



THOMAS J. VILSACK  
GOVERNOR

## OFFICE OF THE GOVERNOR

SALLY J. PEDERSON  
LT. GOVERNOR

May 31, 2006

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

Dear Mr. Secretary:

I hereby transmit **House File 2540**, an Act relating to and making appropriations involving state government, including provisions affecting agriculture and natural resources, providing fees, and providing an effective date.

House File 2540 is approved on this date with the following exception, which I hereby disapprove:

I am unable to approve the item designated as Section 29 in its entirety. Not only does this language create an unnecessary bureaucratic step in the efficient operation of state government, but it also calls into question the cost-savings produced by the state motor pool while disregarding the benefits that the state of Iowa derives from maintaining a state motor pool.

The cost-savings of maintaining a state motor pool are clear. In meetings with legislators and the private sector this legislative session and prior legislative sessions, the Department of Administrative Services (DAS) has continually shown that it provides a cost-effective service and the private sector has not shown that they can provide a similar service for the same or a lesser amount. It should also be noted that the state motor pool is a marketplace service that currently competes with the private sector for its state customer business.

In addition, this language only addresses the fiscal impact of the state motor pool and does not recognize other benefits of maintaining a state motor pool. The State of Iowa benefits greatly from having accessibility to a full service, on-site motor pool team with the sole responsibility of maintaining the state motor pool, which ensures convenience to the motor pool's customers, state agencies. In signing Executive Order 41, I requested that DAS take the initiative to move its fleet towards flexible fuel vehicles (vehicles that that can either use E-85 or soy biodiesel). By December of 2007, 90% of eligible motor pool vehicles will be flexible fuel vehicles, which will encourage and contribute to the use of renewable fuels.



The state motor pool consistently provides cost-effective services to state agencies that enhance the ability of state government to operate efficiently and promotes Iowa's image as a leader in renewable energy.

For the above reasons, I respectfully disapprove this item in accordance with Article 3 Section 16 of the Constitution of the State of Iowa. All other items in House File 2540 are hereby approved as of this date.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tom Vilsack', with a long horizontal flourish extending to the right.

Thomas J. Vilsack  
Governor

TJV:jmc

cc: Secretary of the Senate  
Chief Clerk of the House



HOUSE FILE 2540

AN ACT

RELATING TO AND MAKING APPROPRIATIONS INVOLVING STATE GOVERNMENT, INCLUDING PROVISIONS AFFECTING AGRICULTURE AND NATURAL RESOURCES, PROVIDING FEES, AND PROVIDING AN EFFECTIVE DATE.

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

DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP  
GENERAL APPROPRIATIONS

Section 1. GENERAL FUND -- DEPARTMENT. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of supporting the department, including its divisions, for administration, regulation, and programs, for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$ 17,837,900
.....	FTEs 404.39

Of the amount appropriated in this section at least \$50,000 shall be allocated to support a program relating to the

detection, surveillance, and eradication of the gypsy moth.

DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP  
DESIGNATED APPROPRIATIONS -- ANIMAL HUSBANDRY

Sec. 2. GENERAL FUND -- CHRONIC WASTING DISEASE CONTROL PROGRAM. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of administering a chronic wasting disease control program for the control of chronic wasting disease which threatens farm deer as provided in chapter 170, including for salaries, support, maintenance, and miscellaneous purposes:

..... \$ 100,000

The program may include procedures for the inspection and testing of farm deer, responses to reported cases of chronic wasting disease, and methods to ensure that owners of farm deer may engage in the movement and sale of farm deer.

Sec. 3. HORSE AND DOG RACING. There is appropriated from the moneys available under section 99D.13 to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of supporting the department's administration and enforcement of horse and dog racing law pursuant to section 99D.22, including for salaries, support, maintenance, and miscellaneous purposes:

..... \$ 305,516

Sec. 4. GENERAL FUND -- DAIRY PRODUCTS CONTROL. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of supporting the operations of the dairy products control bureau, including for salaries, support, maintenance, and miscellaneous purposes:

..... \$ 693,166

Sec. 5. GENERAL FUND -- AVIAN INFLUENZA CONTROL. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For purposes of controlling avian influenza by conducting testing and monitoring:

..... \$ 50,000

Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available to be used for the continued testing and monitoring of avian influenza.

