



THOMAS J. VILSACK  
GOVERNOR

## OFFICE OF THE GOVERNOR

SALLY J. PEDERSON  
LT. GOVERNOR

May 30, 2003

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit **House File 662**, an Act relating to the funding of, the operation of and appropriation of moneys to the College Student Aid Commission, the Department of the Blind, the Department of Cultural Affairs, the Department of Education, and the State Board of Regents and including an effective date and retroactive applicability date provision.

House File 662 provides funding to help achieve the ambitious goals we have set for education in Iowa. I am particularly pleased with the continued commitment to reduce class sizes, redesign teacher compensation strategies, increase Iowa Tuition Grant funding, maintain quality faculty and staff at our state's Regents institutions, and provide support for community colleges.

There are, however, shortcomings in this legislation. I am disappointed that the college work-study program was not reinstated. The Iowa Work Study program is a great tool to help disadvantaged students work their way through our public universities, community colleges, and independent colleges. In addition, no funding was provided to start the Iowa Virtual Academy. I hope the legislature will address these areas in the future.

House File 662 is, approved on this date, with the following exceptions, which I hereby disapprove.

I am unable to approve the designated portion of Section 9, subsection 1. This sentence specifies that the Board of Regents, the Department of Management and the Fiscal Bureau shall cooperate to determine the amount to be appropriated for tuition replacement. This language is outdated and unnecessary as the Board of Regents now relies on a financial advisor to calculate figures for tuition replacement.

I am unable to approve the designated portion of Section 9, subsection 2. This paragraph restricts spending on the School of Public Health and the Public Health



Initiative at the University of Iowa. If we face a growing need for workers trained in these health professions and for the services provided by this program, then it is appropriate to allow reallocations of funds to the school of public health from other areas, rather than single this out as the one area at the University of Iowa to have its budget capped at its previous level.


I am unable to approve the designated portion of Section 9, subsection 3. This language restricts spending on the Center for Excellence in Fundamental Plant Sciences at Iowa State University and does not permit this program to receive either its share of dollars for salary increases or internal reallocations of funds from other university programs. If we are committed to making Iowa a leader in plant sciences technologies then it is unreasonable to single this out as the one center at Iowa State University to have its budget frozen.

I am unable to approve the designated portion of Section 9, subsection 4. This language restricts spending on the masters in social work program, the roadside vegetation project, and the Iowa office for staff development at the University of Northern Iowa. There is no reason to single these three areas out to be treated differently from all the other programs and activities and the University of Northern Iowa.

I am unable to approve Section 18 in its entirety. This veto is a technical correction. This section conflicts with SF 458, section 117 which also changes the paragraph lettering in Iowa Code section 284.13, subsection 1, paragraph g.

For the above reasons, I respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in **House File 662** are hereby approved as of this date.

Sincerely,

  
Thomas J. Vilsack  
Governor

TJV:jmc

cc: Secretary of the Senate  
Chief Clerk of the House



HOUSE FILE 662

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 CULTURAL AFFAIRS, THE DEPARTMENT OF EDUCATION, AND THE STATE BOARD OF REGENTS AND INCLUDING AN EFFECTIVE DATE AND RETROACTIVE APPLICABILITY DATE PROVISION.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

COLLEGE STUDENT AID COMMISSION

Section 1. There is appropriated from the general fund of the state to the college student aid commission for the fiscal year beginning July 1, 2003, and ending June 30, 2004, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

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

.....	\$	289,433
.....	FTEs	4.21

2. STUDENT AID PROGRAMS

For payments to students for the Iowa grant program:

.....	\$	1,029,884
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3. DES MOINES UNIVERSITY -- OSTEOPATHIC MEDICAL CENTER

For the Des Moines university -- osteopathic medical center for an initiative in primary health care to direct primary care physicians to shortage areas in the state:

.....	\$	355,334
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4. ACCELERATED CAREER EDUCATION GRANT PROGRAM

For the accelerated career education grant program established in section 261.22:

..... \$ 224,895

5. NATIONAL GUARD EDUCATIONAL ASSISTANCE PROGRAM

For purposes of providing national guard educational assistance under the program established in section 261.86:

..... \$ 1,175,000

6. TEACHER SHORTAGE FORGIVABLE LOAN PROGRAM

For the teacher shortage forgivable loan program established in section 261.111:

..... \$ 472,279

Sec. 2. WORK-STUDY APPROPRIATION NULLIFICATION FOR FY 2003-2004. Notwithstanding section 261.85, for the fiscal year beginning July 1, 2003, and ending June 30, 2004, the amount appropriated for the work-study program under section 261.85 shall be zero.

