



CHESTER J. CULVER  
GOVERNOR

**OFFICE OF THE GOVERNOR**

PATTY JUDGE  
LT. GOVERNOR

March 16, 2009

The Honorable Michael Mauro  
Secretary of State  
State Capitol Building  
LOCAL

Dear Mr. Secretary:

I hereby transmit:

**House File 414**, an Act relating to public funding and regulatory matters and making, reducing, and transferring appropriations and revising fund amounts and including effective, retroactive, and other applicability date provisions.

The above House File is hereby approved this date.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Culver", with a long, sweeping underline that extends to the right.

Chester J. Culver  
Governor

CJC:bdj

cc: Secretary of the Senate  
Chief Clerk of the House





HOUSE FILE 414

AN ACT

RELATING TO PUBLIC FUNDING AND REGULATORY MATTERS AND MAKING, REDUCING, AND TRANSFERRING APPROPRIATIONS AND REVISING FUND AMOUNTS AND INCLUDING EFFECTIVE, RETROACTIVE, AND OTHER APPLICABILITY DATE PROVISIONS.

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

DIVISION I

JUMPSTART AND SMALL BUSINESS ASSISTANCE PROGRAMS

Section 1. NEW SECTION. 15E.361 SMALL BUSINESS DISASTER RECOVERY FINANCIAL ASSISTANCE PROGRAM.

1. The department shall establish and administer a small business disaster recovery financial assistance program. Under the program, the department shall provide grants to administrative entities for purposes of providing financial assistance to eligible businesses that sustained physical damage or economic loss due to a natural disaster occurring after May 24, 2008, and before August 14, 2008. Moneys shall be allocated to administrative entities on the basis of the percentage of disaster loans awarded by the United States small business administration to businesses located within a city's jurisdiction or a disaster recovery area as defined by the department.

2. An eligible business is a business that sustained physical damage or economic loss due to a natural disaster occurring after May 24, 2008, and before August 14, 2008, and has executed loan documents for a disaster loan from an eligible lender as defined by the department. Financial assistance shall be in the form of forgivable loans and reimbursement for acquisition of energy-efficient equipment.

The maximum amount of a forgivable loan is twenty-five percent of the loan amount from the eligible lender up to a maximum of fifty thousand dollars. Up to an additional five thousand dollars of assistance shall be available for the reimbursement of energy-efficient purchases and installation.

3. As determined by the department, unused or unobligated moneys may be reclaimed and reallocated by the department to other administrative agencies.

4. For purposes of this section, "administrative entity" means cities identified by the department that administer local disaster recovery programs and councils of government.

Sec. 2. Section 15F.204, subsection 8, paragraph a, subparagraph (5), Code 2009, is amended to read as follows:

(5) For the fiscal year beginning July 1, 2008, and ending June 30, 2009, the sum of twelve million dollars.

Notwithstanding any provision to the contrary, of the amount appropriated in this subparagraph, one million nine hundred thousand dollars is transferred to the housing assistance fund to be used for the jumpstart housing assistance program established pursuant to section 16.191.

Sec. 3. Section 15G.111, Code 2009, is amended by adding the following new subsection:

NEW SUBSECTION. 9A. Each appropriation made in subsections 1 through 9 for the fiscal year beginning July 1, 2008, and ending June 30, 2009, is reduced by twenty percent. There is appropriated from the grow Iowa values fund created in section 15G.108 to the department of economic development for the fiscal year beginning July 1, 2008, and ending June 30, 2009, ten million dollars to be used for the small business disaster recovery financial assistance program established pursuant to section 15E.361.

Sec. 4. NEW SECTION. 16.191 JUMPSTART HOUSING ASSISTANCE PROGRAM.

1. The Iowa finance authority shall establish and administer a jumpstart housing assistance program. Under the program, the authority shall provide grants to local government participants for purposes of distributing the moneys to eligible residents for eligible purposes which relate to disaster-affected homes.

2. An eligible resident is a person residing in a disaster-affected home who is the owner of record of a right,

title, or interest in the disaster-affected home and who has been approved by the federal emergency management agency for housing assistance. An eligible resident must have a family income equal to or less than one hundred fifty percent of the area median family income.

3. Eligible purposes include forgivable loans for down payment assistance, emergency housing repair or rehabilitation, and interim mortgage assistance. An eligible resident who receives a forgivable loan may also receive energy efficiency assistance which shall be added to the principal of the forgivable loan.

4. A local government participant may retain a portion of the grant moneys for administrative purposes as provided in a grant agreement between the authority and the local government participant.

5. Any money paid to a local government participant by an eligible resident shall be remitted to the authority for deposit in the housing assistance fund created in section 16.40.

6. As determined by the authority, unused or unobligated moneys may be reclaimed and reallocated by the authority to other local government participants.

7. As used in this section, unless the context otherwise requires:

a. "Disaster-affected home" means a primary residence that was destroyed or damaged due to a natural disaster occurring after May 24, 2008, and before August 14, 2008.

b. "Local government participant" means the cities of Ames, Cedar Falls, Cedar Rapids, Council Bluffs, Davenport, Des Moines, Dubuque, Iowa City, Waterloo, and West Des Moines; a council of governments whose territory includes at least one county that was declared a disaster area by the president of the United States after May 24, 2008, and before August 14, 2008; and any county that is not part of any council of governments and was declared a disaster area by the president of the United States after May 24, 2008, and before August 14, 2008.

