entirety. This item provides \$150,000 for the operation of a contract air traffic control tower in Dubuque. Earlier this year, concerns existed that federal sequestration of funds could withhold funds and affect operation of this control tower. However, federal funding was restored. The state funds are no longer needed.

I am unable to approve the item designated as Section 9, paragraph 14 in its entirety. This item provides \$300,000 for an entity to provide education and training for occupations in Iowa's renewable energy production industries and related educational opportunities. While I support renewable energy and the job opportunities associated with it, this spending provides state taxpayer dollars for a program pursuant to a federal grant with no state guidance or oversight. This is not the best use of state taxpayer funds. We have already provided \$15.8 million in fiscal year 2014 for workforce training through the Iowa Skilled Worker and Job Creation Fund, an increase of \$7.8 million over fiscal year 2013.

I am unable to approve the item designated as Section 10 in its entirety. This item transfers \$13,000,000 to the risk pool at the Department of Human Services for payment of mental health costs at the county level. Under the new Iowa Health and Wellness Plan, Iowans will have access to high quality mental health services. These services will be fully funded by federal dollars which greatly reduces the demand on county mental health funds. Counties are already receiving additional funds aiding the redesign of the mental health system, including \$11,628,317 in transition funds and \$29,820,478 in equalization funding, as well as the \$110,656,258 to be collected statewide in property taxes to support mental health services. The additional risk pool funding is not necessary at this time.

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 648](#) are hereby approved as of this date.

Sincerely,

TERRY E. BRANSTAD
Governor

SENATE FILE 396

June 20, 2013

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

Dear Mr. Secretary:

I hereby transmit [Senate File 396](#), an Act relating to government operations and efficiency and other related matters, and including effective date and applicability provisions.

[Senate File 396](#) is approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve Sections 40, 42, and 43 in their entirety. These items require the director of the department of administrative services to purchase a new payroll system for the executive branch. From the beginning of my administration, I asked state agencies to work diligently to reduce administrative costs and reduce overhead costs. At my direction, many efficiency and cost-control measures are already being implemented by the executive branch departments. My administration is committed to reducing the size and cost of government by 15% through efficiencies and new technologies that allow for savings. I believe a mandate to purchase a payroll system at this time is inappropriate. The department may review the payroll system and determine the best way to proceed while protecting and serving the taxpayers of Iowa.

I am unable to approve Section 41 in its entirety. This item prohibits non-contract employees from bumping contract employees in the case of a reduction in force. In order to achieve increased efficiencies within state government, my administration is committed to finding areas where we can consolidate duplicative efforts. However, in doing so we must strive to ensure that various classifications of employees are treated fairly. The executive branch will continue to implement policies that will reduce the size and cost of government by 15% and this provision would be an impediment in achieving this goal.

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 396](#) are hereby approved as of this date.

Sincerely,

TERRY E. BRANSTAD
Governor

SENATE FILE 406

June 20, 2013

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

Dear Mr. Secretary:

I hereby transmit [Senate File 406](#), an Act relating to involuntary commitments for persons with substance-related disorders, mental illness, and intellectual disabilities, and providing for the creation of a mental health advocate division in the department of inspections and appeals and including effective date provisions.

[Senate File 406](#) is approved on this date with the following exception, which I hereby disapprove.

I am unable to approve of the item designated as Divisions I and II in their entirety. This item establishes new positions of mental health advocates within the Iowa Department of Inspections and Appeals. Currently, these advocates work at the county level. In the newly redesigned mental health and disability services system, it is best for these positions to remain at the local level where services will be managed and delivered regionally. I look forward to continuing to work with the House and Senate on implementing Mental Health redesign in a manner that best serves Iowans and fits within my goals for efficient and effective state government.

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 [Senate File 406](#) are hereby approved as of this date.

Sincerely,

TERRY E. BRANSTAD
Governor

SENATE FILE 430

June 20, 2013

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

Dear Mr. Secretary:

I hereby transmit [Senate File 430](#), an Act relating to appropriations to the department of cultural affairs, the economic development authority, the department of workforce development, the Iowa finance authority, and the public employment relations board,

providing for other properly related matters, and including effective date and retroactive applicability provisions.

[Senate File 430](#) is approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the item designated as Section 1, subsection 2. This item creates carry-forward language which is unnecessary for the Department of Cultural Affairs for fiscal year 2014. The carry-forward language does not advance my goals of returning predictability and sustainability to government budgeting.

