

FILED APR 24 1987

SENATE FILE 511  
BY COMMITTEE ON APPROPRIATIONS

Passed Senate, Date 7/29/87 (p. 1577) Passed House, Date 5/4/87 (p. 1919)

Vote: Ayes 32 Nays 17 Vote: Ayes 72 Nays 25

Approved Tom Vetaas June 9, 1987

A BILL FOR

1 An Act relating to and making appropriations to agencies, boards,  
2 commissions, departments, and programs of state government  
3 relating to elected officials, the executive council,  
4 management, revenue and finance, personnel, general services,  
5 economic development, agriculture, natural resources, and  
6 education, providing effective dates, and making certain  
7 provisions retroactive.

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

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DIVISION I  
ADMINISTRATION

Sec. 101. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1987 and ending June 30, 1988 to the office of the secretary of state, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

1987-1988  
Fiscal Year

For salaries and support for not more than forty-five full-time equivalent positions, maintenance, and other operational purposes ..... \$ 1,308,292

Sec. 102. There is appropriated from the general fund of the state to the office of the governor for the fiscal year commencing July 1, 1987 and ending June 30, 1988, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1987-1988  
Fiscal Year

1. For salaries and support for not more than fifteen full-time equivalent positions, maintenance, and miscellaneous purposes of the general office of the governor ..... \$ 763,711

2. For the governor's expenses connected with office ..... \$ 5,439

3. For salaries and support for not more than three full-time equivalent positions, and miscellaneous purposes of the governor's quarters at Terrace Hill ..... \$ 68,246

1 4. For the payment of ex-  
 2 penses of ad hoc committees,  
 3 councils, and task forces ap-  
 4 pointed by the governor to re-  
 5 search and analyze a particular  
 6 subject area relevant to the  
 7 problems and responsibilities  
 8 of state and local government,  
 9 including the employment of  
 10 professional, technical, and ad-  
 11 ministrative staff and the pay-  
 12 ment of per diem, not exceeding  
 13 forty dollars, and actual ex-  
 14 penses of committee, council, or  
 15 task force members ..... \$ 15,706

16 5. For salaries and support  
 17 for not more than two full-time  
 18 equivalent positions, maintenance,  
 19 and miscellaneous purposes of the  
 20 office of administrative rules  
 21 coordinator ..... \$ 76,466

22 Sec. 103. There is appropriated from the general fund of  
 23 the state to the office of the lieutenant governor for the  
 24 fiscal year beginning July 1, 1987 and ending June 30, 1988,  
 25 the following amount, or so much thereof as is necessary, to  
 26 be used for the purposes designated:

27 1987-1988  
 28 Fiscal Year

29 For salaries and support for  
 30 not more than two point five full-  
 31 time equivalent positions, main-  
 32 tenance, and miscellaneous pur-  
 33 poses including the lieutenant  
 34 governor's compensation and ex-  
 35 penses as provided in subsection

1 2 of section 2.10 including ser-  
2 vice as a member of the legis-  
3 lative council and for per diem  
4 and expenses incurred while  
5 performing duties of the lieu-  
6 tenant governor when the gen-  
7 eral assembly is not in session ..... \$ 122,518

8 Sec. 104. There is appropriated from the general fund of  
9 the state to the office of treasurer of state for the fiscal  
10 year beginning July 1, 1987 and ending June 30, 1988, the  
11 following amount, or so much thereof as is necessary, to be  
12 used for the purposes designated:

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1987-1988  
Fiscal Year

For salaries and support for  
not more than twenty-five full-  
time equivalent positions, main-  
tenance and other operational  
purposes ..... \$ 569,188

Sec. 105. There is appropriated from the general fund of  
the state to the executive council for the fiscal year  
beginning July 1, 1987 and ending June 30, 1988, the following  
amount, or so much thereof as is necessary, to be used for the  
purposes designated:

1987-1988  
Fiscal Year

For salaries and support for  
not more than one point four  
full-time equivalent positions,  
maintenance, and miscellaneous  
purposes ..... \$ 39,605

Sec. 106. There is appropriated from the general fund of  
the state to the following named agencies for the fiscal year  
commencing July 1, 1987 and ending June 30, 1988, the  
following amounts, or so much thereof as is necessary, to be

1 used for the purposes designated:

2  
3 1987-1988  
Fiscal Year

4 1. NATIONAL CONFERENCE OF  
5 STATE LEGISLATURES

6 For support of the member-  
7 ship assessment ..... \$ 60,844

8 2. COMMISSION ON UNIFORM  
9 STATE LAWS

10 For support of the commis-  
11 sion and expenses of the members ..... \$ 18,273

12 Sec. 107. There is appropriated from the general fund of  
13 the state to the department of general services for the fiscal  
14 year beginning July 1, 1987 and ending June 30, 1988, the  
15 following amounts, or so much thereof as is necessary, to be  
16 used for the purposes designated:

17 1987-1988  
18 Fiscal Year

19 1. GENERAL OPERATIONS

20 For salaries and support for  
21 not more than two hundred thirty-  
22 three point six full-time equiva-  
23 lent positions, maintenance, and  
24 miscellaneous purposes ..... \$ 5,108,985

25 It is the intent of the general assembly that the  
26 department of general services shall continue the forms  
27 management program with the funds appropriated in this  
28 subsection.

29 Savings achieved in providing telecommunications services  
30 shall be used by the department of general services to  
31 increase efficiencies in the provision of those services.

32 2. DIVISION OF INFORMATION  
33 SERVICES

34 For salaries and support for  
35 not more than one hundred sixty-

1 three full-time equivalent posi-  
2 tions, maintenance, and miscel-  
3 laneous purposes ..... \$ 5,379,627

4 It is the intent of the general assembly that funds appro-  
5 priated in this subsection not be used for the replacement of  
6 computer equipment with newer technological devices to replace  
7 the current processing capacity or replace the currently  
8 installed magnetic tape units.

9 It is the intent of the general assembly that ninety thou-  
10 sand (90,000) dollars of the funds appropriated in this  
11 subsection be used for the installation of computer terminals  
12 to improve county auditor access to the state voter  
13 registration system.

14 3. CAPITOL PLANNING COMMISSION

15 For expenses of the members in  
16 carrying out their duties under  
17 chapter 18A ..... \$ 1,571

18 4. UTILITY COSTS

19 For payment of utility costs ..... \$ 1,639,067

20 The department of general services may use funds  
21 appropriated in this subsection for utility costs to fund  
22 energy conservation projects in the state capitol complex  
23 which will have a one hundred percent payback within a twelve-  
24 month period.