Sec. 5. POWER FUND -- HOUSING ASSISTANCE. Of the amount appropriated from the general fund of the state to the power fund pursuant to section 469.10, subsection 1, for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the

following amount, or so much thereof as is necessary, is transferred to the Iowa finance authority to be used for the purposes designated:

To be credited to the housing assistance fund to be used for the jumpstart housing assistance program established pursuant to section 16.191, as enacted by this Act, notwithstanding contrary provisions of section 469.9 or any other provision of law:

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

Sec. 6. 2004 Iowa Acts, First Extraordinary Session, chapter 1002, section 2, subsection 1, paragraph d, is amended to read as follows:

d. (1) For deposit in the loan and credit guarantee fund created in section 15E.227:

..... \$ 5,728,402

(2) Of the amount appropriated in subparagraph (1), \$1,785 shall be expended pursuant to contracts or approved projects or activities validated in this division of this Act.

(3) Notwithstanding any provision to the contrary, \$1,900,000 of the amount appropriated in subparagraph (1) is transferred to the community attraction and tourism fund created in section 15F.204.

Sec. 7. 2008 Iowa Acts, chapter 1178, section 20, is amended to read as follows:

SEC. 20. RIVER ENHANCEMENT COMMUNITY ATTRACTION AND TOURISM FUND -- APPROPRIATION. There is appropriated from any interest or earnings on moneys in the federal economic stimulus and jobs holding fund for deposit in the river enhancement community attraction and tourism fund created in section 15F.205 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 financial assistance to applicants under section 15F.205:

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

Notwithstanding any provision to the contrary, all of the amount appropriated in this section is transferred to the housing assistance fund to be used for the jumpstart housing assistance program established pursuant to section 16.191, if enacted by the Eighty-third General Assembly, 2009 Session.

Sec. 8. 2008 Iowa Acts, chapter 1179, section 1, subsection 1, paragraphs a and c, are amended to read as follows:

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

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

Notwithstanding any provision to the contrary, \$1,600,000 of the amount appropriated in this lettered paragraph is transferred to the Iowa finance authority to be credited to the housing assistance fund to be used for the jumpstart housing assistance program established pursuant to section 16.191, if enacted by the Eighty-third General Assembly, 2009 Session.

c. To provide funding and related services for capitol complex property acquisition, notwithstanding section 8.57, subsection 6, paragraph "c":

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

Notwithstanding any provision to the contrary, the amount appropriated in this lettered paragraph is transferred to the Iowa finance authority to be credited to the housing assistance fund to be used for the jumpstart housing assistance program established pursuant to section 16.191, if enacted by the Eighty-third General Assembly, 2009 Session.

Sec. 9. 2008 Iowa Acts, chapter 1179, section 1, subsection 5, paragraph e, is amended to read as follows:

e. For deposit into the river enhancement community attraction and tourism fund created in ~~2008-Iowa-Acts, Senate File-2430, if enacted~~ section 15F.205:

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

Notwithstanding any provision to the contrary, all of the amount appropriated in this section is transferred to the housing assistance fund to be used for the jumpstart housing assistance program established pursuant to section 16.191, if enacted by the Eighty-third General Assembly, 2009 Session.

Sec. 10. 2008 Iowa Acts, chapter 1179, section 1, subsection 9, paragraph a, is amended to read as follows:

a. For purposes of supporting a lowhead dam public hazard improvement program, notwithstanding section 8.57, subsection 6, paragraph "c":

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

The department shall award grants to dam owners including counties, cities, state agencies, cooperatives, and individuals, to support projects approved by the department.

The department shall require each dam owner applying for a project grant to submit a project plan for the expenditure of the moneys, and file a report with the department regarding the project, as required by the department.

The funds can be used for signs, posts, and related cabling, and the department shall only award money on a matching basis, pursuant to the dam owner contributing at least 20 cents for every 80 cents awarded by the department, in order to finance the project. For the remainder of the funds, including any balance of money not awarded for signs, posts, and related cabling, the department shall only award moneys to a dam owner on a matching basis. A dam owner shall contribute one dollar for each dollar awarded by the department in order to finance a project.

Notwithstanding any provision to the contrary, the department of natural resources shall defer implementation of the lowhead dam public hazard improvement program unless other funding is made available for the program. The amount appropriated in this lettered paragraph is transferred to the Iowa finance authority to be credited to the housing trust fund to be used for the jumpstart housing assistance program established pursuant to section 16.191, if enacted by the Eighty-third General Assembly, 2009 Session.

Sec. 11. EFFECTIVE DATE -- APPLICABILITY.

1. This division of this Act, being deemed of immediate importance, takes effect upon enactment, and is retroactively applicable to July 1, 2008, for the fiscal year beginning on that date.

2. The appropriations and transfers made in this division of this Act apply in lieu of any transfers for the jumpstart housing assistance and small business assistance programs or from the loan and credit guarantee fund made by the executive branch, as reported by the department of management in the fiscal year beginning July 1, 2008.