I am unable to approve the item designated as Section 16, subsection 2. This item creates carry-forward language which is unnecessary for the Department of Cultural Affairs for fiscal year 2015. The carry-forward language does not advance my goals of returning predictability and sustainability to government budgeting.

I am unable to approve the item designated as Section 43 in its entirety and the designated portion of Section 54. These items create carry-forward language which is unnecessary for the Department of Cultural Affairs for fiscal year 2013. The carry-forward language does not advance my goals of returning predictability and sustainability to government budgeting.

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 430](#) are hereby approved as of this date.

Sincerely,

TERRY E. BRANSTAD
Governor

[SENATE FILE 446](#)

June 20, 2013

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

Dear Mr. Secretary:

I hereby transmit [Senate File 446](#), an Act relating to appropriations for health and human services and including other related provisions and appropriations, providing penalties, and including effective, retroactive, and applicability date provisions.

[Senate File 446](#) contains new language specifying the process for Iowa Medicaid reimbursement of an abortion procedure. This language applies to the remainder of this fiscal year, as well as fiscal year 2014 and 2015. This new legislative language represents a compromise between Democrats and Republicans in the legislature on the issue of whether taxpayer dollars should be used to reimburse hospitals or doctors for

abortions. The new legislative language does not allow or require a governor to approve any procedure in advance. The decision about whether to undergo an abortion procedure continues to remain with the mother and her physician. With this new language, the legislature has asked a governor to approve or disapprove a bill submitted by a provider for taxpayer-funded Medicaid reimbursement after the procedure is performed.

[Senate File 446](#) is approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the designated portion of the item designated as Section 2, subsection 1. This item creates two additional long-term care resident's advocates positions. As of today, there are eight long-term care resident's advocates, serving the needs of Iowa's vulnerable seniors. Currently, the Department on Aging is in the process of an aging system redesign and is thoroughly reviewing state services. It is important to ensure that all new positions are consistent with the redesign so that Iowa can best serve the needs of aging Iowans. The effect of this disapproval shall cause the \$200,000 contained in this item to revert to the General Fund.

I am unable to approve the designated portion of the item designated as Section 3, subsection 8, lettered paragraph e. This item provides \$28,644 for the costs of an emergency medical services task force that is disapproved. Due to the fact that the new task force is not created, the money is not needed. Iowa is fortunate to have many dedicated professional and volunteer emergency medical services personnel. These Iowans give their time to provide critical care in emergency situations as first responders. The Iowa Department of Public Health helps provide oversight, assistance and acts as a regulatory body for the profession to ensure Iowans statewide get a high level of care. The Department of Public Health will continue to work to improve our system. An additional task force, growing the size, scope and cost of government is not an effective use of taxpayer dollars at this time. The effect of this disapproval shall cause the \$28,644 contained in this item to revert to the General Fund.

I am unable to approve the designated portion of the item designated as Section 4, 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 2014. I strongly support transparency efforts that publicly disclose how departments spend their resources and 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 12, subsection 19, lettered paragraph e. This item requires the Department of Human Services to report on cost containment strategies. The Department of Human Services, Department of Management and the Legislative Services Agency meet on a monthly basis to determine projections for the Medical Assistance appropriation. Information relating to cost containment strategies is shared during these meetings. 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 12, subsection 20. This item allocates \$8,715,473 for the waiting list for medical assistance home and community based services waivers. The effect of this disapproval shall cause

the \$8,715,473 contained in this item to revert to the General Fund. Past history demonstrates that funding specifically earmarked to buy down the waiting list is not a successful long-term solution. Additionally, the Iowa Health and Wellness Plan will be implemented January 1, 2014. The Iowa Health and Wellness Plan will provide access for Iowans currently on the waiting list to high quality health care, including home and community based services.

