



CHESTER J. CULVER
GOVERNOR

OFFICE OF THE GOVERNOR

PATTY JUDGE
LT. GOVERNOR

May 29, 2007

The Honorable Michael Mauro
Secretary of State
State Capitol Building
L O C A L

Dear Mr. Secretary:

I hereby transmit House File 911, an Act relating to and making appropriations to state departments and agencies from the Rebuild Iowa Infrastructure Fund, Vertical Infrastructure Fund, the Endowment for Iowa's Health Restricted Capitals Fund, and the Technology Reinvestment Fund. House File 911 is approved on this date, with the exceptions noted below, which I hereby disapprove.

I am unable to approve the designated portion of Section 1, subsection 1, paragraph g. This designated paragraph appropriates \$120,000 for the purchase and installation of decorative planters on the west side of the West Capitol Terrace Project. Since Fiscal Year 2006, the West Capitol Terrace Project has received nearly \$2.8 million in state funding, and I am approving an additional \$1.6 million for this project again in Fiscal Year 2008. I also believe that the local community interests should be able to contribute to the cost of these planters.

I am unable to approve the designated portion of Section 1, subsection 4, paragraph c. This designated item appropriates \$80,000 for repair of the Kimball organ located in Clermont, Iowa. The Department of Cultural Affairs has submitted an application to the Save America's Treasures organization to obtain the necessary funding to restore this important piece of Iowa history. With approval of this application pending, it is premature to approve limited state funding at this time.

I am unable to approve the item designated as Section 4 in its entirety. This designated section appropriates \$500,000 in Fiscal Year 2009 for equal distribution to regional sports authority districts. I am unable to approve this item because it provides second-year funding in advance for this project. I will re-evaluate the feasibility of a Fiscal Year 2009 appropriation for this project after the first year of funding appropriated in HF 911.

Finally, I am unable to approve the item designated as Section 5 in its entirety. This designated provision provides for Fiscal Year 2009 appropriations of \$750,000 for the continuation of the Volga River State Recreation Area project and \$500,000 for the Levi Carter Lake project. I am unable to approve this designated item because it provides second-year funding in advance for these two projects. I will re-evaluate the feasibility of a Fiscal Year 2009 appropriation for these projects after the first year of funding appropriated in House file 911.

For the above reasons, I respectfully disapprove of the designated items in accordance with Article III, Section 16 of the Constitution of the State of Iowa. All other items in House File 911 are hereby approved this date.

Sincerely,

A handwritten signature in black ink, appearing to read "Chester Culver", with a stylized flourish at the end.

Chester J. Culver
Governor

CJC:rcg



HOUSE FILE 911

AN ACT

RELATING TO AND MAKING APPROPRIATIONS TO STATE DEPARTMENTS AND AGENCIES FROM THE REBUILD IOWA INFRASTRUCTURE FUND, VERTICAL INFRASTRUCTURE FUND, THE ENDOWMENT FOR IOWA'S HEALTH RESTRICTED CAPITALS FUND, AND THE TECHNOLOGY REINVESTMENT FUND, AND RELATED MATTERS, AND PROVIDING AN EFFECTIVE DATE.

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

DIVISION I

REBUILD IOWA INFRASTRUCTURE FUND

Section 1. There is appropriated from the rebuild Iowa infrastructure fund to the following departments and agencies for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. DEPARTMENT OF ADMINISTRATIVE SERVICES

a. For relocation and project costs directly associated with remodeling projects on the capitol complex and for facility lease payments, notwithstanding section 8.57, subsection 6, paragraph "c":

..... \$ 1,824,500

b. For routine maintenance of state buildings and facilities, notwithstanding section 8.57, subsection 6, paragraph "c":

..... \$ 5,000,000

- c. For costs associated with capitol interior and exterior restoration:
..... \$ 6,300,000
- d. For upgrades to the electrical distribution system serving the capitol complex:
..... \$ 3,460,960
- e. For costs associated with the enterprise resource planning system, notwithstanding section 8.57, subsection 6, paragraph "c":
..... \$ 1,500,000
- f. For costs associated with the restoration of the west capitol terrace:
..... \$ 1,600,000
- g. For the purchase and installation of decorative planters on state property west of the west capitol terrace, notwithstanding section 8.57, subsection 6, paragraph "c":
..... \$ 120,000
- h. For costs to repair parking lots and sidewalks on the capitol complex:
..... \$ 1,650,000
- i. To provide funding and related services for capitol complex property acquisition, notwithstanding section 8.57, subsection 6, paragraph "c":
..... \$ 1,000,000
- j. For costs associated with the relocation of the vehicle dispatch fueling station:
..... \$ 350,000
- k. For costs associated with the central energy plant addition and improvements:
..... \$ 998,000
- l. For heating, ventilating, and air conditioning improvements in the Hoover state office building:
..... \$ 1,320,000
- m. For a feasibility study relating to renovations to the capitol complex utility tunnel system, notwithstanding section 8.57, subsection 6, paragraph "c":
..... \$ 260,000
- n. For costs associated with a feasibility study concerning asbestos abatement and related building renovation work at the Iowa workforce development building located at 1000 E. Grand Avenue in Des Moines, notwithstanding section 8.57, subsection 6, paragraph "c":
..... \$ 1,000,000

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o. For deposit into the Iowa workforce foundation for the worker's monument committee for the purpose of constructing a worker's monument to be located on the capitol complex:

..... \$ 200,000

p. For capital improvements at the civil commitment unit for sexual offenders facility at Cherokee:

..... \$ 750,000

q. For a contribution to the American veterans disabled for life memorial fund for funding the construction of the American veterans disabled for life memorial in Washington, D.C., notwithstanding section 8.57, subsection 6, paragraph "c":

..... \$ 50,000

2. For distribution to other governmental entities:

..... \$ 2,000,000

Moneys appropriated in this lettered paragraph shall be separately accounted for in a distribution account and shall be distributed to other governmental entities based upon a formula established by the department to pay for services provided during the fiscal year to such other governmental entities by the department associated with the integrated information for Iowa system, notwithstanding section 8.57, subsection 6, paragraph "c":

3. DEPARTMENT OF CORRECTIONS

a. For costs associated with the Cedar Rapids mental health facility:

..... \$ 1,300,000

b. For capital improvement projects at correctional facilities:

..... \$ 5,495,000

c. For the master planning process for the possible remodel, expansion, and demolition of buildings at the Iowa correctional institution for women; to develop, validate, and implement custody classification systems; and a research-based study of the substance abuse, sex offender, and medical and mental health treatment programs to ensure adherence to evidence-based practices, notwithstanding section 8.57, subsection 6, paragraph "c":

..... \$ 500,000

d. For the lease payment under the lease-purchase agreement to connect the electrical system supporting the special needs unit at Fort Madison:

..... \$ 333,168

e. For costs associated with boiler improvements at the correctional facility located at Anamosa: \$ 25,000

4. DEPARTMENT OF CULTURAL AFFAIRS

a. For continuation of the project recommended by the Iowa battle flag advisory committee to stabilize the condition of the battle flag collection, notwithstanding section 8.57, subsection 6, paragraph "c": \$ 220,000

The department is authorized an additional 1.50 full-time equivalent positions for a conservation assistant and a part-time historian for work related to the stabilization and preservation of the battle flag collection.

b. For historical site preservation grants to be used for the restoration, preservation, and development of historic sites: \$ 1,000,000

In making grants pursuant to this lettered paragraph, the department shall consider the existence and amount of other funds available to an applicant for the designated project. A grant awarded from moneys appropriated in this lettered paragraph shall not exceed \$100,000 per project. Not more than two grants may be awarded in the same county.