Sec. 6. GENERAL FUND -- APIARY LAW. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of administering and enforcing apiary law as provided in chapter 160, including for salaries, support, maintenance, and miscellaneous purposes:

..... \$ 40,000

DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP  
DESIGNATED APPROPRIATIONS -- MISCELLANEOUS

Sec. 7. GENERAL FUND -- SOIL AND WATER CONSERVATION DISTRICTS. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of reimbursing commissioners of soil and water conservation districts for administrative expenses including but not limited to travel expenses, technical training, and professional dues:

..... \$ 250,000

A soil and water conservation district receiving moneys from an allocation provided pursuant to this section shall submit a report to the soil conservation division of the

department of agriculture and land stewardship by July 1, 2007, accounting for moneys which have been expended or unexpended or which have been obligated or encumbered. The report shall state how the moneys were used.

Sec. 8. GENERAL FUND -- SENIOR FARMERS MARKET NUTRITION PROGRAM. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of administering a senior farmers market nutrition program, including for salaries, support, maintenance, and miscellaneous purposes:

..... \$ 77,000

Sec. 9. GENERAL FUND -- STATE INTERAGENCY MISSOURI RIVER AUTHORITY. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For purposes of supporting the department's membership in the state interagency Missouri river authority, created in section 28L.1, in the Missouri river basin association:

..... \$ 9,535

Sec. 10. IOWA SHORTHORN ASSOCIATION. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For allocation to the Iowa shorthorn association in connection with the 2006 national junior shorthorn show:

..... \$ 10,000

DEPARTMENT OF NATURAL RESOURCES  
GENERAL APPROPRIATIONS

Sec. 11. GENERAL FUND -- DEPARTMENT. There is appropriated from the general fund of the state to the department of natural resources for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of supporting the department, including its divisions, for administration, regulation, and programs, for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 17,967,579  
..... FTEs 1,113.63

Sec. 12. STATE FISH AND GAME PROTECTION FUND -- DIVISION OF FISH AND WILDLIFE.

1. a. There is appropriated from the state fish and game protection fund to the department of natural resources for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of supporting the division of fish and wildlife, including for administration, regulation, and programs, and for salaries, support, maintenance, equipment, and miscellaneous purposes:

..... \$ 34,322,525

b. Notwithstanding section 455A.10, the department may use the unappropriated balance remaining in the fish and game protection fund to provide for the funding of health and life insurance premium payments from unused sick leave balances of conservation peace officers employed in a protection occupation who retire, pursuant to section 97B.49B.

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

Sec. 13. GROUNDWATER PROTECTION FUND -- WATER QUALITY.

1. There is appropriated from the groundwater protection fund created in section 455E.11 to the department of natural resources for the fiscal year beginning July 1, 2006, and ending June 30, 2007, from those moneys which are not

allocated pursuant to that section, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of supporting the department's protection of the state's groundwater, including for administration, regulation, and programs, and for salaries, support, maintenance, equipment, and miscellaneous purposes:

..... \$ 3,455,832

2. Of the amount of moneys to be allocated from the solid waste account of the groundwater protection fund to develop and implement demonstration projects for landfill alternatives to solid waste disposal including recycling programs pursuant to section 455E.11, subsection 2, paragraph "a", subparagraph (1), subparagraph subdivision (c), \$300,000 shall be used for purposes of supporting a one-year project to recycle hardware or equipment associated with personal computers. The department shall award the moneys provided in this subsection using a competitive grant process on a statewide basis. The department shall make the award to a person or persons who apply in a manner and according to procedures required by the department.