3. Notwithstanding section 8.33, moneys appropriated or allocated in this division of this Act to the department of economic development for purposes of the small business disaster recovery and financial assistance program that remain

unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

DIVISION II

CAPITAL APPROPRIATION REVISIONS

REBUILD IOWA INFRASTRUCTURE FUND -- APPROPRIATION REDUCTION

Sec. 12. 2004 Iowa Acts, chapter 1175, section 288, subsection 4, paragraph b, as amended by 2006 Iowa Acts, chapter 1179, section 29, is amended to read as follows:

b. For construction of a community-based correctional facility, including district offices, in Davenport:

FY 2004-2005.....	\$	3,000,000
FY 2005-2006.....	\$	3,750,000
		<u>291,783</u>
FY 2006-2007.....	\$	0

NEW STATE OFFICE BUILDING -- APPROPRIATIONS

ELIMINATED AND REDUCED

Sec. 13. 2006 Iowa Acts, chapter 1179, section 5, as amended by 2007 Iowa Acts, chapter 219, section 22, 2008 Iowa Acts, chapter 1176, section 6, and 2008 Iowa Acts, chapter 1179, section 29, 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 of a new state office building, including costs associated with furnishing the building:

FY 2007-2008.....	\$	0
FY 2008-2009.....	\$	0
FY 2009-2010.....	\$	12,657,100
		<u>0</u>

~~The location, design, plans and specifications, and occupants of the building shall be determined jointly by the executive council and the department of administrative services in consultation with the capitol planning commission following an analysis of space needs to be completed no later than January 1, 2009. Recommendations for the design, plans and specifications, and occupants shall be presented to the~~



~~general-assembly-and-the-governor-for-approval-by-the-start-of  
the-2009-legislative-session.~~

~~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.~~

Effective December 9, 2008, the department shall cancel  
existing activities pertaining to the new state office  
building addressed by this section and shall defer further  
activities until specifically authorized by law.

Sec. 14. 2006 Iowa Acts, chapter 1179, section 16,  
subsection 1, paragraph b, as amended by 2007 Iowa Acts,  
chapter 219, section 23, 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  
661,102

(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.

REBUILD IOWA INFRASTRUCTURE FUND -- APPROPRIATIONS  
ELIMINATED AND REDUCED

Sec. 15. 2007 Iowa Acts, chapter 219, section 1, subsection 1, paragraph j, is amended to read as follows:

j. For costs associated with the relocation of the vehicle dispatch fueling station:

..... \$ 3507000  
839

Sec. 16. 2007 Iowa Acts, chapter 219, section 1, subsection 3, paragraph b, is amended to read as follows:

b. For capital improvement projects at correctional facilities:

..... \$ 5,495,000  
2,697,624

Sec. 17. 2007 Iowa Acts, chapter 219, section 1, subsection 5, paragraph b, unnumbered paragraph 1, is amended to read as follows:

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":

..... \$ 575007000  
1,275,000

Sec. 18. 2007 Iowa Acts, chapter 219, section 1, subsection 12, paragraph b, is amended to read as follows:

b. For construction of a state emergency response training facility to be located in merged area XI:

..... \$ 270007000  
0

Sec. 19. 2007 Iowa Acts, chapter 219, section 1, subsection 14, paragraph b, is amended to read as follows:

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

..... \$ 1070007000  
9,450,000

Sec. 20. 2007 Iowa Acts, chapter 219, section 7, subsection 1 and subsection 2, unnumbered paragraph 1, are amended to read as follows:

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

FY 2008-2009..... \$ 1070007000  
0  
FY 2009-2010..... \$ 10,000,000

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..... \$ 147567000  
3,479,000  
FY 2009-2010..... \$ 11,597,000

Sec. 21. 2008 Iowa Acts, chapter 1179, section 1, subsection 5, paragraph a, is amended to read as follows:

a. 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":

..... \$ 9007000  
0

~~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 17, 2009, the unobligated and unencumbered portions shall be made available by the department for use by other community colleges.~~

NEW STATE OFFICE BUILDING -- APPROPRIATION ELIMINATED

Sec. 22. 2008 Iowa Acts, chapter 1179, section 18, subsection 1, paragraph a, is amended to read as follows:

a. For the planning, design, and construction of a new state office building, including costs associated with the furnishing of the building:

..... \$ 20,700,000  
0

~~The location, design, plans and specifications, and occupants of the building shall be determined jointly by the executive council and the department of administrative services in consultation with the capitol planning commission following an analysis of space needs to be completed no later than January 17, 2009. Recommendations for design, plans and specifications, and occupants shall be presented to the general assembly and the governor for approval by the start of the 2009 legislative session.~~

Effective December 9, 2008, the department shall cancel existing activities pertaining to the new state office building addressed by this paragraph and shall defer further activities until specifically authorized by law.