Notwithstanding the provisions of this lettered paragraph, \$200,000 shall be allocated to the last surviving Frank Lloyd Wright hotel located in a county with a population between 46,000 and 47,000.

c. For repairs to the historic Kimball organ located in Clermont, Iowa, notwithstanding section 8.57, subsection 6, paragraph "c": \$ 80,000

5. DEPARTMENT OF ECONOMIC DEVELOPMENT

a. For infrastructure expenses to support the development and expansion of targeted industry areas of advanced manufacturing, bioscience, and information technology pursuant to 2007 Iowa Acts, House File 829, if enacted, notwithstanding section 8.57, subsection 6, paragraph "c": \$ 900,000

b. For accelerated career education program capital projects at community colleges that are authorized under chapter 260G and that meet the definition of "vertical infrastructure" in section 8.57, subsection 6, paragraph "c": \$ 5,500,000

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The moneys appropriated in this lettered paragraph shall be allocated equally among the community colleges in the state. If any portion of the equal allocation to a community college is not obligated or encumbered by April 1, 2008, the unobligated and unencumbered portions shall be available for use by other community colleges.

c. For equal distribution to regional sports authority districts certified by the department pursuant to section 15E.321, as enacted in this Act:

..... \$ 500,000

d. For deposit into the workforce training and economic development funds created for each community college in section 260C.18A, notwithstanding section 8.57, subsection 6, paragraph "c":

..... \$ 2,000,000

6. DEPARTMENT OF EDUCATION

a. To provide resources for structural and technological improvements to local libraries and for the enrich Iowa program, notwithstanding section 8.57, subsection 6, paragraph "c":

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

Of the amount appropriated in this lettered paragraph, \$50,000 shall be allocated equally to each library service area.

b. To the public broadcasting division to upgrade and replace mechanical equipment:

..... \$ 1,275,000

c. For allocation to the northeast Iowa community college for merged area I for the national education center for agricultural safety training for equipment purchase, notwithstanding section 8.57, subsection 6, paragraph "c":

..... \$ 35,000

7. DEPARTMENT OF HUMAN SERVICES

For the renovation and construction of certain nursing facilities, consistent with the provisions of chapter 249K, as enacted in this Act:

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

8. IOWA FINANCE AUTHORITY

a. For grants for distribution for water quality improvement projects for the wastewater treatment financial assistance program pursuant to section 16.134:

..... \$ 4,000,000

b. For deposit into the housing trust fund created in section 16.181:

..... \$ 2,500,000

9. IOWA STATE FAIR

For infrastructure improvements to the Iowa state fairgrounds including but not limited to the construction of an agricultural exhibition center on the Iowa state fairgrounds:

..... \$ 3,000,000

10. DEPARTMENT OF NATURAL RESOURCES

a. For state park infrastructure renovations:

..... \$ 2,500,000

b. For implementation of lake projects that have established watershed improvement initiatives and community support in accordance with the department's annual lake restoration plan and report, notwithstanding section 8.57, subsection 6, paragraph "c":

..... \$ 8,600,000

(1) It is the intent of the general assembly that the department of natural resources shall implement the lake restoration annual report and plan submitted to the joint appropriations subcommittee on transportation, infrastructure, and capitals and the legislative services agency on December 26, 2006, pursuant to section 456A.33B. The lake restoration projects that are recommended by the department to receive funding for fiscal year 2007-2008 and that satisfy the criteria in section 456A.33B, including local commitment of funding for the projects, shall be funded in the amounts provided in the report.

Of the amounts appropriated in this lettered paragraph, at least the following amounts shall be allocated as follows:

(a) For clear lake in Cerro Gordo county:

..... \$ 2,500,000

(b) For storm lake in Buena Vista county:

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

(c) For crystal lake in Hancock county:

..... \$ 250,000

(2) Of the moneys appropriated in this lettered paragraph, \$200,000 shall be used for the purposes of supporting a low head dam public hazard improvement program. The moneys shall be used to provide grants to local communities, including counties and cities, for projects approved by the department.

(a) The department shall establish a grant application process and shall require each local community applying for a project grant to submit a project plan for the expenditure of the moneys, and to file a report with the department regarding the project, as required by the department.

(b) The department shall only award moneys on a matching basis, pursuant to which the local community shall contribute a dollar for each dollar awarded by the department, in order to finance a project.

c. For infrastructure improvements for a state river recreation area located in a county with a population between 21,900 and 22,100:

..... \$ 750,000

d. For lake dredging and related improvements including ongoing dam maintenance and operation on a lake with public access that has the support of a benefited lake district located in a county with a population between 18,015 and 18,050 according to the 2005 population estimate issued by the federal government, notwithstanding section 8.57, subsection 6, paragraph "c":

..... \$ 100,000

e. For the construction and installation of an angled well, pumps, and piping to connect the existing infrastructure from the new well to a lake located in a county with a population between 87,500 and 88,000:

..... \$ 500,000

Moneys appropriated in this lettered paragraph are contingent upon receipt of matching funds from a state taxing authority surrounding such lake.

f. For the EB Lyons nature and interpretive center at the mines of Spain state recreation area:

..... \$ 100,000

11. DEPARTMENT OF PUBLIC DEFENSE

a. For construction costs associated with the Camp Dodge armed forces readiness center:

..... \$ 50,000

b. For construction costs associated with the new Iowa City readiness center:

..... \$ 1,200,000

c. For renovation and modernization of the Waterloo aviation readiness center:

..... \$ 500,000

- d. For upgrades to the Camp Dodge water distribution system:
..... \$ 400,000
- e. For major maintenance projects at national guard armories and facilities:
..... \$ 1,500,000
- f. For renovation and modernization of the national guard armory in Ottumwa:
..... \$ 1,000,000
- g. For renovation and modernization of the Newton readiness center:
..... \$ 400,000
- h. For renovation and modernization of the Eagle Grove readiness center:
..... \$ 400,000
- i. For construction costs associated with the joint public defense/Iowa law enforcement academy shoothouse:
..... \$ 500,000
- j. For general infrastructure improvements at the gold star museum at Camp Dodge:
..... \$ 1,000,000

12. DEPARTMENT OF PUBLIC SAFETY

- a. For construction of an Iowa state patrol post in district 8:
..... \$ 2,400,000
- b. For construction of a state emergency response training facility to be located in merged area XI:
..... \$ 2,000,000
- c. To provide grants to regional emergency response training centers established under section 100B.22 for infrastructure improvements:
..... \$ 1,400,000

Of the amount appropriated in this lettered paragraph, \$100,000 shall be allocated to northwest Iowa community college.