DEPARTMENT OF NATURAL RESOURCES  
RELATED TRANSFERS

Sec. 14. SPECIAL SNOWMOBILE FUND -- SNOWMOBILE PROGRAM. There is transferred on July 1, 2006, from the fees required to be deposited in the special snowmobile fund under section 321G.7 to the fish and game protection fund and appropriated to the department of natural resources for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For purposes of administering and enforcing the state snowmobile program:

..... \$ 100,000

DEPARTMENT OF NATURAL RESOURCES  
DESIGNATED APPROPRIATIONS

Sec. 15. UNASSIGNED REVENUE FUND -- UNDERGROUND STORAGE TANK SECTION EXPENSES. There is appropriated from the unassigned revenue fund administered by the Iowa comprehensive underground storage tank fund board, to the department of



natural resources for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For purposes of paying for administration expenses of the department's underground storage tank section:

..... \$ 200,000

Sec. 16. STORMWATER DISCHARGE PERMIT FEES APPROPRIATION -- AIR QUALITY MONITORING. Notwithstanding section 8.33, any moneys appropriated to the department of natural resources from stormwater discharge permit fees for the fiscal year beginning July 1, 2005, and ending June 30, 2006, pursuant to 2005 Iowa Acts, chapter 178, section 2, that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available until the close of the succeeding fiscal year for expenditure for full-time personnel to conduct air quality monitoring, which may include but is not limited to staffing required to perform field monitoring and laboratory functions, including salaries, support, maintenance, and for miscellaneous purposes.

Sec. 17. STORMWATER DISCHARGE PERMIT FEES -- REDUCING FLOODPLAIN PERMIT BACKLOG. Notwithstanding any contrary provision of state law, for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the department of natural resources may use additional moneys available to the department collected from stormwater discharge permit fees for the staffing of the following additional full-time equivalent positions for the purposes designated:

For purposes of reducing the department's floodplain permit backlog:

..... FTEs 2.00

Sec. 18. STORMWATER DISCHARGE PERMIT FEES -- IMPLEMENTING THE FEDERAL TOTAL MAXIMUM DAILY LOAD PROGRAM. Notwithstanding any contrary provision of state law, for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the department of natural resources may use additional moneys available to the department from stormwater discharge permit fees for the staffing of the following additional full-time equivalent positions for the purposes designated:

For purposes of implementing the federal total maximum daily load program:

..... FTEs 2.00

IOWA STATE UNIVERSITY  
DESIGNATED APPROPRIATIONS

Sec. 19. AGRICULTURAL REMEDIATION FUND -- OPEN FEEDLOT WATER QUALITY RESEARCH PROJECT. There is appropriated from the agrichemical remediation fund created in section 161.7 to the Iowa state university of science and technology for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of supporting a water quality research project which studies the effectiveness of alternative technologies used to reduce risks to water quality from effluent originating from open feedlots which house beef cattle:

..... \$ 50,000

In conducting the project, Iowa state university shall cooperate with the Iowa cattlemen's association, the department of natural resources, the department of agriculture and land stewardship, and the United States department of agriculture natural resource conservation service.

Sec. 20. VETERINARY DIAGNOSTIC LABORATORY.

1. There is appropriated from the general fund of the state to Iowa state university of science and technology for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of supporting the college of veterinary medicine for the operation of the veterinary diagnostic laboratory:

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

2. Iowa state university of science and technology shall not reduce the amount that it allocates to support the college of veterinary medicine from any other source due to the appropriation made in this section.

3. If by the end of the fiscal year, Iowa state university of science and technology fails to allocate the moneys appropriated in this section to the college of veterinary science in accordance with this section, the moneys

appropriated in this section for that fiscal year shall revert to the general fund of the state.

Sec. 21. VETERINARY DIAGNOSTIC LABORATORY -- FUTURE YEARS. It is the intent of the general assembly that a future general assembly appropriate moneys to Iowa state university of science and technology for the designated fiscal years, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of supporting the college of veterinary medicine for the operation of the veterinary diagnostic laboratory:

- 1. FY 2007-2008..... \$ 2,000,000
- 2. FY 2008-2009..... \$ 3,000,000
- 3. FY 2009-2010..... \$ 4,000,000

MISCELLANEOUS

Sec. 22. Section 455B.103A, subsection 4, Code Supplement 2005, is amended to read as follows:

4. a. An Except as provided in paragraph "b", an applicant to be covered under a general permit shall pay a permit fee, as established by rule of the commission, which is sufficient in the aggregate to defray the costs of the permit program. Moneys collected shall be remitted to the department.

b. The commission shall adopt rules for a general permit described in section 455B.197, including fees, only to the extent that the rules are consistent with that section.