FY 2009 TAX-EXEMPT BOND PROCEEDS  
RESTRICTED CAPITAL FUNDS ACCOUNT -- HONEY  
CREEK APPROPRIATION ELIMINATED

Sec. 23. 2008 Iowa Acts, chapter 1179, section 18, subsection 5, paragraph c, is amended to read as follows:

~~c. For the construction of the cabins, activity building, picnic shelters, and other costs associated with the opening of the Honey Creek Premier Destination Park:~~

..... \$ 4,900,000

~~The department shall not obligate any funding under this appropriation without approval from the department of management. The department shall provide quarterly updates to the Honey Creek Premier Destination Park Authority and the legislative services agency on the obligation and spending of this appropriation.~~

~~In light of this appropriation, the department shall not request additional appropriations for funding the construction of future additional amenities at the Honey creek destination park beyond the fiscal year ending June 30, 2009. In the event that the chairperson of the authority delivers a certificate to the governor, pursuant to section 463C.13, stating the amounts necessary to restore bond reserve funds, it is the general assembly's intent upon consideration of the governor's request to first seek refunding from the department's budget.~~

REBUILD IOWA INFRASTRUCTURE FUND -- TRANSFER  
TO GENERAL FUND

Sec. 24. TRANSFER TO GENERAL FUND. There is transferred from the rebuild Iowa infrastructure fund to the general fund of the state for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amount:

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

REPLACEMENT APPROPRIATIONS

Sec. 25. ENDOWMENT FOR IOWA'S HEALTH RESTRICTED CAPITAL FUNDS ACCOUNT.

1. There is appropriated from the endowment for Iowa's health restricted capitals fund account to the following departments and agencies for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. DEPARTMENT OF CORRECTIONS

(1) For construction of a community-based correctional facility, including district offices, in Davenport:

..... \$ 3,458,217

(2) For capital improvement projects at correctional facilities:

..... \$ 2,797,376

b. DEPARTMENT OF ECONOMIC DEVELOPMENT

For accelerated career education program capital projects at community colleges that are authorized under chapter 260G:

..... \$ 5,125,000

c. DEPARTMENT OF NATURAL RESOURCES

For the construction of the cabins, activity building, picnic shelters, and other costs associated with the opening of the Honey creek premier destination park:

..... \$ 4,900,000

(1) The department shall not obligate any funding under this appropriation without approval from the department of management. The department shall provide quarterly updates to the Honey creek premier destination park authority and the legislative services agency on the obligation and spending of this appropriation.

(2) In light of this appropriation, the department shall not request additional appropriations for funding the construction of future additional amenities at the Honey creek destination park beyond the fiscal year ending June 30, 2009. In the event that the chairperson of the authority delivers a certificate to the governor, pursuant to section 463C.13, stating the amounts necessary to restore bond reserve funds, it is the general assembly's intent upon consideration of the governor's request to first seek refunding from the department's budget.

d. DEPARTMENT OF PUBLIC SAFETY

For construction of a state emergency response training facility to be located in merged area XI:

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

e. BOARD OF REGENTS

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

..... \$ 10,550,000

(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:

..... \$ 11,277,000

Moneys appropriated in this subparagraph are contingent upon the state 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.

2. Payment of moneys from the appropriations made in this section 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.

3. For purposes of section 8.33, unless specifically provided otherwise, unencumbered or unobligated moneys made from an appropriation in this section shall not revert but

shall remain available for expenditure for the purposes designated until the close of the fiscal year that ends three years after the end of the fiscal year for which the appropriation was made. However, if the project or projects for which such appropriation was made are completed in an earlier fiscal year, unencumbered or unobligated moneys shall revert at the close of that same fiscal year.

EFFECTIVE DATE -- APPLICABILITY

Sec. 26. EFFECTIVE DATE -- APPLICABILITY.

1. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

2. The sections of this division of this Act that address a new state office building are retroactively applicable to December 9, 2008.

DIVISION III

ADDITIONAL APPROPRIATION REDUCTIONS

Sec. 27. 2008 Iowa Acts, chapter 1182, section 1, subsection 1, is amended to read as follows:

1. There is appropriated from the general fund of the state to the judicial branch 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:

For salaries of supreme court justices, appellate court judges, district court judges, district associate judges, judicial magistrates and staff, state court administrator, clerk of the supreme court, district court administrators, clerks of the district court, juvenile court officers, board of law examiners and board of examiners of shorthand reporters and judicial qualifications commission; receipt and disbursement of child support payments; reimbursement of the auditor of state for expenses incurred in completing audits of the offices of the clerks of the district court during the fiscal year beginning July 1, 2008; and maintenance, equipment, and miscellaneous purposes:

..... \$144,745,322  
140,959,432

Sec. 28. 2008 Iowa Acts, chapter 1191, section 3, is amended to read as follows:

SEC. 3. GENERAL ASSEMBLY. The appropriations made pursuant to section 2.12 for the expenses of the general

assembly and legislative agencies for the fiscal year beginning July 1, 2008, and ending June 30, 2009, are reduced by the following amount:

.....	\$	<del>7,400,261</del>
		<u>2,356,851</u>

Sec. 29. GENERAL REDUCTIONS.

1. The amounts appropriated from the general fund of the state to executive branch agencies for operational purposes in enactments made for the fiscal year beginning July 1, 2008, and ending June 30, 2009, and standing limited and unlimited appropriations from the general fund of the state for the fiscal year beginning July 1, 2008, and ending June 30, 2009, are reduced by \$25,606,746. For the purposes of this subsection, "operational purposes" means salary, support, administrative expenses, or other personnel-related costs. The appropriations made for the designated fiscal year to the following executive branch agencies are not subject to this section: department of commerce divisions of banking, credit union, and utilities, and the racing and gaming commission.