Of the amount appropriated in this lettered paragraph, \$100,000 shall be allocated to Iowa valley community college.

Of the amount appropriated in this lettered paragraph, \$100,000 shall be allocated to eastern Iowa community college district for the water rescue training center.

Moneys allocated in this lettered paragraph are contingent upon the receipt of revised applications pursuant to section

100B.22 reflecting the merged areas added pursuant to this Act.

Priority for funding shall be given to those regional emergency response training centers whose initial plans were submitted and approved by the fire service training bureau and who have demonstrated progress in implementing their plans including but not limited to bid letting, conducting training, and obligating a portion of their first year's allocation. Grants awarded pursuant to this lettered paragraph shall not exceed \$300,000 each.

13. SECRETARY OF STATE

For deposit into the voting machine reimbursement fund to provide reimbursement to counties for the purposes authorized in this subsection, notwithstanding section 8.57, subsection 6, paragraph "c":

..... \$ 2,000,000

a. The moneys appropriated in this subsection shall be used to reimburse counties for the cost of complying with section 52.7, subsection 1, paragraph "1", if enacted by 2007 Iowa Acts, Senate File 369. The office of secretary of state shall establish, by administrative rule, a procedure for reimbursing counties for such costs. The rules adopted by the office of secretary of state shall include but not be limited to the following:

(1) That on or before June 15, 2007, the county board of supervisors shall submit to the office of secretary of state a resolution adopted by the board declaring the method by which the county intends to comply with section 52.7, subsection 1, paragraph "1", 2007 Iowa Acts, Senate File 369, if enacted.

(2) That when applying for reimbursement, a county shall submit a receipt for the purchase and documentation relating to any moneys received by the county or deducted from the purchase price for a trade-in on equipment replaced as part of the transaction required to comply with section 52.7, subsection 1, paragraph "1", 2007 Iowa Acts, Senate File 369, if enacted.

b. If any other federal funding is received for the same or similar purposes authorized in paragraph "a", of the moneys appropriated in this subsection, an amount equal to the federal funding received shall revert to the rebuild Iowa infrastructure fund at the end of the fiscal year.

c. A county shall not receive an amount of reimbursement that exceeds the amount allotted to the county by the secretary of state based on the conditions in paragraph "a", subparagraphs (1) and (2).

d. On or before December 31, 2007, the secretary of state shall submit a report to the chairpersons and ranking members of the joint appropriations subcommittee on administration and regulation regarding the expenditures of the moneys appropriated in this subsection. The report shall also include recommendations, if necessary, to the general assembly for enacting waiver provisions for counties unable to comply with the requirements of section 52.1, subsection 1, paragraph "1", if enacted by 2007 Iowa Acts, Senate File 369.

14. STATE BOARD OF REGENTS

a. 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 tuition, 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, notwithstanding section 8.57, subsection 6, paragraph "c":

..... \$ 10,329,981

b. For costs associated with the establishment of the Iowa institute for biomedical discovery at the state university of Iowa:

..... \$ 10,000,000

c. For planning, design, and construction costs associated with the construction of a new renewable fuels building at Iowa state university of science and technology:

..... \$ 5,647,000

Moneys appropriated in this lettered paragraph are contingent upon the board of regents or Iowa state university of science and technology actively pursuing the hiring of new research teams to provide world class expertise in the area of biorenewable fuels research.

15. DEPARTMENT OF TRANSPORTATION

a. For acquiring, constructing, and improving recreational trails within the state:

..... \$ 2,000,000

Of the amount appropriated in this lettered paragraph, \$185,000 shall be allocated to the Hamilton county conservation board for the Jewell-Ellsworth trail for the development of an abandoned railroad right-of-way, \$200,000 shall be allocated to the city of Fairfield for the development of the Fairfield loop trail, and \$30,000 shall be allocated for general infrastructure improvements for the Crawford county trail.

Moneys appropriated in this lettered paragraph may be used for purposes of building equestrian or snowmobile trails that run parallel to a recreational trail. It is the intent of the general assembly to promote multiple uses for trails funded in this lettered paragraph and to maximize the number of trail users.

b. For infrastructure improvements at the commercial air service airports within the state:

..... \$ 1,500,000

Fifty percent of the funds appropriated in this lettered paragraph shall be allocated equally between each commercial air service airport, 40 percent of the funds shall be allocated based on the percentage that the number of enplaned passengers at each commercial air service airport bears to the total number of enplaned passengers in the state during the previous fiscal year, and 10 percent of the funds shall be allocated based upon the percentage that the air cargo tonnage at each commercial air service airport bears to the total air cargo tonnage in the state during the previous fiscal year. In order for a commercial air service airport to receive funding under this lettered paragraph, the airport shall be required to submit applications for funding of specific projects to the department for approval by the state transportation commission.

c. For infrastructure improvements at general aviation airports within the state:

..... \$ 750,000

d. For deposit into the railroad revolving loan and grant fund created in section 327H.20A notwithstanding section 8.57, subsection 6, paragraph "c":

..... \$ 2,000,000

It is the intent of the general assembly that the moneys appropriated in this lettered paragraph shall be used to generate at least \$10,000,000 in vertical infrastructure capital investments.

Of the moneys deposited into the railroad revolving loan and grant fund pursuant to this lettered paragraph, up to \$100,000 may be used for the acquisition and installation of close-clearance warning devices along railroad tracks, consistent with the provisions of 2007 Iowa Acts, Senate File 472, if enacted.

16. TREASURER OF STATE

For county fair infrastructure improvements for distribution in accordance with chapter 174 to qualified fairs which belong to the association of Iowa fairs:

..... \$ 1,590,000

17. DEPARTMENT OF VETERANS AFFAIRS

For vertical infrastructure improvements and construction of resident living areas at the Iowa veterans home consistent with the Iowa veterans home comprehensive plan, contingent upon submission of a report by the department by January 15, 2008, to the general assembly detailing the estimated costs, timing of construction, and related improvements associated with the Iowa veterans home comprehensive plan:

..... \$ 532,000

Sec. 2. REVERSION. Notwithstanding section 8.33, moneys appropriated for the fiscal year beginning July 1, 2007, in this division of this Act that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2010, or until the project for which the appropriation was made is completed, whichever is earlier.