Sec. 23. Section 455B.105, subsection 11, Code Supplement 2005, is amended by adding the following new paragraph:

NEW PARAGRAPH. c. The commission shall adopt rules for applications or permits related to the national pollutant discharge elimination system (NPDES) coverage as described in section 455B.197, including fees, only to the extent that the rules are consistent with that section.

Sec. 24. NEW SECTION. 455B.196 NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM PERMIT FUND.

1. A national pollutant discharge elimination system permit fund is created as a separate fund in the state treasury under the control of the department. The fund is composed of moneys appropriated by the general assembly and moneys available to and obtained or accepted by the department

from the United States or private sources for placement in the fund. The fund shall include moneys deposited into the fund from fees charged for the processing of applications for the issuance of permits related to the national pollutant discharge elimination system as provided in section 455B.197.

2. Moneys in the national pollutant discharge elimination system permit fund shall be used only as provided in appropriations made from the fund by the general assembly which may include for purposes relating to expediting the department's processing of national pollutant discharge elimination system applications and the issuance of permits.

3. Section 8.33 shall not apply to moneys credited to the national pollutant discharge elimination system permit fund. Notwithstanding section 12C.7, moneys earned as income or interest from the fund shall remain in the fund until expended as provided in this section.

Sec. 25. NEW SECTION. 455B.197 NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM PERMITS.

The department may issue a permit related to the administration of the national pollutant discharge elimination system permit program pursuant to the federal Water Pollution Control Act, 33 U.S.C. ch. 26, as amended, and 40 C.F.R., pt. 124 including but not limited to storm water discharge permits issued pursuant to section 455B.103A. The department may provide for the receipt of applications and the issuance of permits as provided by rules adopted by the department which are consistent with this section. The department shall assess and collect fees for the processing of applications and the issuance of permits as provided in this section. The department shall deposit the fees into the national pollutant discharge elimination system permit fund created in section 455B.196. The fees shall be established as follows:

1. For a permit for the discharge from mining and processing facilities, NPDES general permit no. 5, the following fee schedule shall apply:

a. An annual permit, one hundred twenty-five dollars each year.

b. For a multiyear permit, all of the following shall apply:

- (1) A three-year permit, three hundred dollars.
- (2) A four-year permit, four hundred dollars.
- (3) A five-year permit, five hundred dollars.

2. For coverage under the national pollutant discharge elimination system (NPDES) individual permits for storm water, for a construction permit, an application fee of one hundred dollars.

3. For coverage under the national pollutant discharge elimination system (NPDES) individual permits for nonstorm water, the following annual fees apply:

a. For a major municipal facility, one thousand two hundred seventy-five dollars.

b. For a minor municipal facility, two hundred ten dollars.

c. For a semipublic facility, three hundred forty dollars.

d. For a facility that holds an operation permit, with no wastewater discharge into surface waters, one hundred seventy dollars.

e. For a municipal water treatment facility, a fee shall not be charged.

f. For a major industrial facility, three thousand four hundred dollars.

g. For a minor industrial facility, three hundred dollars.

h. For an open feedlot operation as provided in chapter 459A, an annual fee of three hundred forty dollars.

i. For a new facility that has not been issued a current nonstorm water NPDES permit, a prorated amount which shall be calculated by taking the annual fee amount multiplied by the number of months remaining before the next annual fee due date divided by twelve.

j. For a facility covered under an existing nonstorm water NPDES permit, a prorated amount which shall be calculated by taking the annual fee amount multiplied by the number of months remaining before the next annual fee due date divided by twelve.

k. For a nonstorm water permit as provided in this subsection, a single application fee of eighty-five dollars.