I am unable to approve the designated portion of the item designated as Section 26, subsection 1. This item prohibits external approvals that are designed to ensure budget integrity, stability and predictability. Management must have the ability and flexibility to allocate resources where they are most effective and needed. In addition, this item creates a redundant, overly burdensome mandate requiring the department to report to the chairpersons and ranking members of the appropriations committees on a monthly basis. 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 27, subsection 2. This item requires the Department of Human Services to report operational and program expenditures at least monthly to the Legislative Services Agency. 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 27, subsection 5. This item transfers \$250,000 to the Department of Inspections and Appeals and creates two new FTEs to implement a new mental health advocate division within the Department of Inspections and Appeals. Currently, these advocates work at the county level. In the newly redesigned mental health and disability services system, it is best for these positions to remain at the local level where the services will be managed and delivered regionally. I look forward to continuing work with the General Assembly to implement the mental health and disability services redesign in a manner that best serves Iowans and serves our goals for an efficient and effective state government. The language creating a new mental health advocate division was an item that was disapproved in [Senate File 406](#). The effect of this disapproval shall cause the \$250,000 contained in this item to revert to the General Fund.

I am unable to approve the designated portion of the item designated as Section 29, subsection 8. This item requires that all provider reimbursement rate increases in this section be used to increase the compensation and costs of employment for non-administrative staff. The Department of Human Services does not have the ability to monitor providers to determine compliance. In addition, it is not appropriate to direct provider increases in this manner. Providers are best equipped to manage their own budgets.

I am unable to approve the item designated as Section 49 in its entirety. This item amends the Iowa Code to require that any penalties imposed by the Director of the Iowa Department on Aging against a long-term care facility are automatically appropriated to the Office of the Long-Term Care Resident's Advocate. Currently, these funds are deposited in the General Fund. The Office of the Long-Term Care Resident's Advocate is funded by the General Fund. I oppose this change which uses

finances to automatically fund Office of the Long-Term Care Resident's Advocate because it sets a dangerous precedent and creates a conflict of interest.

I am unable to approve the designated portion of the item designated as Division X in its entirety. This item creates a new emergency medical services task force and report. Iowa is fortunate to have many dedicated professional and volunteer emergency medical services personnel. These Iowans give their time to provide critical care in emergency situations as first responders. The Iowa Department of Public Health helps provide oversight, assistance and acts as a regulatory body for the profession to ensure Iowans statewide receive a high level of care. The Department of Public Health will continue to work to improve our system. An additional task force, growing the size, scope and cost of government is not an effective use of taxpayer dollars at this time.

I am unable to approve the designated portion of the item designated as Section 83, paragraph 5, subparagraph b. This item causes funds deposited into the Autism Support Program Fund to not revert to the General Fund. It creates new, permanent carry-forward language which does not work to advance my goal of predictability and sustainability for government budgeting.

I am unable to approve the designated portion of the item designated as Section 84, paragraph 2. This item directs the Department of Human Services to enter into a sole-source contract without the benefit of a competitive bidding process. It is important to allow for a full review process and thoroughly plan new initiatives. In addition, competitively bid contracts ensure the best value for taxpayer dollars and that more people are served when this value is maximized.

I am unable to approve of the item designated as Division XIX in its entirety. This item creates a new committee to study how to provide care for people who are sexually aggressive, combative or have unmet psychiatric needs. My administration currently has a work group that is working together to propose constructive recommendations. The work group is open to public input. An additional committee is not needed at this time.

I am unable to approve of the item designated as the portion of Section 128 that amends 2011 Iowa Acts, chapter 63, section 36, subsection 4. This item would require a report to be given to the chairpersons and ranking members of the joint appropriations subcommittee on health and human services relating to changes in law or rules needed to implement telepharmacy on a state-wide basis. This report is not necessary due to the fact that this information is available upon request by the General Assembly.

I am unable to approve the designated portion of the item designated as Section 132, subsection 1. This item creates two new long-term care resident's advocates positions for fiscal year 2015. As of today, there are eight long-term care resident's advocates, serving the needs of Iowa's vulnerable seniors. Currently, the Department on Aging is in the process of an aging system redesign and is thoroughly reviewing state services. It is important to ensure that all new positions are consistent with the redesign so that Iowa can best serve the needs of aging Iowans. The effect of this disapproval shall cause the \$100,000 contained in this item to revert to the General Fund.