25 5. RENTAL SPACE

26 For payment of lease or rental  
27 costs of buildings and office space  
28 at the seat of government as pro-  
29 vided in section 18.12, subsection  
30 9, notwithstanding section 18.16 ..... \$ 667,773

31 6. RISK MANAGEMENT

32 To fund risk reduction projects  
33 for uninsured state-owned property  
34 pursuant to section 18.164, sub-  
35 section 1 ..... \$ 18,500

1 It is the intent of the administration appropriations sub-  
 2 committee that an additional two million (2,000,000) dollars  
 3 should be appropriated from the lottery funds to the depart-  
 4 ment of general services for continuation of the capitol  
 5 restoration project which is an important project which should  
 6 be continued on schedule.

7 Sec. 108. There is appropriated from the revolving funds  
 8 designated to the department of general services for the  
 9 fiscal year beginning July 1, 1987 and ending June 30, 1988,  
 10 the following amounts, or so much thereof as is necessary, to  
 11 be used for the purposes designated:

	1987-1988
	<u>Fiscal Year</u>

14 DEPARTMENT OF GENERAL

15 SERVICES -- REVOLVING FUNDS

16 1. From the centralized  
 17 printing permanent revolving  
 18 fund established by section  
 19 18.57 for salaries and sup-  
 20 port for not more than twenty-  
 21 nine full-time equivalent  
 22 positions, maintenance, and  
 23 miscellaneous purposes ..... \$ 743,986

24 2. The remainder of the centralized printing permanent  
 25 revolving fund is appropriated for the expense incurred in  
 26 supplying paper stock, offset printing, copy preparation,  
 27 binding, distribution costs, original payment of printing and  
 28 binding claims and contingencies arising during the fiscal  
 29 year beginning July 1, 1987 which are legally payable from  
 30 this fund.

31 3. From the general ser-  
 32 vice revolving fund estab-  
 33 lished by section 18.9 for  
 34 salaries and support for not  
 35 more than fourteen full-time

1 equivalent positions, mainte-  
2 nance, and miscellaneous pur-  
3 poses ..... \$ 470,850

4 The remainder of the general services revolving fund is  
5 appropriated for the payment of expenses incurred through  
6 purchases by various state departments and for contingencies  
7 arising during the fiscal year beginning July 1, 1987 and  
8 ending June 30, 1988 which are legally payable from this fund.

9 4. From the vehicle dis-  
10 patcher revolving fund es-  
11 tablished by section 18.119  
12 for salaries and support for  
13 not more than fifteen full-  
14 time equivalent positions,  
15 maintenance, and miscella-  
16 neous purposes ..... \$ 439,926

17 5. The remainder of the vehicle dispatcher revolving fund  
18 is appropriated for the purchase of gasoline, oil, tires,  
19 repairs and all other maintenance expenses incurred in the  
20 operation of state-owned motor vehicles and for contingencies  
21 arising during the fiscal year beginning July 1, 1987 which  
22 are legally payable from this fund.

23 Sec. 109. There is appropriated from the general fund of  
24 the state to the department of personnel for the fiscal year  
25 beginning July 1, 1987 and ending June 30, 1988, the following  
26 amounts, or so much thereof as is necessary, to be used for  
27 the purposes designated:

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1987-1988  
Fiscal Year

1. For salaries and support  
for not more than ninety-four  
point twenty-five full-time  
equivalent positions, mainte-  
nance, and miscellaneous pur-  
poses ..... \$ 3,076,213

1 a. The department may expend up to sixty-nine thousand  
2 five hundred thirty-eight (69,538) dollars of the funds  
3 appropriated in this subsection for the purpose of  
4 investigating worker's compensation claims and expediting the  
5 claims process. The department may not employ more than two  
6 additional full-time equivalent positions annually for this  
7 purpose.

8 b. The department may expend up to thirty-four thousand  
9 four hundred forty-two (34,442) dollars of the funds appro-  
10 priated in this subsection for the purpose of monitoring  
11 trends in unemployment compensation claims and to provide  
12 training to department administrative and supervisory staff in  
13 unemployment cost avoidance. The department may not employ  
14 more than one additional full-time equivalent position  
15 annually for this purpose.

16 2. For salaries and support  
17 for not more than four point  
18 seventy-five full-time equiva-  
19 lent positions, maintenance,  
20 and other operational purposes  
21 to pay the costs of administra-  
22 tion of federal old age bene-  
23 fit and Iowa old age survivors  
24 insurance programs ..... \$ 152,272

25 Sec. 110. There is appropriated from the Iowa public  
26 employees' retirement system fund to the department of  
27 personnel for the fiscal year beginning July 1, 1987 and  
28 ending June 30, 1988, the following amount, or so much thereof  
29 as is necessary, to be used for the following purposes  
30 designated:

31  
32 1987-1988  
Fiscal Year

33 For salaries, support,  
34 maintenance, and other opera-  
35 tional purposes to pay the

1 costs of the Iowa public em-  
2 ployees' retirement system ..... \$ 2,124,435

3 It is the intent of the general assembly that the Iowa  
4 public employees' retirement system employ sufficient staff  
5 within the appropriation provided in this section to meet the  
6 developing requirements of the investment program.

7 Sec. 111. There is appropriated from the general fund of  
8 the state to the department of revenue and finance for the  
9 fiscal year beginning July 1, 1987 and ending June 30, 1988,  
10 the following amounts, or so much thereof as may be necessary,  
11 to be used for the funding of the following programs for the  
12 purposes designated:

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1987-1988  
Fiscal Year

15 For salaries and support for  
16 not more than six hundred thir-  
17 teen point twenty-eight full-  
18 time equivalent positions, main-  
19 tenance, and miscellaneous pur-  
20 poses ..... \$17,316,998

21 Sec. 112. There is appropriated from the motor vehicle  
22 fuel tax fund to the department of revenue and finance for the  
23 fiscal year beginning July 1, 1987 and ending June 30, 1988,  
24 the following amounts, or so much thereof as may be necessary,  
25 for salaries, support, maintenance, and other operational  
26 purposes for administration and enforcement of the provisions  
27 of chapter 324 and the motor vehicle use tax program:

28  
29  
1987-1988  
Fiscal Year  
30 \$ 977,676

31 It is the intent of the general assembly that one hundred  
32 twenty-five thousand (125,000) dollars of the funds  
33 appropriated in this section be used for increased monitoring  
34 of special fuel tax accounts and the collection of delinquent  
35 fuel taxes. The department shall report quarterly beginning

1 July 1, 1987 to the legislative fiscal bureau the estimates of  
2 additional revenue collected as a result of any increase in  
3 auditing and enforcement provided under this appropriation.