2. The reduction in appropriations made pursuant to subsection 1 shall be carried out by the governor in the manner specified in section 8.31, subsection 5. However, provided that the total amount of the reductions required by this section remains unchanged, the governor may approve the exercise of transfer authority under section 8.39 between operational appropriations as necessary to prudently adjust the reductions made to individual appropriations and the report required under this section shall constitute the notice and report otherwise required under section 8.39, subsections 3 and 4.

3. Upon implementation of the appropriations reductions specified in subsection 1, the department of management shall submit a report to the chairpersons and ranking members of the appropriations committees of each chamber of the general assembly and the legislative services agency specifying how the reductions were applied and if any transfers were authorized.

4. Moneys which become available as a result of the appropriations reductions made pursuant to this section shall be considered to have reverted to the general fund of the state on the effective date of this section.



Sec. 30. EFFECTIVE DATE -- APPLICABILITY.

1. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

2. The appropriation reductions made pursuant to this division of this Act shall be applied after applying the reductions made pursuant to executive order number 10 issued December 22, 2008.

DIVISION IV  
TRANSFERS

Sec. 31. INNOVATIONS FUND. There is transferred from the innovations fund created in section 8.63 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:

Notwithstanding section 8.63, subsection 1, to be credited to the general fund of the state:

..... \$ 4,500,000

Sec. 32. LOCAL GOVERNMENT INNOVATION FUND. There is transferred from the local government innovation fund created in section 8.67 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:

Notwithstanding section 8.67, subsection 1, to be credited to the general fund of the state:

..... \$ 844,182

Sec. 33. IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND. There is transferred from the Iowa comprehensive petroleum underground storage tank fund created in section 455G.3 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:

Notwithstanding section 455G.3, subsection 1, to be credited to the general fund of the state:

..... \$ 5,655,818

Sec. 34. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION V

APPROPRIATION RESTORATIONS AND SUPPLEMENTS

Sec. 35. DEPARTMENT OF CORRECTIONS. After applying the reduction made pursuant to executive order number 10 issued

December 22, 2008, to the appropriations made for the following designated purposes, there is appropriated from the general fund of the state to the department of corrections for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amounts, or so much thereof as is necessary, to supplement the appropriations made for the following designated purposes:

1. For the operation of adult correctional institutions in 2008 Iowa Acts, chapter 1180, section 3, subsection 1, to be allocated as follows:

a. For the operation of the Fort Madison correctional facility in 2008 Iowa Acts, chapter 1180, section 3, subsection 1, paragraph "a":

..... \$ 684,867

b. For the operation of the Anamosa correctional facility in 2008 Iowa Acts, chapter 1180, section 3, subsection 1, paragraph "b":

..... \$ 483,143

c. For the operation of the Oakdale correctional facility in 2008 Iowa Acts, chapter 1180, section 3, subsection 1, paragraph "c":

..... \$ 906,708

d. For the operation of the Newton correctional facility in 2008 Iowa Acts, chapter 1180, section 3, subsection 1, paragraph "d":

..... \$ 434,340

e. For the operation of the Mt. Pleasant correctional facility in 2008 Iowa Acts, chapter 1180, section 3, subsection 1, paragraph "e":

..... \$ 419,962

f. For the operation of the Rockwell City correctional facility in 2008 Iowa Acts, chapter 1180, section 3, subsection 1, paragraph "f":

..... \$ 144,923

g. For the operation of the Clarinda correctional facility in 2008 Iowa Acts, chapter 1180, section 3, subsection 1, paragraph "g":

..... \$ 390,790

h. For the operation of the Mitchellville correctional facility in 2008 Iowa Acts, chapter 1180, section 3, subsection 1, paragraph "h":

..... \$ 246,868

i. For the operation of the Fort Dodge correctional facility in 2008 Iowa Acts, chapter 1180, section 3, subsection 1, paragraph "i":

..... \$ 464,129

j. For reimbursement of counties for certain confinement costs in 2008 Iowa Acts, chapter 1180, section 3, subsection 1, paragraph "j":

..... \$ 14,520

k. For federal prison reimbursement, reimbursements for out-of-state placements, and miscellaneous contracts in 2008 Iowa Acts, chapter 1180, section 3, subsection 1, paragraph "k":

..... \$ 3,619

2. For department of corrections general administration in 2008 Iowa Acts, chapter 1180, section 4, to be allocated as follows:

a. For department of corrections general administration in 2008 Iowa Acts, chapter 1180, section 4, subsection 1, paragraph "a":

..... \$ 77,403

b. For educational programs for inmates at state penal institutions in 2008 Iowa Acts, chapter 1180, section 4, subsection 1, paragraph "b":

..... \$ 29,172

c. For development of the Iowa corrections offender network (ICON) data system in 2008 Iowa Acts, chapter 1180, section 4, subsection 1, paragraph "c":

..... \$ 6,416

d. For offender mental health and substance abuse treatment in 2008 Iowa Acts, chapter 1180, section 4, subsection 1, paragraph "d":

..... \$ 375

e. For viral hepatitis prevention and treatment in 2008 Iowa Acts, chapter 1180, section 4, subsection 1, paragraph "e":

..... \$ 2,820

3. For the judicial district departments of correctional services in 2008 Iowa Acts, chapter 1180, section 5, subsection 1, to be allocated as follows:

a. For the first judicial district department of correctional services in 2008 Iowa Acts, chapter 1180, section