I am unable to approve the designated portion of the item designated as Section 134, 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 2015. 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 142, subsection 18, lettered paragraph d. This item requires the Department of Human Services to report on cost containment strategies for fiscal year 2015. The Department of Human Services, Department of Management and the Legislative Services Agency meet on a monthly basis to determine projections for the Medical Assistance appropriation. Information relating to cost containment strategies is shared during these meetings. 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 156, subsection 1. This item prohibits external approvals that are designed to ensure budget integrity, stability and predictability. Management must have the ability and flexibility to allocate resources where they are most effective and needed. In addition, this item creates a redundant, overly burdensome mandate requiring the department to report to the chairpersons and ranking members of the appropriations committees on a monthly basis. 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 157, subsection 2. This item requires the Department of Human Services to report operational and program expenditures at least monthly to the Legislative Services Agency for fiscal year 2015. 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 157, subsection 5. This item transfers \$125,000 to the Department of Inspections and Appeals for two new FTEs to implement a new mental health advocate division within the Department of Inspections and Appeals. Currently, these advocates work at the county level. In the newly redesigned mental health and disability services system, it is best for these positions to remain at the local level where the services will be managed and delivered regionally. I look forward to continuing work with the General Assembly to implement the mental health and disability services redesign in a manner that best serves Iowans and serves our goals for an efficient and effective state government. The language creating a new mental health advocate division was an item that was disapproved in [Senate File 406](#). The effect of this disapproval shall cause the \$125,000 contained in this item to revert to the General Fund.

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 446](#) are hereby approved as of this date.

Sincerely,

TERRY E. BRANSTAD
Governor

[SENATE FILE 447](#)

June 20, 2013

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

Dear Mr. Secretary:

I hereby transmit [Senate File 447](#), an Act relating to appropriations to the justice system and including effective dates.

[Senate File 447](#) is approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the designated portion of the item designated as Section 1, subsection 1, lettered paragraph b. This item unduly restricts the Department of Justice from closing facilities and transitioning to new, more effective community-based services for victims. The program must have the flexibility to provide services to victims in the most efficient and effective way possible.

I am unable to approve the designated portion of the item designated as Section 1, subsection 1, lettered paragraph b. This item creates carry-forward language which is unnecessary for the Department of Justice. The carry-forward language does not advance my goals of returning predictability and sustainability to government budgeting.

I am unable to approve the designated portion of the item designated as Section 3, subsection 1, lettered paragraph a. This item requires the Department of Corrections to submit a report to the legislature regarding plans for the Fort Madison Correctional Facility. Although I support transparency efforts, this requirement is redundant as this report was submitted on January 15, 2013 and is already available to the legislature.

I am unable to approve the item designated as Section 4, subsection 1, lettered paragraph a. This item contains policy language pertaining to the Department of Corrections entering into a new contract in excess of \$100,000 for privatized services during fiscal year 2014 without prior notification of the legislature and employee organizations. However, this item allows the department to renew existing contracts without notification. This item would prevent the department from obtaining services for inmates in an effective and efficient manner. This notification unnecessarily impedes on the department's management authority.

I am unable to approve the designated portion of the item designated as Section 19, subsection 1, lettered paragraph b. This item creates carry-forward language which is unnecessary for the Department of Justice. The carry-forward language does not advance my goals of returning predictability and sustainability to government budgeting.

I am unable to approve the designated portion of the item designated as Section 21, subsection 1, lettered paragraph a. This item requires the Department of Corrections to submit a report to the legislature regarding plans for the Fort Madison Correctional Facility. Although I support transparency efforts, this requirement is redundant as this report was submitted on January 15, 2013 and is already available to the legislature.

I am unable to approve the item designated as Division IV in its entirety. This item creates a task force to study the creation of a consolidated fire and police public safety training facility. Iowa is fortunate to have dedicated firefighters and police officers. These Iowans dedicate their lives to protecting the safety and welfare of Iowans. The Department of Public Safety and the Iowa Law Enforcement Academy will continue to work to improve our system. It is my administration's goal to reduce the size and cost of government by 15% and as such, I believe this issue can be reviewed without growing the size and cost of government.

I am unable to approve the item designated as Section 45 in its entirety. This item creates carry-forward language from the balance of the Cigarette Fire Safety Standard fund to the Victim Assistance Grants program. The carry-forward language does not advance my goals of returning predictability and sustainability to government budgeting.

I am unable to approve the item designated as Section 55 in its entirety. This item permanently increases the standing limited appropriation of \$1.2 million for the Consumer Education and Litigation Fund to \$2 million. Currently, any increase over the current standing limited appropriation is reviewed by the legislature and additional funds are provided annually based on need. Before this automatic increase is made permanent, further review by the legislature needs to be conducted.