4 Sec. 113. There is appropriated from the lottery fund to  
5 the department of revenue and finance for the fiscal year  
6 beginning July 1, 1987 and ending June 30, 1988, the following  
7 amounts, or so much thereof as is necessary, to be used for  
8 the purposes designated:

9	1987-1988
10	<u>Fiscal Year</u>
11	For salaries and support for
12	not more than one hundred forty-
13	one point thirty-five full-time
14	equivalent positions, maintenance,
15	and miscellaneous purposes ..... \$ 7,458,628

16 After exhausting its lottery fund appropriation, the  
17 lottery division of the department of revenue and finance may,  
18 upon approval of the department of management and the fiscal  
19 committee of the legislative council, expend additional funds.

20 Sec. 114. There is appropriated from the general fund of  
21 the state for the fiscal year beginning July 1, 1987 and  
22 ending June 30, 1988 to the department of management, the  
23 following amounts, or so much thereof as is necessary, to be  
24 used for the purposes designated:

25	1987-1988
26	<u>Fiscal Year</u>

27 1. DEPARTMENT OF MANAGEMENT

28 For salaries and support for  
29 not more than thirty-two full-  
30 time equivalent positions, main-  
31 tenance, and miscellaneous pur-  
32 poses provided that the office  
33 of state-federal relations is no  
34 longer funded through the depart-  
35 ment of management under a chap-

1 ter 28E agreement or funded by  
2 the department of management  
3 through its budget ..... \$ 1,364,905

4 2. COUNCIL OF STATE GOVERNMENTS

5 For support of the membership  
6 assessment ..... \$ 52,500

7 3. PROGRAM ADMINISTRATION

8 For program administration of  
9 juvenile justice, victim assistance  
10 and justice assistance funds, sta-  
11 tistical analysis and highway  
12 safety statistics funds provided  
13 that an amount of at least thirty-  
14 six thousand (36,000) dollars  
15 shall be spent for expenses re-  
16 lating to the administration of  
17 federal funds for juvenile as-  
18 sistance ..... \$ 54,559

19 It is the intent of the general assembly that the  
20 department of management employ sufficient staff to meet the  
21 federal funding match requirements established by the federal  
22 office for juvenile justice delinquency prevention. The  
23 governor's advisory council on juvenile justice shall  
24 determine the staffing level necessary to carry out federal  
25 and state mandates for juvenile justice.

26 Sen. 115. There is appropriated from the general fund of  
27 the state to the office of state-federal relations for the  
28 fiscal year beginning July 1, 1987 and ending June 30, 1988,  
29 the following amount, or so much thereof as is necessary, to  
30 be used for the following purposes designated:

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1987-1988  
Fiscal Year

33 For salaries and support for  
34 not more than three full-time  
35 equivalent positions, maintenance,

1 and miscellaneous purposes ..... \$ 190,034

2 Sec. 116. There is appropriated from the general fund of  
3 the state to the moneys and credits replacement fund  
4 established in section 422.100 for the fiscal year beginning  
5 July 1, 1987 and ending June 30, 1988 the sum of two million  
6 four hundred seventy-five thousand (2,475,000) dollars, or so  
7 much thereof as may be necessary, to be used for payments to  
8 counties as provided in section 422.100.

9 If Senate File 279 is enacted by the Seventy-second General  
10 Assembly, 1987 Session, and becomes law, this section is void.

11 Sec. 117. There is appropriated from the general fund of  
12 the state to the municipal assistance fund, established in  
13 section 405.1, for the fiscal year beginning July 1, 1987 and  
14 ending June 30, 1988 the following amount, or so much thereof  
15 as is necessary, to be used for state assistance to  
16 municipalities, with distribution in accordance with section  
17 405.1.

18	1987-1988
19	<u>Fiscal Year</u>
20	\$14,503,500

21 If Senate File 279 is enacted by the Seventy-second General  
22 Assembly, 1987 Session, and becomes law, this section is void.

23 Sec. 118. There is appropriated from the general fund of  
24 the state to the county assistance fund, established in  
25 section 334A.1, for the fiscal year beginning July 1, 1987 and  
26 ending June 30, 1988 the following amount, or so much thereof  
27 as is necessary, to be used for state assistance to counties,  
28 with distribution in accordance with section 334A.2.

29	1987-1988
30	<u>Fiscal Year</u>
31	\$ 5,296,500

32 If Senate File 279 is enacted by the Seventy-second General  
33 Assembly, 1987 Session, and becomes law, this section is void.

34 Sec. 119. There is appropriated from the general fund of  
35 the state for the fiscal year beginning July 1, 1987, and

1 ending June 30, 1988, the sum of seven hundred sixty-seven  
2 thousand nine hundred seventy-six (767,976) dollars, or so  
3 much thereof as is necessary, to be used to fund increases in  
4 the judicial salaries and related benefits and for the state's  
5 contribution to the judicial retirement system provided for in  
6 chapter 605A required because of the increased salaries.

7 Sec. 120.

8 1. There is appropriated from the general fund of the  
9 state to the salary adjustment fund provided for in section  
10 8.43, for the fiscal year beginning July 1, 1987, the sum of  
11 thirty-seven million seven hundred ninety-five thousand six  
12 hundred eighty-one (37,795,681) dollars, or so much thereof as  
13 may be necessary, to be distributed to the various departments  
14 to supplement other funds appropriated by the general  
15 assembly.

16 2. There is appropriated from the road use tax fund of the  
17 state to the state department of transportation, for the  
18 fiscal year beginning July 1, 1987, the sum of two hundred  
19 ninety-six thousand forty-five (296,045) dollars, or so much  
20 thereof as may be necessary, to supplement other funds appro-  
21 priated by the general assembly.

22 3. There is appropriated from the road use tax fund of the  
23 state to the department of public safety, for the fiscal year  
24 beginning July 1, 1987, the sum of five hundred sixty-five  
25 thousand nine hundred eighteen (565,918) dollars, or so much  
26 thereof as may be necessary, to supplement other funds  
27 appropriated by the general assembly.

28 4. There is appropriated from the primary road fund to the  
29 state department of transportation, for the fiscal year  
30 beginning July 1, 1987, the sum of two million one hundred  
31 fifty-nine thousand seven hundred thirteen (2,159,713)  
32 dollars, or so much thereof as may be necessary, to supplement  
33 other funds appropriated by the general assembly.

34 5. Except as otherwise provided in this Act, the amounts  
35 appropriated in subsections 1, 2, 3, and 4 shall be used to

1 fund the annual pay adjustments, expense reimbursements, and  
2 related benefits not in conflict with the Code for public  
3 officials and employees as authorized in Senate File 504,  
4 enacted by the Seventy-second General Assembly, 1987 Session.  
5 Sec. 121.