Sec. 3. DEPARTMENT OF ADMINISTRATIVE SERVICES. There is appropriated from the rebuild Iowa infrastructure fund for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For capital improvements at the civil commitment unit for the sexual offenders facility at Cherokee:

..... \$ 829,000

Notwithstanding section 8.33, moneys appropriated in this section shall not revert at the close of the fiscal year for which they were appropriated but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2011, or until the project for which the appropriation was made is completed, whichever is earlier.

Sec. 4. DEPARTMENT OF ECONOMIC DEVELOPMENT. There is appropriated from the rebuild Iowa infrastructure fund for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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For equal distribution to regional sports authority districts certified by the department pursuant to section 15E.321, as enacted in this Act:

..... \$ 500,000

Sec. 5. DEPARTMENT OF NATURAL RESOURCES. There is appropriated from the rebuild Iowa infrastructure fund for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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a. For infrastructure improvements for a state river recreation area located in a county with a population between 21,900 and 22,100:

..... \$ 750,000

b. For the construction and installation of an angled well, pumps, and piping to connect the existing infrastructure from the new well to a lake located in a county with a population between 87,500 and 88,000:

..... \$ 500,000

Moneys appropriated in this lettered paragraph are contingent upon receipt of matching funds from a state taxing authority surrounding such lake.

Notwithstanding section 8.33, moneys appropriated in this section shall not revert at the close of the fiscal year for which they were appropriated but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2011, or until the project for which the appropriation was made is completed, whichever is earlier.

Sec. 6. DEPARTMENT OF PUBLIC DEFENSE. There is appropriated from the rebuild Iowa infrastructure fund for the designated fiscal years, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

For infrastructure improvements at the gold star museum at Camp Dodge:

FY 2008-2009..... \$ 2,000,000

FY 2009-2010..... \$ 1,000,000

Notwithstanding section 8.33, moneys appropriated in this section shall not revert at the close of the fiscal year for which they were appropriated but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2012, or until the project for which the appropriation was made is completed, whichever is earlier.

Sec. 7. STATE BOARD OF REGENTS. There is appropriated from the rebuild Iowa infrastructure fund for the designated fiscal years, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For costs associated with the establishment of the Iowa institute for biomedical discovery at the state university of Iowa:

FY 2008-2009.....	\$ 10,000,000
FY 2009-2010.....	\$ 10,000,000

2. For planning, design, and construction costs associated with the construction of a new renewable fuels building at Iowa state university of science and technology:

FY 2008-2009.....	\$ 14,756,000
FY 2009-2010.....	\$ 11,597,000

Moneys appropriated in this lettered paragraph are contingent upon the board of regents or Iowa state university of science and technology actively pursuing the hiring of new research teams to provide world class expertise in the area of biorenewable fuels research.

Up to \$4,000,000 of the moneys appropriated in this subsection for the fiscal year beginning July 1, 2009, and ending June 30, 2010, may be used for necessary and related expenditures, including furnishings and scientific equipment, notwithstanding section 8.57, subsection 6, paragraph "c".

Notwithstanding section 8.33, moneys appropriated in this section for the fiscal year beginning July 1, 2008, and ending June 30, 2009, shall not revert at the close of the fiscal year for which they were appropriated but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2011, or until the project for which the appropriation was made is completed, whichever is earlier.

Notwithstanding section 8.33, moneys appropriated in this section for the fiscal year beginning July 1, 2009, and ending June 30, 2010, shall not revert at the close of the fiscal year for which they were appropriated but shall remain

available for the purposes designated until the close of the fiscal year that begins July 1, 2012, or until the project for which the appropriation was made is completed, whichever is earlier.

3. EFFECTIVE DATE. The provision of this division of this Act appropriating moneys to the secretary of state for deposit into the voting machine reimbursement fund, being deemed of immediate importance, takes effect upon enactment.

Sec. 8. 2007 Iowa Acts, House File 874, section 1, subsection 1, paragraph "c", if enacted, is amended by striking the paragraph.

DIVISION II

VERTICAL INFRASTRUCTURE FUND

Sec. 9. There is appropriated from the vertical infrastructure fund to the state board of regents for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

1. For vertical infrastructure projects related to major repairs and major maintenance including fire safety improvements at state board of regents institutions and facilities:

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

Of the amount appropriated in this subsection, \$500,000 shall be allocated to the state school for the deaf and \$500,000 shall be allocated to the Iowa braille and sight saving school for improvements to existing facilities for both schools.

2. For vertical infrastructure expenses for the veterinary diagnostic laboratory at Iowa state university of science and technology:

..... \$ 600,000

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 subsection.

Sec. 10. REVERSION. Notwithstanding section 8.33, moneys appropriated for the fiscal year beginning July 1, 2007, in this division of this Act that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2010, or

until the project for which the appropriation was made is completed, whichever is earlier.

DIVISION III

ENDOWMENT FOR IOWA'S HEALTH RESTRICTED CAPITALS FUND

Sec. 11. There is appropriated from the endowment for Iowa's health restricted capitals fund to the department of corrections for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

For costs associated with the remodeling of the kitchen facility at the correctional facility located in Anamosa:
..... \$ 1,400,000

Sec. 12. TAX-EXEMPT STATUS -- USE OF APPROPRIATIONS.

Payment of moneys from the appropriations in this division of this Act shall be made in a manner that does not adversely affect the tax-exempt status of any outstanding bonds issued by the tobacco settlement authority.

Sec. 13. REVERSION. Notwithstanding section 8.33, moneys appropriated for the fiscal year that begins July 1, 2007, in this division of this Act that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2011, or until the project for which the appropriation was made is completed, whichever is earlier.

DIVISION IV

TECHNOLOGY REINVESTMENT FUND

Sec. 14. There is appropriated from the technology reinvestment fund created in section 8.57C to the following departments and agencies for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. DEPARTMENT OF ADMINISTRATIVE SERVICES

a. For technology improvement projects:

..... \$ 3,810,375

b. For costs to establish a service-oriented architecture:

..... \$ 254,992

2. DEPARTMENT OF CORRECTIONS

For costs associated with the Iowa corrections offender network data system:

..... \$ 500,000

3. DEPARTMENT OF EDUCATION

a. For implementation of the provisions of chapter 280A:

..... \$ 500,000

Of the amount appropriated in this lettered paragraph, \$5,000 shall be allocated to the tri-state graduate center for the purchase of technology-related equipment and software.

b. For maintenance and lease costs associated with connections for Part III of the Iowa communications network:

..... \$ 2,727,000

c. For the implementation of an educational data warehouse that will be utilized by teachers, parents, school district administrators, area education agency staff, department of education staff, and policymakers:

..... \$ 600,000

4. DEPARTMENT OF HUMAN RIGHTS

For the cost of equipment and computer software for the implementation of Iowa's criminal justice information system:

..... \$ 2,881,466

5. DEPARTMENT OF HUMAN SERVICES

For the purchase of payment processing equipment for the child support recovery unit:

..... \$ 272,000

6. IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION

For replacement of equipment for the Iowa communications network:

..... \$ 2,067,000

The commission may continue to enter into contracts pursuant to section 8D.13 for the replacement of equipment and for operations and maintenance costs of the network.