DEPARTMENT FOR THE BLIND

Sec. 3. ADMINISTRATION. There is appropriated from the general fund of the state to the department for the blind for the fiscal year beginning July 1, 2003, and ending June 30, 2004, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 1,506,071

..... FTEs 106.50

DEPARTMENT OF CULTURAL AFFAIRS

Sec. 4. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 2003, and ending June 30, 2004, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION

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

..... \$ 217,633

..... FTEs 1.05

The department of cultural affairs shall coordinate activities with the tourism division of the department of

economic development to promote attendance at the state historical building and at this state's historic sites.

2. COMMUNITY CULTURAL GRANTS

For planning and programming for the community cultural grants program established under section 303.3:

..... \$ 300,000

3. HISTORICAL DIVISION

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

..... \$ 2,798,238

..... FTEs 55.56

4. HISTORIC SITES

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

..... \$ 529,173

..... FTEs 8.00

5. ARTS DIVISION

For salaries, support, maintenance, miscellaneous purposes, including funds to match federal grants and for not more than the following full-time equivalent positions:

..... \$ 1,167,029

..... FTEs 6.89

DEPARTMENT OF EDUCATION

Sec. 5. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 2003, and ending June 30, 2004, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

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

..... \$ 5,031,243

..... FTEs 97.50

The director of the department of education shall ensure that all school districts are aware of the state education resources available on the state website for listing teacher job openings and shall make every reasonable effort to enable qualified practitioners to post their resumes on the state

website. The department shall administer the posting of job vacancies for school districts, accredited nonpublic schools, and area education agencies on the state website. The department may coordinate this activity with the Iowa school board association or other interested education associations in the state.

2. VOCATIONAL EDUCATION ADMINISTRATION

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

.....	\$	481,582
.....	FTEs	14.60

3. BOARD OF EDUCATIONAL EXAMINERS

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

.....	\$	42,702
.....	FTEs	7.00

4. VOCATIONAL REHABILITATION SERVICES DIVISION

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

.....	\$	4,231,742
.....	FTEs	281.50

The division of vocational rehabilitation services shall seek funding from other sources, such as local funds, for purposes of matching the state's federal vocational rehabilitation allocation, as well as for matching other federal vocational rehabilitation funding that may become available.

Except where prohibited under federal law, the division of vocational rehabilitation services of the department of education shall accept client assessments, or assessments of potential clients, performed by other agencies in order to reduce duplication of effort.

Notwithstanding the full-time equivalent position limit established in this lettered paragraph, for the fiscal year ending June 30, 2004, if federal funding is received to pay the costs of additional employees for the vocational rehabilitation services division who would have duties relating to vocational rehabilitation services paid for

through federal funding, authorization to hire not more than 4.00 additional full-time equivalent employees shall be provided, the full-time equivalent position limit shall be exceeded, and the additional employees shall be hired by the division.

b. For matching funds for programs to enable persons with severe physical or mental disabilities to function more independently, including salaries and support, and for not more than the following full-time equivalent position:

.....	\$	54,659
.....	FTEs	1.00

The highest priority use for the moneys appropriated under this lettered paragraph shall be for programs that emphasize employment and assist persons with severe physical or mental disabilities to find and maintain employment to enable them to function more independently.

5. STATE LIBRARY

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

.....	\$	1,233,948
.....	FTEs	18.00

b. For the enrich Iowa program:

.....	\$	1,741,982
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(1) Funds allocated for purposes of the enrich Iowa program as provided in this lettered paragraph shall be distributed by the division of libraries and information services to provide support for Iowa's libraries. The commission of libraries shall develop rules governing the allocation of funds provided by the general assembly for the enrich Iowa program to provide direct state assistance to public libraries and to fund the open access and access plus programs. Direct state assistance to eligible public libraries is provided as an incentive to improve library services and to reduce inequities among communities in the delivery of library services based on recognized and adopted performance measures. Funds distributed as direct state assistance shall be distributed to eligible public libraries that are in compliance with performance measures adopted by rule by the commission of libraries. The funds allocated as provided in this lettered paragraph shall not be used for the

costs of administration by the division. The amount of direct state assistance distributed under the enrich Iowa program for the fiscal year beginning July 1, 2003, shall not be lower than the amount distributed under the enrich Iowa program for the fiscal year commencing July 1, 2002. The amount of direct state assistance distributed to each eligible public library shall be based upon the following:

(a) The level of compliance by the eligible public library with the performance measures adopted by the commission as provided in this subparagraph.

(b) The number of people residing within an eligible library's geographic service area for whom the library provides services.

(c) The amount of other funding the eligible public library received in the previous fiscal year for providing services to rural residents and to contracting communities.

(2) Moneys received by a public library under this lettered paragraph shall supplement, not supplant, any other funding received by the library.