6 1. There is appropriated from the general fund of the  
7 state for the fiscal year beginning July 1, 1987, the  
8 following amounts to the designated political subdivisions or  
9 public agencies:

	1987-1988
	<u>Fiscal Year</u>
12 a. To the seven regional	
13 libraries of the regional	
14 library system as defined in	
15 section 303B.2 .....	\$ 15,400
16 b. To the substance abuse	
17 treatment facilities receiving	
18 substance abuse program grants	
19 as provided in section 125.25 .....	\$ 97,000
20 c. To local boards of health	
21 receiving in-home health care	
22 grants .....	\$ 30,100
23 d. Local homemaker/chore	
24 service programs .....	\$ 100,600

25 2. The director of the department of management shall  
26 allocate and distribute each of the amounts specified in this  
27 section to the programs indicated in the same proportion that  
28 the payroll for each individual program for the fiscal year  
29 ending June 30, 1987 is to the annual payroll for all programs  
30 for that fiscal year. Moneys received by local programs under  
31 this section shall be used to pay the state's share of the  
32 authorized salary increases for the local program employees.

33 Sec. 122. Funds appropriated from the general fund of the  
34 state in sections 19, 20, and 21 of this Act relate only to  
35 salaries supported from general fund appropriations of the

1 state.

2     Sec. 123. To departmental revolving, trust, or special  
3 funds, except for the primary road fund or the road use tax  
4 fund, for which the general assembly has established an  
5 operating budget, a supplemental authorization is provided for  
6 those funds, unless otherwise provided, in an amount necessary  
7 to fund salary adjustments provided in Senate File 504,  
8 enacted by the Seventy-second General Assembly, 1987 Session.

9     Sec. 124. NEW SECTION. 7F.1 OFFICE FOR STATE-FEDERAL  
10 RELATIONS.

11     1. PURPOSE. The purpose of this section is to establish,  
12 as an independent agency, an office for state-federal  
13 relations which will develop a nonpartisan state-federal  
14 relations program accessible to all three branches of state  
15 government.

16     2. DEFINITIONS. As used in this section, unless the  
17 context otherwise requires:

18     a. "Office" means the office for state-federal relations  
19 established pursuant to this section.

20     b. "Commission" means the state-federal relations  
21 commission established pursuant to this section.

22     3. COMMISSION ESTABLISHED. A state-federal relations  
23 commission is established composed of the director of the  
24 department of management or the director's designee, the  
25 director of the legislative fiscal bureau or the director's  
26 designee, and the state court administrator or the  
27 administrator's designee. A different member of the  
28 commission shall serve as the commission's chairperson each  
29 year. The commission shall:

30     a. Appoint a director of the office, subject to  
31 confirmation by the senate, who shall serve at the pleasure of  
32 the commission.

33     b. Establish general policies for the operation and  
34 funding of the office.

35     c. Promote cooperation and information sharing among the

1 agencies of the three branches of government in the  
2 development of an effective state-federal relations program.

3 d. Annually review the operation and activities of the  
4 office and by February 15 report its findings and any  
5 recommendations to the governor, the general assembly, and the  
6 supreme court.

7 4. OFFICE ESTABLISHED. A state-federal relations office  
8 is established as an independent agency with oversight of the  
9 office to be provided by the state-federal relations  
10 commission. The office shall be located in Washington D.C.  
11 and shall be administered by the director of the office who is  
12 appointed by the commission, subject to confirmation by the  
13 senate, and who serves at the pleasure of the commission. The  
14 office and its personnel are exempt from the merit system  
15 provisions of chapter 19A.

16 5. OFFICE DUTIES. The office shall:

17 a. Coordinate the development of Iowa's state-federal  
18 relations efforts which shall include an annual state-federal  
19 program to be presented to Iowa's congressional delegation,  
20 the sponsorship of training sessions for state government  
21 officials, and the maintenance of a management information  
22 system.

23 b. Provide state government officials with greater access  
24 to current information on federal legislative and executive  
25 actions affecting state government.

26 c. Advocate federal policies and positions which benefit  
27 the state or are important to state government.

28 d. Monitor federal budget policies and assistance programs  
29 and assess their impact on the state.

30 e. Strengthen the working relationships between state  
31 government officials and Iowa's congressional delegation.

32 f. Improve the state's ability to establish key contacts  
33 with federal officials, officials from other states,  
34 organizations, business groups, and professional associations  
35 in order to share information and form cooperative agreements.

1 6. SUPPORT SERVICES AND COOPERATION. The department of  
2 management, the legislative fiscal bureau, and the state court  
3 administrator's office shall provide administrative support  
4 services to the office. All agencies of state government  
5 shall cooperate fully with the office on matters pertaining to  
6 its federal-state relations responsibilities. Agencies may  
7 enter into agreements with the office to provide or receive  
8 special services of benefit to or from the federal-state  
9 relations program.

10 Sec. 125. Section 18.12, subsection 7, Code 1987, is  
11 amended to read as follows:

12 7. Contract, with the approval of the executive council,  
13 for the repair, remodeling or, if the condition warrants,  
14 demolition of all buildings and grounds of the state at the  
15 seat of government and the institutions of the department of  
16 human services and the department of corrections for which no  
17 specific appropriation has been made, if the cost of repair,  
18 remodeling or demolition will not exceed one hundred thousand  
19 dollars when completed. The cost of repair projects for which  
20 no specific appropriation has been made shall be paid from the  
21 fund provided in section 19.29.

22 Sec. 126. Section 324.66, unnumbered paragraph 1, Code  
23 1987, is amended to read as follows:

24 The appropriate state agency shall administer the taxes  
25 imposed by this chapter in the same manner as and subject to  
26 section 422.25, subsection 4 and section 422.52, subsection 3.  
27 ~~Notwithstanding section 422.52, subsection 3, all special fuel~~  
28 ~~licenses are required to file a bond with the director in an~~  
29 ~~amount as established by the director.~~

30 Sec. 127. All federal grants to and the federal receipts  
31 of agencies appropriated funds under this division of this Act  
32 are appropriated for the purposes set forth in such federal  
33 grants or receipts.

34 DIVISION 11  
35 AGRICULTURE AND NATURAL RESOURCES

1 Sec. 201. DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP.  
2 There is appropriated from the general fund of the state and  
3 the trust funds indicated to the department of agriculture and  
4 land stewardship for the fiscal year beginning July 1, 1987  
5 and ending June 30, 1988 the following amounts, or so much  
6 thereof as is necessary, to be used for the purposes desig-  
7 nated:

8  
9 1987-1988  
Fiscal Year

10 1. ADMINISTRATIVE DIVISION

11 a. From the general fund for sala-  
12 ries, support, maintenance, and miscel-  
13 laneous purposes ..... \$ 774,611

14 It is a condition of the funds appropriated by this  
15 subsection that no general funds be used for crop and  
16 livestock reporting.