7. IOWA WORKFORCE DEVELOPMENT

a. For costs associated with the automated workers' compensation appeal processing system:

..... \$ 500,000

b. For the purchase of computer hardware and software for the outcome tracking system:

..... \$ 580,000

8. DEPARTMENT OF PUBLIC DEFENSE

For information technology upgrades for the Iowa national guard:

..... \$ 111,000

9. DEPARTMENT OF PUBLIC SAFETY

a. For continuation of payments on the lease of the automated fingerprint identification system:
..... \$ 560,000

b. For information technology hardware and software upgrades for the department of public safety:
..... \$ 1,900,000

10. STATE BOARD OF REGENTS. For allocation by the state board of regents to the university of northern Iowa to purchase mobile computer labs to serve communities statewide, replace technology equipment, and build advanced technology resources associated with MyEntreNet:
..... \$ 235,000

Sec. 15. REVERSION. Notwithstanding section 8.33, moneys appropriated for the fiscal year beginning July 1, 2007, in this division of this Act that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for the purposes designated until the close of the fiscal year beginning July 1, 2009, or until the project for which the appropriation was made is completed, whichever is earlier.

DIVISION V

MISCELLANEOUS APPROPRIATIONS

Sec. 16. STATE AVIATION FUND -- DEPARTMENT OF TRANSPORTATION. There is appropriated from the state aviation fund created in section 328.56, as enacted in 2006 Iowa Acts, chapter 1179, section 57, to the department of transportation to assist an aviation authority that has lost service of a federally funded essential air service carrier to regain daily enplanement rates:
..... \$ 20,000

DIVISION VI

CHANGES TO PRIOR APPROPRIATIONS

Sec. 17. 2001 Iowa Acts, chapter 185, section 30, as amended by 2005 Iowa Acts, chapter 178, section 22, and 2006 Iowa Acts, chapter 1179, section 27, is amended to read as follows:

SEC. 30. REVERSION.

1. Except as provided in ~~subsection~~ subsections 2 and 3 and notwithstanding section 8.33, moneys appropriated in this division of this Act shall not revert at the close of the fiscal year for which they were appropriated but shall remain available for the purposes designated until the close of the

fiscal year that begins July 1, 2004, or until the project for which the appropriation was made is completed, whichever is earlier.

2. Notwithstanding section 8.33, moneys appropriated in section 25, subsection 3, paragraph "b", ~~and section 28~~ of this division of this Act shall not revert at the close of the fiscal year for which they were appropriated but shall remain available for the purpose designated until the close of the fiscal year that begins July 1, 2006, or until the project for which the appropriation was made is completed, whichever is earlier.

3. Notwithstanding section 8.33, moneys appropriated in section 28 of this division of this Act shall not revert at the close of the fiscal year for which they were appropriated but shall remain available for the purpose designated until the close of the fiscal year that begins July 1, 2007, or until the project for which the appropriation was made is completed, whichever is earlier.

Sec. 18. 2003 Iowa Acts, chapter 177, section 22, subsection 13, is amended to read as follows:

13. REVERSION.

1. Notwithstanding Except as provided in subsection 2 and notwithstanding section 8.33, moneys appropriated in this section shall not revert at the close of the fiscal year for which they were appropriated but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2006, or until the project for which the appropriation was made is completed, whichever is earlier.

2. Notwithstanding section 8.33, moneys appropriated in subsection 2 and subsection 9, paragraph "c", shall not revert at the close of the fiscal year for which they were appropriated but shall remain available for the purpose designated until the close of the fiscal year that begins July 1, 2007, or until the project for which the appropriation was made is completed, whichever is earlier.

Sec. 19. 2003 Iowa Acts, chapter 177, section 23, subsection 3, as amended by 2004 Iowa Acts, chapter 1175, section 309, is amended to read as follows:

3. Notwithstanding section 8.33, moneys appropriated in this section shall not revert at the close of the fiscal year for which they were appropriated, but shall remain available for the purpose designated until the close of the fiscal year

that begins July 1, ~~2006~~ 2007, or until the project for which the appropriation was made is completed, whichever is earlier.

Sec. 20. 2005 Iowa Acts, chapter 178, section 19, subsection 3, is amended to read as follows:

3. REVERSION.

1. Notwithstanding Except as provided in subsection 2 and notwithstanding section 8.33, moneys appropriated in this section shall not revert at the close of the fiscal year for which they were appropriated but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2006, or until the project for which the appropriation was made is completed, whichever is earlier.

2. Notwithstanding section 8.33, moneys appropriated in subsection 1, paragraph "a", subparagraph (1), and subsection 1, paragraph "g", shall not revert at the close of the fiscal year for which they were appropriated but shall remain available for the purpose designated until the close of the fiscal year that begins July 1, 2007, or until the project for which the appropriation was made is completed, whichever is earlier.

Sec. 21. 2006 Iowa Acts, chapter 1179, section 1, subsection 12, paragraph h, is amended to read as follows:

h. To provide a grant for the design, construction of, and purchasing equipment for, a facility to be used exclusively for processing novel proteins from agricultural products for pharmaceutical, nutraceutical, or chemical applications and for bioprocessing other feedstocks important for biofuels production and processing:

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

Sec. 22. 2006 Iowa Acts, chapter 1179, section 5, is amended to read as follows:

SEC. 5. DEPARTMENT OF ADMINISTRATIVE SERVICES. There is appropriated from the rebuild Iowa infrastructure fund to the department of administrative services for the designated fiscal years, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

For planning, design, and construction costs associated with the construction of a new approximately 350,000-gross-square-foot state office building, including costs associated with furnishings, employee relocation, and the demolition of the Wallace Building:

FY 2007-2008..... \$ ~~16,100,000~~

	<u>3,600,000</u>
FY 2008-2009.....	\$ 16,800,000
	<u>23,300,000</u>
FY 2009-2010.....	\$ 6,657,100
	<u>12,657,100</u>

Notwithstanding section 8.33, moneys appropriated in this section shall not revert at the close of the fiscal year for which they were appropriated but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2011, or until the project for which the appropriation was made is completed, whichever is earlier.

The design specifications of the new state office building shall include, at a minimum, energy efficiency specifications that exceed state building code requirements and have the potential for leadership in energy and environmental design silver certification from the United States green building council.