5, subsection 1, paragraph "a":  
..... \$ 203,607

b. For the second judicial district department of correctional services in 2008 Iowa Acts, chapter 1180, section 5, subsection 1, paragraph "b":  
..... \$ 169,214

c. For third judicial district department of correctional services in 2008 Iowa Acts, chapter 1180, section 5, subsection 1, paragraph "c":  
..... \$ 93,453

d. For the fourth judicial district department of correctional services in 2008 Iowa Acts, chapter 1180, section 5, subsection 1, paragraph "d":  
..... \$ 85,788

e. For the fifth judicial district department of correctional services in 2008 Iowa Acts, chapter 1180, section 5, subsection 1, paragraph "e":  
..... \$ 294,421

f. For the sixth judicial district department of correctional services in 2008 Iowa Acts, chapter 1180, section 5, subsection 1, paragraph "f":  
..... \$ 218,496

g. For the seventh judicial district department of correctional services in 2008 Iowa Acts, chapter 1180, section 5, subsection 1, paragraph "g":  
..... \$ 111,216

h. For the eighth judicial district department of correctional services in 2008 Iowa Acts, chapter 1180, section 5, subsection 1, paragraph "h":  
..... \$ 108,830

Sec. 36. DEPARTMENT OF PUBLIC SAFETY. After applying the reduction made pursuant to executive order number 10 issued December 22, 2008, to the appropriations made for the following designated purposes, there is appropriated from the general fund of the state to the department of public safety for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amounts, or so much thereof as is necessary, to supplement the appropriations made for the following designated purposes:

1. For the department's administrative functions in 2008 Iowa Acts, chapter 1180, section 14, subsection 1:  
..... \$ 68,484

2. For the division of criminal investigation in 2008 Iowa Acts, chapter 1180, section 14, subsection 2:

..... \$ 329,310

3. For the criminalistics laboratory fund created in section 691.9 in 2008 Iowa Acts, chapter 1180, section 14, subsection 3:

..... \$ 5,130

4. For the division of narcotics enforcement in 2008 Iowa Acts, chapter 1180, section 14, subsection 4, paragraph "a":

..... \$ 99,534

5. For the state fire marshal's office for fire protection services in 2008 Iowa Acts, chapter 1180, section 14, subsection 5:

..... \$ 62,186

6. For the division of state patrol in 2008 Iowa Acts, chapter 1180, section 14, subsection 6:

..... \$ 780,362

7. For costs associated with the training and equipment needs of volunteer fire fighters in 2008 Iowa Acts, chapter 1180, section 14, subsection 8:

..... \$ 10,504

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 expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 37. DEPARTMENT OF COMMERCE. After applying the reduction made pursuant to executive order number 10 issued December 22, 2008, to the appropriations made for the following designated purposes, there is appropriated from the general fund of the state to the department of commerce for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amounts, or so much thereof as is necessary, to supplement the appropriations made for the following designated purposes:

1. For the banking division, in 2008 Iowa Acts, chapter 1184, section 7, subsection 2, paragraph "a":

..... \$ 131,578

2. For the credit union division, in 2008 Iowa Acts, chapter 1184, section 7, subsection 3:

..... \$ 26,097

3. For the utilities division, in 2008 Iowa Acts, chapter 1184, section 7, subsection 5:

..... \$ 128,675

Sec. 38. RACING AND GAMING COMMISSION. After applying the reduction made pursuant to executive order number 10 issued December 22, 2008, to the appropriations made for the following designated purposes, there is appropriated from the general fund of the state to the racing and gaming commission for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amounts, or so much thereof as is necessary, to supplement the appropriations made for the following designated purposes:

1. For racetrack regulation, in 2008 Iowa Acts, chapter 1184, section 13, subsection 1:

..... \$ 44,799

2. For excursion boat and gambling structure regulation, in 2008 Iowa Acts, chapter 1184, section 13, subsection 2:

..... \$ 53,856

Sec. 39. DEPARTMENT OF PUBLIC HEALTH -- INFECTIOUS DISEASES. After applying the reduction made pursuant to executive order number 10 issued December 22, 2008, there is appropriated from the general fund of the state to the department of public health for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amount, or so much thereof as is necessary, to supplement the appropriation made for the following designated purpose:

For reducing the incidence and prevalence of communicable diseases in 2008 Iowa Acts, chapter 1187, section 2, subsection 7:

..... \$ 992,915

Sec. 40. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND DEVELOPMENTAL DISABILITIES SERVICES.

1. After applying the reduction made pursuant to executive order number 10 issued December 22, 2008, to the appropriations made for the following designated purposes, there is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amounts, or so much thereof as is necessary, to supplement the appropriations made for the following designated purposes:

a. For the property tax relief fund appropriation made in section 426B.1, subsection 2:

..... \$ 1,326,000

All of the appropriation made in this lettered paragraph shall be distributed to counties as necessary to restore the amounts that would have been paid to counties in accordance with section 426B.2 for the fiscal year beginning July 1, 2008, but for the reduction applied to the property tax relief fund appropriation pursuant to executive order number 10.

b. For the appropriation in 2008 Iowa Acts, chapter 1187, section 23, for distribution to counties for state case services for persons with mental illness, mental retardation, and developmental disabilities in accordance with section 331.440:

..... \$ 203,372

c. For the appropriation in 2008 Iowa Acts, chapter 1187, section 24, for distribution to counties for mental health and developmental disabilities community services in accordance with subsection 2 of this section:

..... \$ 272,318

d. For the appropriation in 2007 Iowa Acts, chapter 215, section 1, as amended by 2008 Iowa Acts, chapter 1187, section 58, for county mental health, mental retardation, and developmental disabilities allowed growth factor adjustment for fiscal year 2008-2009:

..... \$ 811,220

2. a. The appropriations made in this section are not subject to transfer. The appropriations made in subsection 1, paragraphs "c" and "d", shall be distributed to counties to restore the amounts that would have been paid to counties for the fiscal year beginning July 1, 2008, in accordance with 2007 Iowa Acts, chapter 215, section 1, as amended by 2008 Iowa Acts, chapter 1187, section 59, but for the reduction applied to the appropriations referred to in such paragraphs pursuant to executive order number 10.

b. The department of human services shall calculate the amount of moneys due to counties in accordance with this section. The department shall authorize the issuance of warrants payable to the county treasurer for the amounts due and the warrants shall be issued not more than fifteen calendar days from the effective date of this section of this Act.

Sec. 41. DEPARTMENT OF NATURAL RESOURCES. After applying the reduction made pursuant to executive order number 10 issued December 22, 2008, there is appropriated from the general fund of the state to the department of natural resources for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amount, or so much thereof as is necessary, to supplement the appropriation made for the following designated purposes:

For supporting the department, as provided in this section, for administration, regulation, and programs, including for salaries, support, maintenance, and miscellaneous purposes in 2008 Iowa Acts, chapter 1189, section 17:

..... \$ 1,958,000

The appropriation made in this section is allocated to support the department's parks bureau for addressing flood damage to state parks and facilities and other extraordinary costs associated with the bureau's operations.

Sec. 42. DEPARTMENT OF WORKFORCE DEVELOPMENT. After applying the reduction made pursuant to executive order number 10 issued December 22, 2008, to the appropriations made for the following designated purposes, there is appropriated from the general fund of the state to the department of workforce development for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amounts, or so much thereof as is necessary, to supplement the appropriations made for the following designated purposes:

1. For the division of labor services in 2008 Iowa Acts, chapter 1190, section 16, subsection 1:

..... \$ 65,735

2. For the division of workers' compensation in 2008 Iowa Acts, chapter 1190, section 16, subsection 2:

..... \$ 44,152

3. For the operation of field offices, the workforce development board, and new Iowans centers in 2008 Iowa Acts, chapter 1190, section 16, subsection 3:

..... \$ 189,367

4. For conducting integrated basic education and skills training demonstration projects in 2008 Iowa Acts, chapter 1190, section 16, subsection 4:

..... \$ 7,500



5. For the development and administration of an offender reentry program in 2008 Iowa Acts, chapter 1190, section 16, subsection 5:

..... \$ 5,625

6. For purposes of administration of a security employee pilot project training program in 2008 Iowa Acts, chapter 1190, section 16, subsection 6:

..... \$ 225

Sec. 43. FISH AND GAME PROTECTION FUND. There is transferred from the general fund of the state to the department of natural resources 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:

To be credited to the state fish and game protection fund and used for addressing flood damage to public lands and facilities administered by the department of natural resources:

..... \$ 4,070,000

Sec. 44. COMMUNITY DEVELOPMENT BLOCK GRANT.

1. There is appropriated from the fund created by section 8.41 to the department of economic development for the federal fiscal year beginning October 1, 2007, and ending September 30, 2008, the following amount:

..... \$156,690,815

2. Funds appropriated in this section are community development block grant funds awarded to the state under Pub. L. No. 110-252, Supplemental Appropriations Act, 2008.

3. The department of economic development shall expend the funds appropriated in this section for disaster relief, long-term recovery, and restoration of infrastructure as provided in the federal law making the funds available and in conformance with chapter 17A. An amount not to exceed 3 percent of the funds appropriated in this section shall be used by the department for administrative expenses. From the funds set aside for administrative expenses, the department shall pay to the auditor of state an amount sufficient to pay the cost of auditing the use and administration of the state's portion of the funds appropriated in this section.

Sec. 45. EFFECTIVE DATE.

1. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

2. The section of this division of this Act appropriating federal community development block grant funds is retroactively applicable to June 30, 2008.

DIVISION VI  
REPEAL OF FUNDS

Sec. 46. Section 8.68, Code 2009, is amended to read as follows:

8.68 FUTURE REPEAL OF COMMISSION AND FUND.

Sections 8.64 through 8.67 and this section are repealed effective ~~June 30, 2009~~ July 1, 2010.

Sec. 47. Section 8A.123, subsection 2, Code 2009, is amended to read as follows:

2. Internal service funds shall be administered by the department and shall consist of moneys collected by the department from billings issued in accordance with section 8A.125 and any other moneys obtained or accepted by the department, including but not limited to gifts, loans, donations, grants, and contributions, which are designated to support the activities of the individual internal service funds. ~~The director may obtain loans from the innovations fund created in section 8.63 for deposit in an internal service fund established pursuant to this section to provide seed and investment capital to enhance the delivery of services provided by the department.~~

Sec. 48. Sections 8.63 and 8.69, Code 2009, are repealed.