17 b. From the fertilizer fund to be  
18 transferred to the administration divi-  
19 sion ..... \$ 45,417

20 c. From the dairy trade practice  
21 fund to be transferred to the adminis-  
22 tration division ..... \$ 86,320

23 d. From the commercial feed fund  
24 to be transferred to the administra-  
25 tion division ..... \$ 45,417

26 e. The department of agriculture and land stewardship  
27 shall establish annual subscription fees for the regular and  
28 periodic publications of the department. Fees collected from  
29 subscribers shall be deposited in the general fund of the  
30 state.

31 f. Funds appropriated by this subsection are for the  
32 salaries and support of not more than thirty-two point  
33 seventy-four full-time equivalent positions.

34 2. FARM COMMODITY DIVISION

35 a. From the general fund for sal-

1 aries and support for not more than  
2 twenty-two point five full-time equiv-  
3 alent positions, maintenance, and  
4 miscellaneous purposes ..... \$ 955,842

5 b. Of the amount appropriated from the general fund under  
6 paragraph "a" of this subsection, three hundred forty-six  
7 thousand three hundred seventy-nine (346,379) dollars shall be  
8 allocated to the horticultural division for the continuation  
9 of the agricultural diversification program as enacted by 1986  
10 Iowa Acts, chapter 1246, section 501, subsection 1, paragraph  
11 "e".

12 c. Of the amount appropriated from the general fund under  
13 paragraph "a" of this subsection, two hundred fifty thousand  
14 (250,000) dollars shall revert to the general fund upon  
15 successful completion of the public stock offering as required  
16 by Senate File 27.

17 3. REGULATORY DIVISION

18 From the general fund for salaries  
19 and support for not more than one hun-  
20 dred forty-seven full-time equivalent  
21 positions, maintenance, and miscella-  
22 neous purposes ..... \$ 3,519,884

23 4. LABORATORY DIVISION

24 a. From the general fund for sala-  
25 ries, support, maintenance, and miscel-  
26 laneous purposes ..... \$ 674,472

27 b. From the commercial feed fund  
28 to be transferred to the laboratory  
29 division ..... \$ 756,329

30 c. From the pesticide fund to be  
31 transferred to the laboratory division ..... \$ 464,835

32 d. From the fertilizer fund to be  
33 transferred to the laboratory division ..... \$ 801,609

34 e. Funds appropriated by this subsection are for salaries  
35 and support of not more than ninety-two full-time equivalent

1 positions.

2 5. SOIL CONSERVATION DIVISION

3 a. From the general fund for sala-  
4 ries and support for not more than one  
5 hundred eighty-six point seventy-four  
6 full-time equivalent positions, main-  
7 tenance, assistance to soil conserva-  
8 tion districts, and for miscellaneous  
9 purposes ..... \$ 4,334,184

10 b. Of the amount appropriated from the general fund of the  
11 state under paragraph "a" of this subsection, three hundred  
12 three thousand four hundred thirty-six (303,436) dollars shall  
13 be used to conduct soil surveys in conjunction with federal,  
14 state, and local agencies in Iowa.

15 c. To provide financial incentives  
16 for soil conservation practices in ac-  
17 cordance with the provisions of para-  
18 graph "d" of this subsection ..... \$ 6,616,519

19 d. The following requirements apply to the funds appropri-  
20 ated by paragraph "c":

21 (1) Not more than five percent may be allocated for cost  
22 sharing to abate complaints filed under section 467A.47 and  
23 467A.48.

24 (2) Not more than ten percent may be allocated for finan-  
25 cial incentives not exceeding seventy-five percent of the ap-  
26 proved cost of permanent soil conservation practices under  
27 chapter 467A on watersheds above publicly owned lakes in ac-  
28 cordance with the priority list required in section 210 of  
29 this Act.

30 (3) The soil conservation district commissioners may al-  
31 locate financial incentives not exceeding sixty percent of the  
32 cost of permanent soil conservation practices for special  
33 watershed practices or summer construction incentives under  
34 section 467A.7, subsections 17 and 19.

35 (4) Except for the allocations subject to subparagraphs 1,

1 2, and 3, these funds shall not be used alone or in combina-  
2 tion with other public funds to provide a financial incentive  
3 payment greater than fifty percent of the approved cost for  
4 voluntary permanent soil conservation practices and priority  
5 shall be given to family-operated farms.

6 (5) The soil conservation committee may allocate funds to  
7 conduct research and demonstration projects to promote conser-  
8 vation tillage and nonpoint sources pollution control  
9 practices.

10 (6) Not more than thirty percent of a district's alloca-  
11 tion may be allocated by the soil conservation district com-  
12 missioners for the establishment of management practices to  
13 control soil erosion on land that is now row cropped.

14 (7) Not more than seventy thousand (70,000) dollars may be  
15 used for permanent soil conservation practices to protect  
16 unique subterranean features in state parks threatened by  
17 siltation.

18 (8) The financial incentive payments may be used in com-  
19 bination with department of natural resources funds.

20 e. The provisions of section 8.33 shall not apply to the  
21 funds appropriated by paragraph "c". Unencumbered or unobli-  
22 gated funds remaining on June 30, 1991 from funds appropriated  
23 for the fiscal year beginning July 1, 1987 shall revert to the  
24 general fund on September 30, 1991.

25 Sec. 202. There is appropriated to the department of  
26 agriculture and land stewardship for the fiscal year beginning  
27 July 1, 1987 and ending June 30, 1988 from the funds available  
28 under section 99D.13 the sum of one hundred twelve thousand  
29 (112,000) dollars, or as much thereof as necessary, for  
30 volunteer assistance and not more than three full-time  
31 equivalent positions for the administration of section 99D.22.

32 Sec. 203. MULTIFLORA ROSE ERADICATION COST REIMBURSEMENT.

33 1. There is appropriated from the general fund of the  
34 state to the state department of agriculture and land  
35 stewardship for the fiscal year beginning July 1, 1987 and

1 ending June 30, 1988, the sum of sixty thousand (60,000)  
2 dollars, or as much thereof as may be necessary, to be used  
3 for the purpose of partially reimbursing agricultural  
4 landowners or tenants for the cost of herbicide for  
5 controlling or eradicating the multiflora rose which has  
6 severely infested their agricultural land. Not more than five  
7 percent of the funds appropriated under this subsection shall  
8 be used for administrative expenses.