(3) For purposes of this section, "eligible public library" means a public library that meets all of the following requirements:

(a) Submits to the division all of the following:

(i) The report provided for under section 256.51, subsection 1, paragraph "h".

(ii) An application and accreditation report, in a format approved by the commission, that provides evidence of the library's compliance with at least one level of the standards established in accordance with section 256.51, subsection 1, paragraph "k".

(iii) Any other application or report the division deems necessary for the implementation of the enrich Iowa program.

(b) Participates in the library resource and information sharing programs established by the state library.

(c) Is a public library established by city ordinance or a library district as provided in chapter 336.

(4) Each eligible public library shall maintain a separate listing within its budget for payments received and expenditures made pursuant to this lettered paragraph, and shall annually submit this listing to the division.



(5) By January 15, 2004, the division shall submit a program evaluation report to the general assembly and the governor detailing the uses and the impacts of funds allocated under this lettered paragraph.

(6) A public library that receives funds in accordance with this lettered paragraph shall have an internet use policy in place, which may or may not include internet filtering. The library shall submit a report describing the library's internet use efforts to the division.

(7) A public library that receives funds in accordance with this lettered paragraph shall provide open access, the reciprocal borrowing program, as a service to its patrons, at a reimbursement rate determined by the state library.

6. LIBRARY SERVICE AREA SYSTEM

For state aid:

..... \$ 1,411,854

7. PUBLIC BROADCASTING DIVISION

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

..... \$ 6,270,467

..... FTEs 78.00

8. REGIONAL TELECOMMUNICATIONS COUNCILS

For state aid and for not more than the following full-time equivalent positions:

..... \$ 1,619,656

..... FTEs 7.00

a. Of the amount appropriated in this section, \$347,371 shall be allocated to the public broadcasting division for purposes of providing support for functions related to the Iowa communications network, including but not limited to the following functions: development of distance learning applications; development of a central information source on the internet relating to educational uses of the network; second-line technical support for network sites; testing and initializing sites onto the network; and coordinating the work of the education telecommunications council.

b. Of the amount appropriated in this section, \$1,272,285 shall be allocated to the regional telecommunications councils established in section 8D.5. The regional telecommunications councils shall use the funds to provide technical assistance

for network classrooms, planning and troubleshooting for local area networks, scheduling of video sites, and other related support activities.

9. VOCATIONAL EDUCATION TO SECONDARY SCHOOLS

For reimbursement for vocational education expenditures made by secondary schools:

..... \$ 3,012,209

Funds appropriated in this subsection shall be used for expenditures made by school districts to meet the standards set in sections 256.11, 258.4, and 260C.14 as a result of the enactment of 1989 Iowa Acts, chapter 278. Funds shall be used as reimbursement for vocational education expenditures made by secondary schools in the manner provided by the department of education for implementation of the standards set in 1989 Iowa Acts, chapter 278.

10. SCHOOL FOOD SERVICE

For use as state matching funds for federal programs that shall be disbursed according to federal regulations, including salaries, support, maintenance, and miscellaneous purposes:

..... \$ 2,574,034

11. IOWA EMPOWERMENT FUND

For deposit in the school ready children grants account of the Iowa empowerment fund created in section 28.9:

..... \$ 13,724,712

a. From the moneys deposited in the school ready children grants account for the fiscal year beginning July 1, 2003, and ending June 30, 2004, not more than \$200,000 is allocated for the community empowerment office and other technical assistance activities. It is the intent of the general assembly that regional technical assistance teams will be established and will include staff from various agencies, as appropriate, including the area education agencies, community colleges, and the Iowa state university of science and technology cooperative extension service in agriculture and home economics. The Iowa empowerment board shall direct staff to work with the advisory council to inventory technical assistance needs. Funds allocated under this lettered paragraph may be used by the Iowa empowerment board for the purpose of skills development and support for ongoing training of the regional technical assistance teams. However, funds shall not be used for additional staff or for the reimbursement of staff.

b. Notwithstanding any other provision of law to the contrary, beginning July 1, 2003, the community empowerment office, established as a division of the department of management, shall use the documentation created by the legislative fiscal bureau to implement a four-year phase-in period of the distribution formula approved by the community empowerment board.

c. As a condition of receiving funding appropriated in this subsection, each community empowerment area board shall report to the Iowa empowerment board progress on each of the state indicators approved by the state board, as well as progress on local indicators. The community empowerment area board must also submit a written plan amendment extending by one year the area's comprehensive school ready children grant plan developed for providing services for children from birth through five years of age and provide other information specified by the Iowa empowerment board. The amendment may also provide for changes in the programs and services provided under the plan. The Iowa empowerment board shall establish a submission deadline for the plan amendment that allows a reasonable period of time for preparation of the plan amendment and for review and approval or request for modification of the plan amendment by the Iowa empowerment board. In addition, the community empowerment board must continue to comply with reporting provisions and other requirements adopted by the Iowa empowerment board in implementing section 28.8.