Sec. 26. NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM PERMIT FUND -- APPROPRIATION TO THE DEPARTMENT OF NATURAL RESOURCES. There is appropriated from the national pollutant

discharge elimination system permit fund created in section 455B.196 to the department of natural resources for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of expediting the department's processing of national pollutant discharge elimination system applications and the issuance of permits, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	600,000
.....	FTEs	6.00

Sec. 27. NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM PERMIT FUND -- APPROPRIATION TO THE DEPARTMENT OF ECONOMIC DEVELOPMENT. There is appropriated from the national pollutant discharge elimination system permit fund created in section 455B.196 to the department of economic development for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of expediting the department of natural resources processing of national pollutant discharge elimination system applications and the issuance of permits, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	100,000
.....	FTEs	2.00

1. The department of economic development shall provide one full-time equivalent position to support an environmental advocate to provide technical assistance to persons engaged in livestock operations who may require a national pollutant discharge elimination system permit as provided in section 455B.197.

2. The department of economic development shall provide one full-time equivalent position to support an environmental advocate to provide technical assistance to persons who are not engaged in livestock operations who may require a national pollutant discharge elimination system permit as provided in section 455B.197.

Sec. 28. Section 455E.11, subsection 2, paragraph a, subparagraph (2), subparagraph subdivision (d), Code Supplement 2005, is amended to read as follows:

(d) For the fiscal year beginning July 1, 2005, nine and one-half percent to the department to establish permanent household hazardous waste collection sites so that both urban and rural populations are served and so that collection services are available to the public on a regular basis. Beginning July 1, 2006, six and one-quarter percent to the department to establish permanent household hazardous waste collection sites so that both urban and rural populations are served and so that collection services are available to the public on a regular basis. Beginning July 1, 2007, three percent to the department to establish permanent household hazardous waste collection sites so that both urban and rural populations are served and so that collection services are available to the public on a regular basis. Any Beginning July 1, 2008, any moneys collected pursuant to this subparagraph subdivision that remain unexpended at the end of a fiscal year for establishment of permanent household hazardous waste collection sites shall be used for purposes of subparagraph subdivision (e).

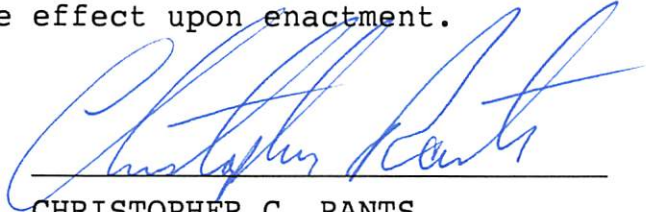
Sec. 29. TRAVEL POLICY.

1. For the fiscal year beginning July 1, 2006, each department or independent agency receiving an appropriation in this Act shall review the employee policy for daily or short-term travel including but not limited to the usage of motor pool vehicles under the department of administrative services, employee mileage reimbursement for the use of a personal vehicle, and the usage of private automobile rental companies. Following the review, the department or agency shall implement revisions in the employee policy for daily or short-term travel as necessary to maximize cost savings.

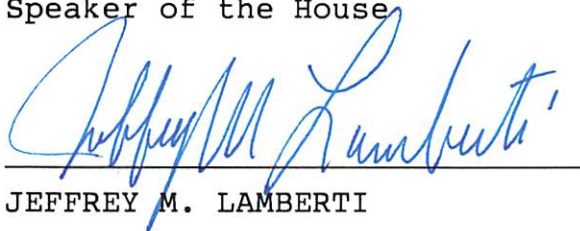
2. Each department or independent agency subject to subsection 1 shall report to the general assembly's standing committees on government oversight regarding the policy revisions implemented and the savings realized from the changes. An initial report shall be submitted on or before December 1, 2006, and a follow-up report shall be submitted on or before December 1, 2007.

Disapproved  
DW  
5.31.06

Sec. 30. EFFECTIVE DATE. Section 10 of this Act, providing for the allocation of moneys to the Iowa shorthorn association, and section 16 of this Act, relating to a stormwater discharge permit fees appropriation, being deemed of immediate importance, take effect upon enactment.



CHRISTOPHER C. RANTS  
Speaker of the House



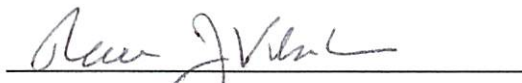
JEFFREY M. LAMBERTI  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2540, Eighty-first General Assembly.



MARGARET THOMSON  
Chief Clerk of the House

*with exceptions noted*  
Approved May 31<sup>st</sup>, 2006



THOMAS J. VILSACK  
Governor