9     2. A county board of supervisors desiring a share of the  
10 appropriation shall, in conjunction with the county weed  
11 commissioner and the county soil conservation district  
12 commissioners, develop a plan to combat severe infestations of  
13 multiflora rose on privately owned land within the county.  
14 The plan shall be based upon partial reimbursement of  
15 individual landowner's costs for the purchase of herbicide  
16 from both state and county appropriations; however, the share  
17 of costs reimbursed by state funds shall not exceed one-  
18 fourth. The plan shall be submitted to the secretary of  
19 agriculture for approval or recommendations for modification.

20     3. A landowner or tenant whose agricultural land is  
21 severely infested by multiflora roses may apply to the soil  
22 conservation district commissioners of the county for partial  
23 reimbursement, according to the approved plan, of the cost of  
24 herbicide for controlling or eradicating the multiflora rose  
25 on the agricultural land. The county weed commissioner shall  
26 assist the soil conservation district commissioners in  
27 investigating the application and determining if the  
28 infestation is severe. The soil conservation district  
29 commissioners shall review and approve each application for  
30 partial cost reimbursement if the infestation is severe on the  
31 applicant's agricultural land. If the soil conservation  
32 district commissioners find the amount of reimbursement  
33 claimed to be excessive, the district commissioners may  
34 approve a lesser amount. The reasons for disapproval of an  
35 application or reduction of the amount of reimbursement shall

1 be sent in writing to the applicant. The amount of  
2 reimbursement certified by the secretary shall be paid by  
3 warrant issued by the director of revenue and finance.

4 4. Federal lands and federal land tenants are not eligible  
5 for reimbursement under this section.

6 Sec. 204. DEPARTMENT OF NATURAL RESOURCES. There is  
7 appropriated from the general fund of the state to the  
8 department of natural resources for the fiscal year beginning  
9 July 1, 1987 and ending June 30, 1988 the following amounts,  
10 or so much thereof as may be necessary, to be used for the  
11 following purposes:

12		1987-1988
13		<u>Fiscal Year</u>
14	1. For salaries, support, main-	
15	tenance, and miscellaneous purposes .....	\$ 10,149,123

16 Of the amounts appropriated from the general fund under  
17 this subsection, thirty-three thousand (33,000) dollars shall  
18 be used for studies of preserves. It is a condition of the  
19 funds appropriated by this subsection that the department fund  
20 the position of state ecologist. It is a condition of the  
21 funds appropriated by this subsection that the department  
22 cease motor fuel price forecasting and reporting during fiscal  
23 year 1988, section 93.7 notwithstanding.

24	2. For reimbursement to fed-	
25	eral agencies for cooperative con-	
26	tracts .....	\$ 186,169

27	3. For the green thumb program	
28	for the employment of the elderly in	
29	conservation and outdoor recreation	
30	related fields in coordination with	
31	other agencies as provided by law .....	\$ 200,000

32 4. For payments to the governing  
33 bodies responsible for publicly owned  
34 sewage treatment facilities which are  
35 eligible for grants under section 202

1 of the federal Water Pollution Control  
2 Act, 33 U.S.C. § 466 et seq., as amended  
3 by the federal Clean Water Act of 1977,  
4 Pub. L. No. 95-217, in an amount equal  
5 to five percent of the amount approved  
6 as the eligible cost of the project by  
7 the environmental protection commission ..... \$ 1,278,008

8 The provisions of section 8.33 shall not apply to the funds  
9 appropriated by this subsection. Unencumbered or unobligated  
10 funds remaining on June 30, 1991 from funds appropriated for  
11 the fiscal year beginning July 1, 1987, shall revert to the  
12 general fund on September 30, 1991.

13 Sec. 205. There is appropriated from the state fish and  
14 game protection fund to the department of natural resources  
15 for the fiscal year beginning July 1, 1987 and ending June 30,  
16 1988 the following amounts, or so much thereof as is  
17 necessary, to be used for the purposes designated:

18 1987-1988  
19 Fiscal Year

20 DIVISION OF FISH AND WILDLIFE

21 1. From the state fish and game  
22 protection fund for salaries, support,  
23 maintenance, equipment, and miscella-  
24 neous purposes including not more than  
25 two million one hundred ten thousand  
26 six hundred fourteen (2,110,614) dol-  
27 lars during the fiscal year beginning  
28 on July 1, 1987 which shall be avail-  
29 able from the state fish and game  
30 protection fund for administrative  
31 support ..... \$13,769,023

32 2. From the fees deposited under  
33 section 32iG.7 to the fish and game  
34 protection fund for enforcement of snow-  
35 mobile laws as part of the state snow-

1 mobile program ..... \$ 145,000  
 2 3. From the fees deposited under  
 3 section 106.52 to the fish and game  
 4 protection fund for administration and  
 5 enforcement of navigation laws and water  
 6 safety ..... \$ 950,000

7 4. Funds remaining in the fish and game protection fund  
 8 during fiscal year 1987-1988 which are not specifically  
 9 appropriated by this section are appropriated and may be used  
 10 for capital projects and contingencies arising during the  
 11 fiscal year beginning July 1, 1987. A contingency shall not  
 12 include any purpose or project which was presented to the  
 13 general assembly by way of a bill or a proposed bill and which  
 14 failed to be enacted into law. For the purpose of this  
 15 subsection, a necessity of additional operating funds may be  
 16 construed as a contingency. Before any of the funds  
 17 authorized to be expended by this subsection are allocated for  
 18 contingencies, it shall be determined by the executive council  
 19 that a contingency exists and that the contingency was not  
 20 existent while the general assembly was in session and that  
 21 the proposed allocation shall be in the best interests of the  
 22 state. If a contingency arises or could reasonably be  
 23 foreseen during the time the general assembly is in session,  
 24 expenditures for the contingency must be authorized by the  
 25 general assembly.

26 5. It is the intent of the general assembly that the law  
 27 enforcement bureau of the fish and wildlife division of the  
 28 department of natural resources, in its operations to protect  
 29 the state's fish and wildlife natural resources, shall conform  
 30 its operation to the mission, goals, and objectives provided  
 31 in this subsection and collect information pertaining to the  
 32 performance measures developed by the legislative fiscal  
 33 bureau. The division shall provide a report at least  
 34 quarterly to the legislative fiscal bureau and the co-  
 35 chairpersons and ranking members of the agriculture and

1 natural resources appropriations subcommittee on the  
2 performance measures. The division shall be notified by July  
3 1, 1987 of the specific performance measures for which data  
4 shall be collected and reported.