12. TEXTBOOKS OF NONPUBLIC SCHOOL PUPILS

To provide funds for costs of providing textbooks to each resident pupil who attends a nonpublic school as authorized by section 301.1. The funding is limited to \$20 per pupil and shall not exceed the comparable services offered to resident public school pupils:

..... \$ 578,880

13. STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM

For purposes, as provided in law, of the student achievement and teacher quality program established pursuant to chapter 284:

..... \$ 44,275,000

14. COMMUNITY COLLEGES

For general state financial aid, including general financial aid to merged areas in lieu of personal property tax replacement payments, to merged areas as defined in section 260C.2, for vocational education programs in accordance with chapters 258 and 260C:

..... \$139,260,763

The funds appropriated in this subsection shall be allocated as follows:

- a. Merged Area I ..... \$ 6,683,208
- b. Merged Area II ..... \$ 7,850,326
- c. Merged Area III ..... \$ 7,292,776
- d. Merged Area IV ..... \$ 3,564,554
- e. Merged Area V ..... \$ 7,457,487
- f. Merged Area VI ..... \$ 6,909,220
- g. Merged Area VII ..... \$ 9,969,086
- h. Merged Area IX ..... \$ 12,261,253
- i. Merged Area X ..... \$ 19,242,498
- j. Merged Area XI ..... \$ 20,423,208
- k. Merged Area XII ..... \$ 8,046,150
- l. Merged Area XIII ..... \$ 8,273,870
- m. Merged Area XIV ..... \$ 3,607,057
- n. Merged Area XV ..... \$ 11,350,140
- o. Merged Area XVI ..... \$ 6,329,930

Sec. 6. SUPPLEMENTAL AID FOR COMMUNITY COLLEGES.

Notwithstanding the provisions of section 8.33 or any other provision of law to the contrary, moneys from the appropriation made in 2001 Iowa Acts, chapter 177, section 1, reserved for purposes of section 284.13, subsection 1, paragraph "a", which remain unexpended or unencumbered on June 30, 2003, shall be spent by the department of education in the following amount to supplement the general state financial aid provided to community colleges pursuant to section 5, subsection 14 of this Act:

..... \$ 762,675

The funds allocated in this subsection shall be distributed as follows:

- a. Merged Area I ..... \$ 36,600
- b. Merged Area II ..... \$ 42,993
- c. Merged Area III ..... \$ 39,940
- d. Merged Area IV ..... \$ 19,522
- e. Merged Area V ..... \$ 40,842

f. Merged Area VI .....	\$	37,839
g. Merged Area VII .....	\$	54,597
h. Merged Area IX .....	\$	67,150
i. Merged Area X .....	\$	105,383
j. Merged Area XI .....	\$	111,850
k. Merged Area XII .....	\$	44,066
l. Merged Area XIII .....	\$	45,313
m. Merged Area XIV .....	\$	19,754
n. Merged Area XV .....	\$	62,160
o. Merged Area XVI .....	\$	34,666

Sec. 7. BOARD OF EDUCATIONAL EXAMINERS LICENSING FEES.

Notwithstanding section 272.10, up to 85 percent of any funds received annually resulting from an increase in fees approved and implemented for licensing by the state board of educational examiners after July 1, 1997, shall be available for the fiscal year beginning July 1, 2003, to the state board for purposes related to the state board's duties, including, but not limited to, additional full-time equivalent positions. The director of revenue and finance shall draw warrants upon the treasurer of state from the funds appropriated as provided in this section and shall make the funds resulting from the increase in fees available during the fiscal year to the state board on a monthly basis.

Sec. 8. NONREVERSION OF CAREER DEVELOPMENT FUNDS.

Notwithstanding section 8.33, moneys appropriated and allocated by the general assembly for fiscal year 2001-2002 and fiscal year 2002-2003 for purposes of the career development program pursuant to section 284.13, subsection 1, paragraph "e", which remain unobligated or unexpended at the end of the fiscal year ending June 30, 2003, shall remain available for expenditure for the purposes for which they were appropriated and allocated, for the fiscal year beginning July 1, 2003, and ending June 30, 2004.

STATE BOARD OF REGENTS

Sec. 9. There is appropriated from the general fund of the state to the state board of regents for the fiscal year beginning July 1, 2003, and ending June 30, 2004, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. OFFICE OF STATE BOARD OF REGENTS

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

..... \$ 1,190,152  
..... FTEs 16.00

The state board of regents, the department of management, and the legislative fiscal bureau shall cooperate to determine and agree upon, by November 15, 2003, the amount that needs to be appropriated for tuition replacement for the fiscal year beginning July 1, 2004.