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 447](#) are hereby approved as of this date.

Sincerely,

TERRY E. BRANSTAD
Governor

[SENATE FILE 452](#)

June 20, 2013

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

Dear Mr. Secretary:

I hereby transmit [Senate File 452](#), an Act relating to state and local finances by making appropriations, providing for fees, providing for legal responsibilities, providing

for certain employee benefits, and providing for properly related matters, and including penalties and effective date and retroactive and other applicability provisions.

[Senate File 452](#) is approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the item designated as Section 30 in its entirety. This item allocates \$200,000 for the chronic care consortium. The strategic planning work is duplicative of efforts already taking place within Medicaid. Additionally, the revenue from the Clinical Health Coach training program will eventually allow the Iowa Chronic Care Consortium Board to become a self-sustaining enterprise.

I am unable to approve the item designated as Section 31 in its entirety. This language restricts the Department from fulfilling its mission. It is not appropriate to direct departments to treat employees differently solely based on an employee's classification. Additionally, departments are best equipped to manage their own budgets. This does not affect the \$1.7 million appropriation approved in [Senate File 447](#).

I am unable to approve the item designated as Section 32 in its entirety. This language unnecessarily restricts the Department from fulfilling its mission. It is not appropriate to direct departments to treat employees differently solely based on an employee's classification. Additionally, departments are best equipped to manage their own budgets. This does not affect the \$850,000 appropriation approved in [Senate File 447](#).

I am unable to approve the item designated as Section 33 in its entirety. This language unnecessarily restricts the Department from fulfilling its mission. It is not appropriate to direct departments to treat employees differently solely based on an employee's classification. Additionally, departments are best equipped to manage their own budgets. This does not affect the \$2,571,309 appropriation approved in [Senate File 447](#).

I am unable to approve the item designated as Section 34 in its entirety. This language unnecessarily restricts the Department from fulfilling its mission. It is not appropriate to direct departments to treat employees differently solely based on an employee's classification. Additionally, departments are best equipped to manage their own budgets. This does not affect the \$1,285,655 appropriation approved in [Senate File 447](#).

I am unable to approve the item designated as Division XI in its entirety. This item increases the annual tax credit cap on the Historical Preservation and Cultural and Entertainment District Tax Credits. Currently, there is an Executive Order 80 Stakeholder group reviewing this tax credit program. It is my plan to approach Historical Preservation tax credits in a comprehensive and thoughtful manner. As such, I look forward to continuing to work with members of the House and Senate as this program is reviewed.

I am unable to approve the item designated as Division XXI in its entirety. This language is an attempt to provide financial relief to certain private providers of services to students related to compliance with special and general education billing requirements. The nature of the issue centers on what is and is not allowable as an educational expense in these facilities. This item would legalize what are currently non-permissive expenditures for educational funding to include a long list of expenditures that are non-educational, including expenditures related to administration, facilities, and mental health costs. This would cause an expansion of

allowable expenditures and many of these facilities were complying with current law and therefore not billing for these expenses; therefore, the State would see an increase in spending as a result of these provisions. Due to the fact many school districts already operate at a deficit related to education expenditures, this increase would be directly passed on to local property taxes.

I am unable to approve the designated portion of the item designated as Section 182. Currently, the State passes federal funds through to the counties. This item requires the State to cover any reduction of funds for the counties should the federal government fail to live up to its funding promises. The federal government has not passed a budget in more than four years and has amassed more than \$16 trillion in debt. I believe the federal financial picture is unsustainable in the long-term, and, therefore, obligating State taxpayer funds in such an unpredictable manner is not in the best interest of hardworking Iowa taxpayers.

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 452](#) are hereby approved as of this date.

Sincerely,

TERRY E. BRANSTAD
Governor

COMMUNICATIONS RECEIVED

The following communications were received and filed in the office of the Chief Clerk:

DEPARTMENT OF EDUCATION

Iowa Association of School Boards Report, pursuant to Iowa Code section [279.38](#).

Academic Incentives for Minorities Report, pursuant to Iowa Code section [260C.29](#) (3)(e).

Special education Federal Report, pursuant to Iowa Code section [256B.3](#).

ETHICS AND CAMPAIGN DISCLOSURE BOARD

ICN Savings Report, pursuant to Iowa Code section [8D.10](#).