5 The fish and wildlife division of the department of natural  
6 resources exists to protect, propagate, increase, and preserve  
7 the wild mammals, fish, birds, reptiles, and amphibians of the  
8 state and enforce by proper actions and proceedings the laws  
9 and rules relating to them and to collect, classify, and  
10 preserve all statistics, data, and information as in its  
11 opinion tend to promote the objects of the law, to conduct  
12 research in improved conservation methods, and disseminate  
13 information to residents and nonresidents in conservation  
14 matters. The bureau must ensure adequate protection and wise  
15 use of Iowa's fish and wildlife natural resources to  
16 accomplish the following objectives:

17 a. To enforce conservation laws and rules relating to  
18 fishing, hunting, trapping, boating, dock permits, snowmo-  
19 biling, and public land management to be indicated by not less  
20 than one hundred thousand hours per year devoted to law  
21 enforcement.

22 b. To assist with fish and wildlife population surveys and  
23 nuisance animal complaints to be indicated by not less than  
24 five thousand hours per year devoted to these surveys and  
25 nuisance animal investigations.

26 c. To provide conservation information to the public by  
27 writing newspaper and magazine articles, speaking before  
28 organized groups, contacting radio and television media, and  
29 person-to-person contacts, to be indicated by not less than  
30 twenty thousand hours per year devoted to providing public  
31 information and not less than four thousand hours per year  
32 devoted to public programs and meetings.

33 d. To provide assistance to the public, other public  
34 agencies, and other divisions of the department as needed to  
35 be indicated by not less than ten thousand hours per year

1 devoted to providing assistance to the public and other  
2 agencies.

3 e. To provide conservation-recreation safety and ethics  
4 training through hunter safety and ethics training, snowmobile  
5 safety training, boating safety training, and fur harvester  
6 education and ethics training to be indicated by offering not  
7 less than nine hundred safety-recreation courses, three  
8 thousand two hundred hours per year devoted to safety-  
9 recreation training, and training not less than ten thousand  
10 persons.

11 Sec. 206. MARINE FUEL TAX FUND. There is appropriated  
12 from the marine fuel tax fund to the department of natural  
13 resources for the fiscal year beginning July 1, 1987 and  
14 ending June 30, 1988 the following amounts, or so much thereof  
15 as is necessary, to be used for the following purposes:

16		1987-1988
17		<u>Fiscal Year</u>
18	1. For maintenance and development	
19	of boating facilities and access to	
20	public waters .....	\$ 397,179
21	2. For deposit in the state fish and	
22	game protection fund for the administra-	
23	tion and enforcement of navigation laws	
24	and boat safety .....	\$ 100,000

25 The balance of the amount computed as provided in section  
26 32.64 for the fiscal year beginning July 1, 1987 and ending  
27 June 30, 1988 is appropriated for the purposes provided in  
28 section 324.79, subsections 1, 2, 3 and 5. The unencumbered  
29 or unobligated balances of funds specifically allocated for  
30 such projects for the fiscal year ending June 30, 1988, shall  
31 revert to the fund from which appropriated June 30, 1990.

32 Sec. 207. Funds appropriated by section 204, except  
33 subsection 3 of that section, and sections 205 and 206 of this  
34 Act are for salaries and support for not more than nine  
35 hundred twelve point thirty-six full-time equivalent

1 positions.

2     Sec. 208. The natural resource commission shall give  
3 priority to the acquisition of private property along the  
4 Cedar Valley nature trail in Black Hawk, Buchanan, Benton, and  
5 Linn counties and its extension into Johnson and Cedar  
6 Counties; the Heritage trail in Dubuque county; the Comet  
7 trail in Grundy county; and the trail from Des Moines to  
8 Arispe in Polk, Warren, Madison and Union counties. The  
9 department of transportation shall provide technical  
10 assistance to the natural resources commission with regard to  
11 acquisition proceedings. State funds shall not be used unless  
12 appropriated by the general assembly.

13     Sec. 209. During the fiscal year for which funds are  
14 appropriated by section 204 of this Act, the department of  
15 natural resources shall not require the installation or use of  
16 equipment to control the emission of dust or other particulate  
17 matter on facilities for the storage of grain which are  
18 located within the ambient air quality attainment areas for  
19 suspended particulates.

20     Sec. 210. The natural resources commission shall establish  
21 a priority list of watersheds above publicly owned lakes and  
22 areas within those watersheds which are of highest importance  
23 based on soil loss to be used for the allocation of funds set  
24 aside in the appropriations to the department of agriculture  
25 and land stewardship for permanent soil conservation  
26 practices.

27     Sec. 211. An employee of the department of natural re-  
28 sources who retires after the effective date of this Act is  
29 eligible for payment of life or health insurance premiums as  
30 provided for in the collective bargaining agreement covering  
31 the public safety bargaining unit at the time of retirement if  
32 that employee previously served in a position which would have  
33 been covered by that agreement. The employee shall be given  
34 credit for the service in that prior position as though it  
35 were covered by that agreement. This section shall not

1 operate to reduce any retirement benefits an employee may have  
2 earned under other collective bargaining agreements or  
3 retirement programs.

4 Sec. 212. Effective July 1, 1987, the department of  
5 natural resources shall establish prices of plant material  
6 grown at the state forest nurseries to cover half of all  
7 expenses directly related to the growing of the plants.

8 Effective July 1, 1988, the department shall establish  
9 prices of plant material grown at the state forest nurseries  
10 to cover eighty percent of all expenses directly related to  
11 the growing of plants.

12 Effective July 1, 1989, the department shall establish  
13 prices of plant material grown at the state forest nurseries  
14 to cover all expenses directly related to the growing of the  
15 plants.

16 The department shall develop additional programs to  
17 encourage the wise management and preservation of existing  
18 woodlands and shall increase its efforts to encourage  
19 forestation and reforestation on private and public lands in  
20 the state.

21 The department shall encourage a cooperative relationship  
22 between the state forest nurseries and private nurseries in  
23 the state in order to achieve these goals.

24 Sec. 213. Unless otherwise appropriated or provided by the  
25 general assembly, the agencies appropriated funds by this  
26 division of the Act are also appropriated their federal grants  
27 and federal receipts, for the purposes set forth in those  
28 federal grants or receipts.

29 Sec. 214. Section 15.227, subsection 1, paragraph c, Code  
30 1987, is amended to read as follows:

31 c. A person participating in the "green thumb program"  
32 shall be ~~sixty~~ forty-five years of age or older to be eligible  
33 for employment. A lower income person shall be preferred for  
34 employment. "Lower income" means a person who meets the  
35 requirements for "lower income families" described in section

1 8f, of the United States Housing Act of 1937, as amended by  
2 the Housing and Community Development Act of 1974, Pub. L. No.  
3 93-383, 201a.