*Disapproved*  
5-30-03

The state board of regents shall submit a monthly financial report in a format agreed upon by the state board of regents office and the legislative fiscal bureau.

b. For allocation by the state board of regents to the state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa to reimburse the institutions for deficiencies in their operating funds resulting from the pledging of tuitions, student fees and charges, and institutional income to finance the cost of providing academic and administrative buildings and facilities and utility services at the institutions:

..... \$ 13,343,050

c. For funds to be allocated to the southwest Iowa graduate studies center:

..... \$ 108,673

d. For funds to be allocated to the siouxland interstate metropolitan planning council for the tristate graduate center under section 262.9, subsection 21:

..... \$ 79,940

e. For funds to be allocated to the quad-cities graduate studies center:

..... \$ 161,173

2. STATE UNIVERSITY OF IOWA

a. General university, including lakeside laboratory

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

..... \$232,423,103  
..... FTEs 4,055.62

It is the intent of the general assembly that the university continue progress on the school of public health

*Disapproved*  
5.30.03  
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and the public health initiative for the purposes of establishing an accredited school of public health and for funding an initiative for the health and independence of elderly Iowans. From the funds appropriated in this lettered paragraph, the university may use up to \$2,100,000 for the school of public health and the public health initiative.

b. University hospitals

For salaries, support, maintenance, equipment, and miscellaneous purposes and for medical and surgical treatment of indigent patients as provided in chapter 255, for medical education, and for not more than the following full-time equivalent positions:

.....	\$ 28,833,519
.....	FTEs 5,471.01

The university of Iowa hospitals and clinics shall, within the context of chapter 255 and when medically appropriate, make reasonable efforts to extend the university of Iowa hospitals and clinics' use of home telemedicine and other technologies to reduce the frequency of visits to the hospital required by indigent patients. The university of Iowa hospitals and clinics shall submit a report to the general assembly and the legislative fiscal bureau by January 15, 2004, describing its use of these technologies to accomplish this purpose.

The university of Iowa hospitals and clinics shall submit quarterly a report regarding the portion of the appropriation in this lettered paragraph expended on medical education. The report shall be submitted in a format jointly developed by the university of Iowa hospitals and clinics, the legislative fiscal bureau, and the department of management, and shall delineate the expenditures and purposes of the funds.

Funds appropriated in this lettered paragraph shall not be used to perform abortions except medically necessary abortions, and shall not be used to operate the early termination of pregnancy clinic except for the performance of medically necessary abortions. For the purpose of this lettered paragraph, an abortion is the purposeful interruption of pregnancy with the intention other than to produce a live-born infant or to remove a dead fetus, and a medically necessary abortion is one performed under one of the following conditions:

(1) The attending physician certifies that continuing the pregnancy would endanger the life of the pregnant woman.

(2) The attending physician certifies that the fetus is physically deformed, mentally deficient, or afflicted with a congenital illness.

(3) The pregnancy is the result of a rape which is reported within 45 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

(4) The pregnancy is the result of incest which is reported within 150 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

(5) The abortion is a spontaneous abortion, commonly known as a miscarriage, wherein not all of the products of conception are expelled.

The total quota allocated to the counties for indigent patients for the fiscal year beginning July 1, 2003, shall not be lower than the total quota allocated to the counties for the fiscal year commencing July 1, 1998. The total quota shall be allocated among the counties on the basis of the 2000 census pursuant to section 255.16.

c. Psychiatric hospital

For salaries, support, maintenance, equipment, miscellaneous purposes, for the care, treatment, and maintenance of committed and voluntary public patients, and for not more than the following full-time equivalent positions:

.....	\$	7,442,887
.....	FTEs	272.11

d. Center for disabilities and development

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

.....	\$	6,724,505
.....	FTEs	143.34

From the funds appropriated in this lettered paragraph, \$200,000 shall be allocated for purposes of the employment policy group.

e. Oakdale campus



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

.....	\$	2,808,191
.....	FTEs	43.25

f. State hygienic laboratory

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

.....	\$	4,018,388
.....	FTEs	102.49

g. Family practice program

For allocation by the dean of the college of medicine, with approval of the advisory board, to qualified participants, to carry out chapter 148D for the family practice program, including salaries and support, and for not more than the following full-time equivalent positions:

.....	\$	2,193,798
.....	FTEs	192.40

h. Child health care services

For specialized child health care services, including childhood cancer diagnostic and treatment network programs, rural comprehensive care for hemophilia patients, and the Iowa high-risk infant follow-up program, including salaries and support, and for not more than the following full-time equivalent positions:

.....	\$	685,914
.....	FTEs	53.46

i. Statewide cancer registry

For the statewide cancer registry, and for not more than the following full-time equivalent positions:

.....	\$	188,886
.....	FTEs	2.40

j. Substance abuse consortium

For funds to be allocated to the Iowa consortium for substance abuse research and evaluation, and for not more than the following full-time equivalent positions:

.....	\$	68,553
.....	FTEs	1.50

k. Center for biocatalysis

For the center for biocatalysis, and for not more than the following full-time equivalent positions:

.....	\$	931,420
.....	FTEs	5.20

1. Primary health care initiative

For the primary health care initiative in the college of medicine and for not more than the following full-time equivalent positions:

.....	\$	803,013
.....	FTEs	7.75

From the funds appropriated in this lettered paragraph, \$330,000 shall be allocated to the department of family practice at the state university of Iowa college of medicine for family practice faculty and support staff.

m. Birth defects registry

For the birth defects registry and for not more than the following full-time equivalent positions:

.....	\$	47,170
.....	FTEs	1.30

3. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

a. General university

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

.....	\$	183,134,521
.....	FTEs	3,647.42

It is the intent of the general assembly that the university continue progress on the center for excellence in fundamental plant sciences. From the funds appropriated in this lettered paragraph, the university may use up to \$4,670,000 for the center for excellence in fundamental plant sciences.

b. Agricultural experiment station

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

.....	\$	32,712,448
.....	FTEs	546.98

c. Cooperative extension service in agriculture and home economics

*Disapproved*  
5-30-03  
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For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	20,815,676
.....	FTEs	383.34

d. Leopold center

For agricultural research grants at Iowa state university under section 266.39B, and for not more than the following full-time equivalent positions:

.....	\$	489,648
.....	FTEs	11.25

e. Livestock disease research

For deposit in and the use of the livestock disease research fund under section 267.8:

.....	\$	232,749
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4. UNIVERSITY OF NORTHERN IOWA

a. General university

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

.....	\$	82,228,033
.....	FTEs	1,398.01

[It is the intent of the general assembly that the university continue progress on the implementation of a masters in social work program. From the funds appropriated in this lettered paragraph, the university may use up to \$450,000 for the implementation of the masters in social work program, up to \$100,000 for the roadside vegetation project, and up to \$200,000 for the Iowa office for staff development.]

*Disapproved*  
5-30-03  
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b. Recycling and reuse center

For purposes of the recycling and reuse center, and for not more than the following full-time equivalent positions:

.....	\$	217,290
.....	FTEs	3.00

5. STATE SCHOOL FOR THE DEAF

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

.....	\$	8,107,934
.....	FTEs	126.60

6. IOWA BRAILLE AND SIGHT SAVING SCHOOL

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

.....	\$	4,537,514
.....	FTEs	81.00

7. TUITION AND TRANSPORTATION COSTS

For payment to local school boards for the tuition and transportation costs of students residing in the Iowa braille and sight saving school and the state school for the deaf pursuant to section 262.43 and for payment of certain clothing, prescription, and transportation costs for students at these schools pursuant to section 270.5:

.....	\$	15,103
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Sec. 10. MEDICAL ASSISTANCE -- SUPPLEMENTAL AMOUNTS. For the fiscal year beginning July 1, 2003, and ending June 30, 2004, the department of human services shall continue the supplemental disproportionate share and a supplemental indirect medical education adjustment applicable to state-owned acute care hospitals with more than 500 beds and shall reimburse qualifying hospitals pursuant to that adjustment with a supplemental amount for services provided medical assistance recipients. The adjustment shall generate supplemental payments intended to equal the state appropriation made to a qualifying hospital for treatment of indigent patients as provided in chapter 255. To the extent of the supplemental payments, a qualifying hospital shall, after receipt of the funds, transfer to the department of human services an amount equal to the actual supplemental payments that were made in that month. The aggregate amounts for the fiscal year shall not exceed the state appropriation made to the qualifying hospital for treatment of indigent patients as provided in chapter 255. The department of human services shall deposit these funds in the department's medical assistance account. To the extent that state funds appropriated to a qualifying hospital for the treatment of indigent patients as provided in chapter 255 have been transferred to the department of human services as a result of these supplemental payments made to the qualifying hospital, the department shall not, directly or indirectly, recoup the supplemental payments made to a qualifying hospital for any reason, unless an equivalent amount of the funds transferred

to the department of human services by a qualifying hospital pursuant to this provision is transferred to the qualifying hospital by the department.