Sec. 23. 2006 Iowa Acts, chapter 1179, section 16, subsection 1, paragraph b, Code 2007, is amended to read as follows:

b. For planning, design, and construction costs associated with the construction of a new approximately 350,000-gross-square-foot state office building:

..... \$ 37,585,000

(1) Of the amount appropriated in this lettered paragraph, up to \$750,000 may be used by the department to provide an earnest deposit on the purchase of no more than ten acres of certain property adjacent to the capitol complex and generally located north of grand avenue and between east 12th and east 14th street, if such purchase is made; to provide for parking lot improvements necessary to facilitate an exchange of property consistent with the planned construction of the new state office building; and to provide for the demolition of a structure located on the property to be used for the construction of the new state office building or to provide for the sale by auction and relocation of such structure in an effort to reduce or eliminate the costs associated with the removal of such structure from the property. Any amount received from the sale of a structure as permitted under this lettered paragraph shall be retained by the department for the use specified for the moneys appropriated pursuant to this lettered paragraph.

(2) Upon the department's decision to purchase property as described in subparagraph (1), the department shall determine the feasibility of including all or a portion of any amount expended pursuant to subparagraph (1) in the financing mechanism to be used by the department to complete such purchase. The department shall provide a report to the department of management and the legislative services agency that includes the results of the department's determination.

Notwithstanding provisions of law to the contrary, the department is hereby authorized to honor and maintain existing leases located on property to be acquired by the department if such property is acquired, as long as such leased property is used for providing health care and pharmaceutical services to citizens in the community. Such leases may be maintained for a period deemed appropriate by the director of the department, but in no case shall such leases continue or be renewed for a period of more than ten years or if a lessee of the property ceases to occupy such property or provide such services.

Sec. 24. 2006 Iowa Acts, chapter 1179, section 16, subsection 12, is amended to read as follows:

12. DEPARTMENT OF VETERANS AFFAIRS

For capital improvement projects at the Iowa veterans home:
..... \$ 6,200,000

Of the moneys appropriated in this subsection, the department shall use an amount necessary for planning and design services related to the construction of new facilities at the Iowa veterans home consistent with the Iowa veterans home comprehensive plan. The department shall submit a report by January 15, 2008, to the general assembly, the department of management, and the legislative services agency detailing the estimated costs and timing of construction and related improvements associated with the project consistent with the Iowa veterans home comprehensive plan.

It is the intent of the general assembly to provide state match requirements necessary for the construction and repair of buildings and facilities at the Iowa veterans home that results in the improved care and living standards of veterans residing at the Iowa veterans home. Upon receipt of the estimated construction and facility improvement costs at the Iowa veterans home, it is the intent of the general assembly to explore funding options for completion of the Iowa veterans home projects including but not limited to bonding.

Sec. 25. 2006 Iowa Acts, chapter 1179, section 19, is amended to read as follows:

SEC. 19. REPORT. Annually, on or before January ~~±~~ 15 of each year, a state agency that received an appropriation from the endowment for Iowa's health restricted capitals fund ~~for the preceding fiscal year~~ shall report to the ~~joint transportation, infrastructure, and capitals appropriation subcommittee, the~~ legislative services agency, and the department of management, ~~and the legislative capital projects committee of the legislative council~~ the status of all ongoing projects ~~for which an appropriation from the fund has been made~~ completed or in progress. The report shall include a description of the project, the progress of work completed, the total estimated cost of the project, a list of all revenue sources being used to fund the project, the amount of funds expended, the amount of funds obligated, and the date the project was completed or an estimated completion date of the project, where applicable.

Sec. 26. 2006 Iowa Acts, chapter 1179, section 24, subsection 1, is amended to read as follows:

1. DEPARTMENT OF NATURAL RESOURCES

a. For implementation of lake projects that have established watershed improvement initiatives and community support in accordance with the department's annual lake restoration plan and report:

..... \$ 8,600,000

It is the intent of the general assembly that all lake restoration projects that satisfy the criteria required in section 456A.33B and whose project designers worked with the department to develop an action plan prior to January 1, 2006, shall be funded in the amounts and according to the timeline for fiscal year 2006-2007 provided in the department's Iowa lakes restoration report submitted to the Eighty-first General Assembly.

Of the amounts appropriated in this subsection lettered paragraph, at least the following amounts shall be allocated as follows:

a- (1) For clear lake in Cerro Gordo county:

..... \$ 4,000,000

b- (2) For storm lake in Buena Vista county:

..... \$ 500,000

e- (3) For crystal lake in Hancock county:

..... \$ 1,400,000

d- (4) For the purposes of contracting with qualified persons outside the department to conduct use attainability analyses in conformance with section 455B.176A, as enacted in 2006 Iowa Acts, Senate File 2363, if enacted, or in any other Act of the Eighty-first General Assembly, 2006 Session:

..... \$ 750,000

b. Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2009, or until the project for which the appropriation was made is completed, whichever is earlier.

DIVISION VII

MISCELLANEOUS CODE CHANGES

Sec. 27. Section 8.57, subsection 6, paragraph h, Code 2007, is amended to read as follows:

h. Annually, on or before January ± 15 of each year, a state agency that received an appropriation from the rebuild Iowa infrastructure fund ~~for-the-preceding-fiscal-year~~ shall report to the ~~joint-transportation, infrastructure, and capitals appropriation subcommittee, the~~ legislative services agency, and the department of management, ~~and the legislative capital projects committee of the legislative council~~ the status of all ongoing projects ~~for-which-an-appropriation-from the-fund-has-been-made~~ completed or in progress. The report shall include a description of the project, the progress of work completed, the total estimated cost of the project, a list of all revenue sources being used to fund the project, the amount of funds expended, the amount of funds obligated, and the date the project was completed or an estimated completion date of the project, where applicable.

Sec. 28. Section 8.57A, subsection 5, Code 2007, is amended to read as follows:

5. Annually, on or before January ± 15 of each year, a state agency that received an appropriation from the environment first fund ~~for-the-preceding-fiscal-year~~ shall report to the ~~joint-transportation, infrastructure, and capitals appropriation subcommittee, the~~ legislative services agency, and the department of management, ~~and the legislative~~

~~capital-projects-committee-of-the-legislative-council~~ the status of all ongoing projects ~~for-which-an-appropriation-from-the-fund-has-been-made~~ completed or in progress. The report shall include a description of the project, the progress of work completed, the total estimated cost of the project, a list of all revenue sources being used to fund the project, the amount of funds expended, the amount of funds obligated, and the date the project was completed or an estimated completion date of the project, where applicable.

