

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](#).