If the state supplemental amount allotted to the state of Iowa for the federal fiscal year beginning October 1, 2003, and ending September 30, 2004, pursuant to section 1923(f)(3) of the federal Social Security Act, as amended, or pursuant to federal payments for indirect medical education is greater than the amount necessary to fund the federal share of the supplemental payments specified in the preceding paragraph, the department of human services shall increase the supplemental disproportionate share or supplemental indirect medical education adjustment by the lesser of the amount necessary to utilize fully the state supplemental amount or the amount of state funds appropriated to the state university of Iowa general education fund and allocated to the university for the college of medicine. The state university of Iowa shall transfer from the allocation for the college of medicine to the department of human services, on a monthly basis, an amount equal to the additional supplemental payments made during the previous month pursuant to this paragraph. A qualifying hospital receiving supplemental payments pursuant to this paragraph that are greater than the state appropriation made to the qualifying hospital for treatment of indigent patients as provided in chapter 255 shall be obligated as a condition of its participation in the medical assistance program to transfer to the state university of Iowa general education fund on a monthly basis an amount equal to the funds transferred by the state university of Iowa to the department of human services. To the extent that state funds appropriated to the state university of Iowa and allocated to the college of medicine have been transferred to the department of human services as a result of these supplemental payments made to the qualifying hospital, the department shall not, directly or indirectly, recoup these supplemental payments made to a qualifying hospital for any reason, unless an equivalent amount of the funds transferred to the department of human services by the state university of Iowa pursuant to this paragraph is transferred to the qualifying hospital by the department.

Continuation of the supplemental disproportionate share and supplemental indirect medical education adjustment shall preserve the funds available to the university hospital for medical and surgical treatment of indigent patients as provided in chapter 255 and to the state university of Iowa for educational purposes at the same level as provided by the state funds initially appropriated for that purpose.

The department of human services shall, in any compilation of data or other report distributed to the public concerning payments to providers under the medical assistance program, set forth reimbursements to a qualifying hospital through the supplemental disproportionate share and supplemental indirect medical education adjustment as a separate item and shall not include such payments in the amounts otherwise reported as the reimbursement to a qualifying hospital for services to medical assistance recipients.

For purposes of this section, "supplemental payment" means a supplemental payment amount paid for medical assistance to a hospital qualifying for that payment under this section.

Sec. 11. For the fiscal year beginning July 1, 2003, and ending June 30, 2004, the state board of regents may use notes, bonds, or other evidences of indebtedness issued under section 262.48 to finance projects that will result in energy cost savings in an amount that will cause the state board to recover the cost of the projects within an average of six years.

Sec. 12. Notwithstanding section 270.7, the department of revenue and finance shall pay the state school for the deaf and the Iowa braille and sight saving school the moneys collected from the counties during the fiscal year beginning July 1, 2003, for expenses relating to prescription drug costs for students attending the state school for the deaf and the Iowa braille and sight saving school.

Sec. 13. Section 261.25, subsection 1, Code 2003, is amended to read as follows:

1. There is appropriated from the general fund of the state to the commission for each fiscal year the sum of forty-six million ~~one~~ four hundred seventeen thousand nine hundred sixty-four dollars for tuition grants.

Sec. 14. Section 261.86, Code 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 6. Notwithstanding section 8.33, until one year after the date the president of the United States or the Congress of the United States declares a cessation of hostilities ending operation Iraqi freedom, funds appropriated for purposes of this section which remain unencumbered or unobligated at the close of the fiscal year for which the funds were appropriated shall not revert but shall be available for expenditure for the following fiscal year for purposes of this section.

Sec. 15. Section 284.5, subsection 3, Code 2003, is amended to read as follows:

3. Each school district and area education agency shall provide a beginning teacher mentoring and induction program for all classroom teachers who are beginning teachers ~~by-the school-year-beginning-July-17-2002,~~ and notwithstanding section 284.4, subsection 1, a school district and an area education agency shall be eligible to receive moneys under section 284.13, subsection 1, paragraph "c", ~~for the-fiscal year-beginning-July-17-2002,-and-ending-June-30,-2003,-to establish purposes of implementing~~ a beginning teacher mentoring and induction program in accordance with this section.

Sec. 16. Section 284.13, subsection 1, paragraph f, Code 2003, is amended by striking the paragraph.

Sec. 17. Section 284.13, subsection 1, paragraphs b, c, d, and e, Code 2003, are amended to read as follows:

b. For the fiscal year beginning July 1, ~~2002~~ 2003, and ending June 30, ~~2003~~ 2004, to the department of education, the amount of ~~one-million-four~~ seven hundred thousand dollars for the issuance of national board certification awards in accordance with section 256.44.