Sec. 29. Section 8.57B, subsection 5, Code 2007, is amended to read as follows:

5. Annually, on or before January ~~±~~ 15 of each year, a state agency that received an appropriation from the vertical infrastructure fund ~~for-the-preceding-fiscal-year~~ shall report to the ~~joint-transportation, infrastructure, and capitals appropriation subcommittee, the~~ legislative services agency, and the department of management, ~~and the legislative capital projects committee of the legislative council~~ the status of all ongoing projects ~~for-which-an-appropriation-from-the-fund has-been-made~~ completed or in progress. The report shall include a description of the project, the progress of work completed, the total estimated cost of the project, a list of all revenue sources being used to fund the project, the amount of funds expended, the amount of funds obligated, and the date the project was completed or an estimated completion date of the project, where applicable.

Sec. 30. Section 8.57C, subsection 4, Code 2007, is amended to read as follows:

4. Annually, on or before January ~~±~~ 15 of each year, a state agency that received an appropriation from this fund ~~for the preceding fiscal year~~ shall report to the ~~joint transportation, infrastructure, and capitals appropriation subcommittee, the~~ legislative services agency, and the department of management, ~~and the legislative capital projects committee of the legislative council~~ the status of all ongoing projects ~~for-which-an-appropriation-from-this-fund-has-been made~~ completed or in progress. The report shall include a description of the project, the progress of work completed, the total estimated cost of the project, a list of all revenue sources being used to fund the project, the amount of funds expended, the amount of funds obligated, and the date the project was completed or an estimated completion date of the project, where applicable.

Sec. 31. Section 8A.321, subsection 11, Code 2007, is amended to read as follows:

11. Prepare annual status reports for all ~~ongoing~~ capital projects in progress of the department, and submit the status reports to the ~~joint-transportation,-infrastructure,-and capitals-appropriation-subcommittee~~ legislative services agency and the department of management on or before January 15 of each year.

Sec. 32. NEW SECTION. 15E.321 REGIONAL SPORTS AUTHORITY DISTRICTS.

1. As used in this section, "district" means a regional sports authority district certified under this section.

2. A convention and visitors bureau may apply to the department for certification of a regional sports authority district which may include more than one city and more than one convention and visitors bureau within the district. The department shall not certify more than ten such districts.

3. Each district shall actively promote youth sports, high school athletic activities, the special olympics, and other nonprofessional sporting events in the local area.

4. Each district shall be governed by a seven-member board consisting of seven members appointed by the convention and visitors bureau filing the application pursuant to subsection 2. At least three members of the board shall consist of city council members of any cities located in the district. Each board shall be responsible for administering programs designed to promote the activities enumerated in subsection 3.

Sec. 33. Section 100B.22, subsection 1, paragraphs c and h, Code 2007, are amended to read as follows:

c. Iowa lakes community college for merged area III and northwest Iowa community college for merged area IV.

h. Des Moines area community college for merged area XI and Iowa valley community college for merged area VI and to provide advanced training in operations integration in compliance with the national incident management system as such advanced training is funded by the homeland security and emergency management division of the department of public defense.

Sec. 34. NEW SECTION. 47.9 VOTING MACHINE REIMBURSEMENT FUND.

A voting machine reimbursement fund is established in the office of the treasurer of state. Moneys in the fund shall be

expended to reimburse counties for the costs of complying with section 52.7, subsection 1, paragraph "1", if enacted by 2007 Iowa Acts, Senate File 369. The office of secretary of state shall establish, by administrative rule, a procedure for reimbursing counties for such costs. Notwithstanding section 8.33, moneys in the voting machine reimbursement fund shall not revert but shall remain available indefinitely for expenditure under this section.

Sec. 35. NEW SECTION. 249K.1 PURPOSE -- INTENT.

The purpose of this chapter is to provide a mechanism to support the appropriate number of nursing facility beds for the state's citizens and to financially assist nursing facilities in remaining compliant with applicable regulations. It is the intent of this chapter that the administrative burden on both the state and nursing facilities be minimal.

Sec. 36. NEW SECTION. 249K.2 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. "Complete replacement" means completed construction on a new nursing facility to replace an existing licensed and certified facility. The replacement facility shall be located in the same geographical service area as the facility that is replaced and shall have the same number or fewer licensed beds than the original facility.

2. "Department" means the department of human services.

3. "Iowa Medicaid enterprise" means Iowa Medicaid enterprise as defined in section 249J.3.

4. "Major renovations" means construction or facility improvements to a nursing facility in which the total amount expended exceeds one million five hundred thousand dollars.

5. "Medical assistance" or "medical assistance program" means the medical assistance program created pursuant to chapter 249A.

6. "New construction" means the construction of a new nursing facility which does not replace an existing licensed and certified facility and requires the provider to obtain a certificate of need pursuant to chapter 135, division VI.

7. "Nondirect care component" means the portion of the reimbursement rate under the medical assistance program attributable to administrative, environmental, property, and support care costs reported on the provider's financial and statistical report.

8. "Nursing facility" means a nursing facility as defined in section 135C.1.

9. "Provider" means a current or future owner or operator of a nursing facility that provides medical assistance program services.

10. "Rate determination letter" means the letter that is distributed quarterly by the Iowa Medicaid enterprise to each nursing facility, which is based on previously submitted financial and statistical reports from each nursing facility.

Sec. 37. NEW SECTION. 249K.3 GENERAL PROVISIONS -- INSTANT RELIEF -- NONDIRECT CARE LIMIT EXCEPTION.

1. A provider that constructs a complete replacement, makes major renovations to or newly constructs a nursing facility may be entitled to the rate relief and exceptions provided under this chapter. The total period during which a provider may participate in any relief shall not exceed two years. The total period during which a provider may participate in any nondirect care limit exception shall not exceed ten years. A provider seeking assistance under this chapter may request both instant relief and the nondirect care limit exception.

2. If the provider requests instant relief, the following provisions shall apply:

a. The provider shall submit a written request for instant relief to the Iowa Medicaid enterprise explaining the nature, timing, and goals of the project and the time period during which the relief is requested. The written request shall clearly state if the provider is also requesting the nondirect care limit exception. The written request for instant relief shall be submitted no earlier than thirty days prior to the placement of the provider's assets in service. The written request for relief shall provide adequate details to calculate the estimated value of relief including but not limited to the total cost of the project, the estimated annual depreciation expenses using generally accepted accounting principles, the estimated useful life based upon existing medical assistance and Medicare provisions, and a copy of the most current depreciation schedule. If interest expenses are included, a copy of the general terms of the debt service and the estimated annual amount of the interest expenses shall be submitted with the written request for relief.

b. The following shall apply to the value of relief amount:

(1) If interest expenses are disclosed, the amount of these expenses shall be added to the value of relief.

(2) The calculation of the estimated value of relief shall take into consideration the removal of existing assets and debt service.

(3) The calculation of the estimated value of relief shall be demonstrated as an amount per patient day to be added to the nondirect care component for the relevant period. The estimated annual patient days for this calculation shall be determined based upon budgeted amounts or the most recent annual total as demonstrated on the provider's Medicaid financial and statistical report. For the purposes of calculating the per diem relief, total patient days shall be the greater of the estimated annual patient days or eighty-five percent of the facility's estimated licensed capacity.