Sec. 49. INNOVATIONS FUND AND LOCAL GOVERNMENT INNOVATION FUND -- TRANSFER.

1. Notwithstanding any provision of law to the contrary, the unencumbered or unobligated balances of the innovations fund created in section 8.63 at the close of the fiscal year beginning July 1, 2009, and any moneys to be credited to the fund in any succeeding fiscal year shall be transferred to the general fund of the state.

2. Notwithstanding any provision of law to the contrary, the unencumbered or unobligated balances of the local government innovation fund created in section 8.67 at the close of the fiscal year beginning July 1, 2009, and any moneys to be credited to the fund in any succeeding fiscal year shall be transferred to the general fund of the state.

3. This section takes effect July 1, 2009.

Sec. 50. EFFECTIVE DATE. Except as otherwise provided in this division of this Act, this division of this Act takes effect July 1, 2010.

DIVISION VII  
OTHER PROVISIONS

Sec. 51. IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM --  
TEMPORARY LAYOFFS -- AVERAGE COVERED WAGE RECALCULATION.

1. Notwithstanding any provision of chapter 97B to the contrary, a member of the Iowa public employees' retirement system who has an employer-mandated reduction in hours but remains on the employer's payroll, and who would receive a reduction in the member's three-year average covered wage as a result of the reduction in hours, may have the member's retirement allowance calculated based on the three-year average covered wage the member would have received, based on reasonable assumptions, if the member had not been subject to the employer-mandated reduction in hours, upon payment by the member of the applicable contribution amount. For purposes of this section, the applicable contribution amount is an amount equal to the employee and employer contributions that would have been paid to the system based on the wages that the member would have received but for the employer-mandated reduction in hours and would have been included in the member's three-year average covered wage.

2. The payment of the applicable contribution amount under this section shall be treated as pick-up contributions in addition to amounts picked up under section 97B.11A. The member must notify the Iowa public employees' retirement system and the member's employer prior to the member terminating employment covered under the system so that the appropriate calculations can be made and the applicable contribution amount for the member can be deducted from the member's wages. The Iowa public employees' retirement system shall have no liability for a member's failure to notify the system and the member's employer in time to make such calculations and deduct the applicable contribution amount from the member's remaining wage payments.

3. This section shall apply to employer-mandated reductions in hours during the period of time beginning on or after January 1, 2009, and ending no later than June 30, 2010.

The system is authorized to adopt such rules, including emergency rules, as it deems necessary or prudent to implement this section.

Sec. 52. USE OF REVERSIONS -- FY 2009. Notwithstanding section 8.62, at the close of the fiscal year beginning July 1, 2008, any balance of an operational appropriation that remains unexpended or unencumbered shall not be encumbered or deposited in the cash reserve fund as provided in section 8.62, but shall instead revert to the general fund of the state at the close of the fiscal year as provided in section 8.33.

Sec. 53. USE OF REVERSIONS -- FY 2010. Notwithstanding section 8.62, at the close of the fiscal year beginning July 1, 2009, any balance of an operational appropriation that remains unexpended or unencumbered shall not be encumbered or deposited in the cash reserve fund as provided in section 8.62, but shall instead revert to the general fund of the state at the close of the fiscal year as provided in section 8.33.

Sec. 54. JUDICIAL APPOINTMENT -- DELAY.

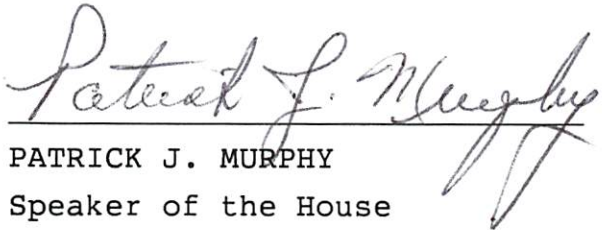
1. Notwithstanding section 46.12, the chief justice may order the state commissioner of elections to delay, for up to one hundred eighty days for budgetary reasons, the sending of a notification to the proper judicial nominating commission that a vacancy in the supreme court, court of appeals, or district court has occurred or will occur.


2. Notwithstanding sections 602.6304, 602.7103B, and 633.20B, the chief justice may order any county magistrate appointing commission to delay, for up to one hundred eighty days for budgetary reasons, the certification of nominees to the chief judge of the judicial district for a district associate judgeship, associate juvenile judgeship, or associate probate judgeship.

3. Notwithstanding section 602.6403, subsection 3, the chief justice may order any county magistrate appointing commission to delay, for up to one hundred eighty days for budgetary reasons, the appointment of a magistrate to serve the remainder of an unexpired term.


4. The section is applicable for the period beginning on the effective date of this section and ending June 30, 2009.

Sec. 55. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

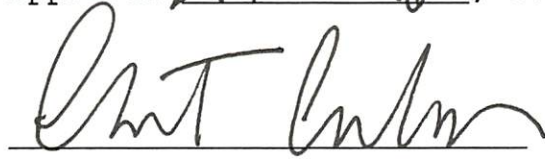
  
PATRICK J. MURPHY  
Speaker of the House

  
JOHN P. KIBBIE  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 414, Eighty-third General Assembly.

  
MARK BRANDSGARD  
Chief Clerk of the House

Approved  , 2009

  
CHESTER J. CULVER  
Governor