c. For the fiscal year beginning July 1, ~~2002~~ 2003, and succeeding fiscal years, an amount up to four million ~~one~~ two hundred thousand dollars for first-year and second-year beginning teachers, to the department of education for distribution to school districts for purposes of the beginning teacher mentoring and induction programs. A school district shall receive one thousand three hundred dollars per beginning teacher participating in the program. If the funds appropriated for the program are insufficient to pay mentors and school districts as provided in this paragraph, the

department shall prorate the amount distributed to school districts based upon the amount appropriated. Moneys received by a school district pursuant to this paragraph shall be expended to provide each mentor with an award of five hundred dollars per semester, at a minimum, for participation in the school district's beginning teacher mentoring and induction program; to implement the plan; and to pay any applicable costs of the employer's share of contributions to federal social security and the Iowa public employees' retirement system or a pension and annuity retirement system established under chapter 294, for such amounts paid by the district.

d. For the fiscal year beginning July 1, ~~2002~~ 2003, and ending June 30, ~~2003~~ 2004, up to one million ~~seven-hundred thousand~~ dollars to the department of education for purposes of establishing the evaluator training program, including but not limited to ~~the-development-of-criteria-models~~; an evaluation process; the training of providers; development of a provider approval process; training materials and costs; for payment to practitioners under section 284.10, subsection 3, and to pay any applicable costs of the employer's share of contributions to federal social security and the Iowa public employees' retirement system or a pension and annuity retirement system established under chapter 294, for such amounts paid by the district; and for subsidies to school districts for training costs. A portion of the funds allocated to the department for purposes of this paragraph may be used by the department for administrative purposes.

e. For the fiscal year beginning July 1, ~~2002~~ 2003, and ending June 30, ~~2003~~ 2004, up to ~~fifty~~ three hundred seventy-five thousand dollars to the department of education for purposes of implementing the career development program requirements of section 284.6, and the review panel requirements of section 284.9. From the moneys allocated to the department pursuant to this paragraph, not less than seventy-five thousand dollars shall be used to administer the ambassador to education position in accordance with section 256.45. A portion of the funds allocated to the department for purposes of this paragraph may be used by the department for administrative purposes.

Sec. 18. Section 284.13, subsection 1, paragraph g, unnumbered paragraph 1, Code 2003, is amended to read as follows:



*Amended*  
*5.30.03*

For each fiscal year in which funds are appropriated for purposes of this chapter, the moneys remaining after distribution as provided in paragraphs "a" "b" through "f" "e" and "h" shall be allocated to school districts in accordance with the following formula:

Sec. 19. Section 284.13, subsection 1, Code 2003, is amended by adding the following new paragraph:

NEW PARAGRAPH. i. Notwithstanding section 8.33, any moneys remaining unencumbered or unobligated from the moneys allocated for purposes of paragraphs "b" or "c" shall not revert but shall remain available in the succeeding fiscal year for expenditure for the purposes designated. The provisions of section 8.39 shall not apply to the funds appropriated pursuant to this subsection.

Sec. 20. Section 284.13, subsection 3, Code 2003, is amended by striking the subsection.

Sec. 21. Section 294A.25, subsections 5 and 6, Code 2003, are amended to read as follows:

5. For the fiscal year beginning July 1, ~~2001~~ 2002, and ending June 30, ~~2002~~ 2003, the amount of fifty thousand dollars to be paid to the department of education for participation in a state and national project, the national assessment of education progress, to determine the academic achievement of Iowa students in math, reading, science, United States history, or geography.

6. For the fiscal year beginning July 1, ~~2001~~ 2002, and ending June 30, ~~2002~~ 2003, to the department of education from phase III moneys, the amount of seventy-five thousand dollars to administer the ambassador to education position in accordance with section 256.45.

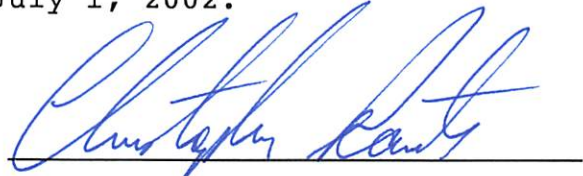
Sec. 22. EFFECTIVE DATES.

1. Section 6 of this Act, relating to the supplemental aid for community colleges, being deemed of immediate importance, takes effect upon enactment.

2. Section 21 of this Act, relating to the appropriation of educational excellence moneys to the department of education for purposes of the national assessment of education progress and the ambassador to education position, being deemed of immediate importance, takes effect upon enactment.

3. Section 8 of this Act, relating to the nonreversion of career development funds, being deemed of immediate importance, takes effect upon enactment.

4. The section of this Act, amending section 261.86, being deemed of immediate importance, takes effect upon enactment and applies retroactively to July 1, 2002.



CHRISTOPHER C. RANTS  
Speaker of the House



MARY E. KRAMER  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 662, Eightieth General Assembly.



MARGARET THOMSON  
Chief Clerk of the House

Approved <sup>with exceptions noted</sup> May 30, 2003

  
THOMAS J. VILSACK  
Governor