(4) The combination of the nondirect care component and the estimated value of relief shall not exceed one hundred and ten percent of the nondirect care median for the relevant period. If a nondirect care limit exception has been requested and granted, the combination of the nondirect care component and the estimated value of relief shall not exceed one hundred twenty percent of the nondirect care median for the relevant period.

c. Instant relief granted under this subsection shall begin the first day of the calendar quarter following placement of the provider's assets in service. If the required information to calculate the instant relief, as specified in paragraph "a", is not submitted prior to the first day of the calendar quarter following placement of the provider's assets in service, instant relief shall instead begin on the first day of the calendar quarter following receipt of the required information.

d. Instant relief granted under this subsection shall be terminated at the time of the provider's subsequent biannual rebasing when the submission of the annual cost report for the provider includes the new replacement costs and the annual property costs reflect the new assets.

e. During the period in which instant relief is granted, the Iowa Medicaid enterprise shall recalculate the value of

the instant relief based on allowable costs and patient days reported on the annual financial and statistical report. For purposes of calculating the per diem relief, total patient days shall be the greater of actual annual patient days or eighty-five percent of the facility's licensed capacity. The actual value of relief shall be added to the nondirect care component for the relevant period, not to exceed one hundred ten percent of the nondirect care median for the relevant period or not to exceed one hundred twenty percent of the nondirect care median for the relevant period if the nondirect care limit exception is requested and granted. The provider's quarterly rates for the relevant period shall be retroactively adjusted to reflect the revised nondirect care rate. All claims with dates of service from the date that instant relief is granted to the date that the instant relief is terminated shall be repriced to reflect the actual value of the instant relief per diem utilizing a mass adjustment.

3. If the provider requests the nondirect care limit exception, all of the following shall apply:

a. The nondirect care limit for the rate setting period shall be increased to one hundred and twenty percent of the median for the relevant period.

b. The exception period shall not exceed a period of two years. If the provider is requesting only the nondirect care limit exception, the request shall be submitted within sixty days of the release of the July 1 rate determination letters following each biannual rebasing cycle, and shall be effective the first day of the month following receipt of the request. If applicable, the provider shall identify any time period in which instant relief was granted and shall indicate how many times the instant relief or nondirect care limit exception was granted previously.

Sec. 38. NEW SECTION. 249K.4 PRELIMINARY EVALUATION.

1. A provider preparing cost or other feasibility projections for a request for relief or an exception pursuant to section 249K.3 may submit a request for preliminary evaluation.

2. The request shall contain all of the information required for the type of assistance sought pursuant to section 249K.3.

3. The provider shall estimate the timing of the initiation and completion of the project to allow the

department to respond with estimates of both instant relief and the nondirect care limit exception.

4. The department shall respond to a request for preliminary evaluation under this section within thirty days of receipt of the request. A preliminary evaluation does not guarantee approval of instant relief or the nondirect care limit exception upon submission of a formal request. A preliminary evaluation provides only an estimate of value of the instant relief or nondirect care limit exception based only on the projections.

Sec. 39. NEW SECTION. 249K.5 PARTICIPATION CRITERIA.

1. The Iowa Medicaid enterprise shall administer this chapter. The department of human services shall adopt rules, pursuant to chapter 17A, to administer this chapter.

2. A provider requesting instant relief or a nondirect care limit exception under this chapter shall meet one of the following criteria:

a. The nursing facility for which relief or an exception is requested is in violation of life safety code requirements and changes are necessary to meet regulatory compliance.

b. The nursing facility for which relief or an exception is requested is proposing development of a home and community-based services waiver program service that meets the following requirements:

(1) The service is provided on the direct site and is a nonnursing service.

(2) The service is provided in an underserved area, which may include a rural area, and the nursing facility provides documentation of this.

(3) The service meets all federal and state requirements.

(4) The service is adult day care, consumer directed attendant care, assisted living, day habilitation, home delivered meals, personal emergency response, or respite.

3. In addition to any other factors to be considered in determining if a provider is eligible to participate under this chapter, the Iowa Medicaid enterprise shall consider all of the following:

a. The history of the provider's regulatory compliance.

b. The historical access to nursing facility services for medical assistance program beneficiaries.

c. The provider's dedication to and participation in quality of care, considering all quality programs in which the provider has participated.

d. The provider's plans to facilitate person-directed care.

e. The provider's plans to facilitate dementia units and specialty post-acute services.

4. a. Any relief or exception granted under this chapter is temporary and shall be immediately terminated if all of the participation requirements under this chapter are not met.

b. If a provider's medical assistance program or Medicare certification is revoked, any existing exception or relief shall be terminated and the provider shall not be eligible to request subsequent relief or an exception under this chapter.

5. Following a change in ownership, relief or an exception previously granted shall continue and future rate calculations shall be determined under the provisions of 441 IAC 81.6(12) relating to termination or change of ownership of a nursing facility.

Sec. 40. Section 328.56, subsection 2, as enacted by 2006 Iowa Acts, chapter 1179, section 57, is amended to read as follows:

2. Moneys in the state aviation fund in-a-fiscal-year shall-be-used-as-appropriated-by-the-general-assembly are appropriated to the department of transportation for use by the department for airport engineering studies, construction or improvements, and the windsock program for public airports and marketing at commercial service airports. In awarding moneys, the department shall give preference to projects that demonstrate a collaborative effort between airports.

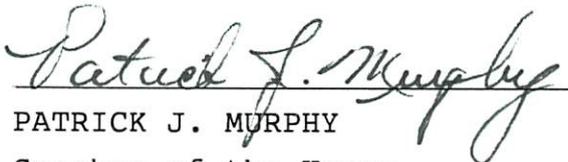
Sec. 41. IMPLEMENTATION -- LIMITATION.

1. Chapter 249K, as enacted by this division of this Act, shall only be implemented if the department of human services receives approval from the centers for Medicare and Medicaid services of the United States department of health and human services for a medical assistance state plan amendment. If approval is received, the chapter shall not be implemented retroactively to the effective date of the chapter in this division of this Act, but shall be implemented only on or after the date of approval.

2. The Iowa Medicaid enterprise shall only approve instant relief or a nondirect care limit exception under chapter 249K, as enacted by this division of this Act, to the extent funding is available.

Sec. 42. Section 8A.330, Code 2007, is repealed.

Sec. 43. EFFECTIVE DATE. The sections of this division creating new chapter 249K, being deemed of immediate importance, take effect upon enactment.


PATRICK J. MURPHY
Speaker of the House


JOHN P. KIBBIE
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 911, Eighty-second General Assembly.


MARK BRANDSGARD
Chief Clerk of the House

Approved May 29th, 2007


CHESTER J. CULVER
Governor

With exceptions noted.