4 Sec. 215. Section 97B.49, subsection 7, paragraph c, Code  
5 1987, is amended to read as follows:

6 c. There is appropriated from the state fish and game  
7 protection fund to the department of personnel an actuarially-  
8 determined amount determined by the Iowa public employees'  
9 retirement system sufficient to pay for the additional  
10 benefits to conservation peace officers provided by this  
11 section, as a percentage, in paragraph "a" and for the  
12 employer portion of the benefits provided in paragraph "b".  
13 The amount is in addition to the contribution paid by the  
14 employer under section 97B.11. The cost of the benefits  
15 relating to conservation peace officers within the fish and  
16 game division of the department of natural resources shall be  
17 paid from the state fish and game protection fund and the cost  
18 of the benefits relating to the other conservation peace  
19 officers of the department shall be paid from the general  
20 fund.

21 DIVISION III  
22 ECONOMIC DEVELOPMENT

23 Sec. 301. There is appropriated from the general fund of  
24 the state to the department of economic development for the  
25 fiscal year beginning July 1, 1987 and ending June 30, 1988  
26 the following amounts, or so much thereof as is necessary, to  
27 be used for the purposes designated:

28 1987-1988  
29 Fiscal Year

30 1. For salaries and support  
31 for not more than thirty-five  
32 point zero eight full-time  
33 equivalent positions, main-  
34 tenance, and other operational  
35 purposes ..... \$ 1,771,788

1 2. For domestic marketing  
2 programs, including salaries  
3 and support for not more than  
4 eight point six full-time  
5 equivalent positions ..... \$ 665,900

6 3. For small business  
7 programs, including salaries  
8 and support for not more than  
9 five full-time equivalent  
10 positions ..... \$ 239,533

11 The department shall develop and administer a small  
12 business information center with a portion of the funds  
13 appropriated by this subsection.

14 4. For community progress  
15 programs, including salaries  
16 and support for not more than  
17 eight point five full-time  
18 equivalent positions ..... \$ 411,054

19 5. For tourism and promotion  
20 programs, including salaries  
21 and support for not more than  
22 sixteen point four full-time  
23 equivalent positions ..... \$ 1,490,000

24 Of the funds appropriated by this subsection, fifty  
25 thousand (50,000) dollars, or so much thereof as is necessary,  
26 may be used to purchase or support the Grant Wood gothic house  
27 in Eldon, Iowa. The department shall cooperate with the  
28 historical division of the department of cultural affairs to  
29 acquire and maintain the Grant Wood gothic house and to  
30 promote the property as a tourist attraction. Of the funds  
31 allocated for the purchase of the house, unexpended funds  
32 shall be credited to the Grant Wood gothic house trust fund  
33 which is created in the office of the treasurer of state. The  
34 moneys in this fund shall be administered by the historical  
35 division of the department of cultural affairs and shall be

1 used to provide for the maintenance of the house and to  
2 receive local public and private contributions for the  
3 promotion and maintenance of the house as a tourist site. Of  
4 the funds appropriated by this subsection, fifty thousand  
5 (50,000) dollars, or so much thereof as is necessary, may be  
6 used for evaluating the feasibility of preserving the  
7 historical significance of and establishing tourism and  
8 recreation centers in existing Iowa railway passenger stations  
9 and depots. Local communities in which passenger stations and  
10 depots are located shall match, on an equal basis, state funds  
11 expended on evaluating the respective station or depot.

12 6. For advertising and marketing ..... \$ 89,563

13 7. For operation and maintenance  
14 of an Asian trade office, including  
15 salaries and support for not more  
16 than two full-time equivalent  
17 positions ..... \$ 291,000

18 8. For salary and support for  
19 not more than one full-time  
20 equivalent position, and main-  
21 tenance of an export finance program ..... \$ 200,000

22 9. Community development block grant  
23 administration and related federal housing  
24 and urban development grant  
25 administration  
26 For salaries and support for not  
27 more than fourteen full-time equivalent  
28 positions, maintenance,  
29 and miscellaneous purposes ..... \$ 54,285

30 10. Job training partnership Act:  
31 dislocated workers  
32 For salaries and support for not  
33 more than twenty-eight point seven full-  
34 time equivalent positions, maintenance,  
35 and miscellaneous purposes ..... \$ 960,151

1 11. Mississippi river parkway commission  
2 For support, maintenance, and  
3 miscellaneous purposes ..... \$ 14,550

4 12. Youth services administration  
5 For salaries and support for not more  
6 than two full-time equivalent positions,  
7 maintenance, and miscellaneous purposes  
8 to develop and administer employment  
9 opportunities for youth ..... \$ 76,516

10 In expending the funds appropriated by this subsection, the  
11 department of economic development shall consider the level of  
12 training and education in the areas of work skills, job  
13 retention, job searching, and work ethics in evaluating  
14 requests or proposals for funds to be used for local youth  
15 corps projects or programs.

16 13. Iowa conservation corps  
17 For program purposes ..... \$ 291,000

18 14. For additional and supplemental  
19 funding for the child care services programs  
20 including employer sponsored child day care  
21 services and child day care services for ill  
22 children, and the displaced homemakers program,  
23 including salaries and support for not more  
24 than zero point eight full-time equivalent  
25 positions ..... \$ 798,000

26 15. It is the intent of the general assembly that the  
27 department of economic development, in its operation of the  
28 agricultural marketing program, shall conform its activities  
29 to the mission, goals, and objectives provided in this  
30 subsection and collect information pertaining to performance  
31 measures developed by the legislative fiscal bureau. The  
32 department shall provide a report at least quarterly to the  
33 legislative fiscal bureau and the co-chairpersons and ranking  
34 members of the economic development appropriations  
35 subcommittee on the performance measures. The department

1 shall be notified by the legislative fiscal bureau by July 1,  
2 1987 of the specific performance measures for which data shall  
3 be collected and reported.

4 The department exists for the purpose of enhancing economic  
5 development in the state and to provide for job creation and  
6 increased prosperity and opportunities for the citizens of the  
7 state by providing direct financial and technical assistance  
8 and training to businesses and individuals and by coordinating  
9 other state, local, and federal economic development programs.

10 The department shall operate an agricultural marketing  
11 program designed to lead to more advantageous marketing of  
12 Iowa agricultural products to accomplish the following  
13 objectives:

14 a. Investigate the subject of marketing agricultural  
15 products and recommend efficient and economical methods of  
16 marketing.

17 b. Promote the sales, distribution, and merchandising of  
18 agricultural products to be indicated by the number of trade  
19 or sales leads originated through the agricultural marketing  
20 programs, by the number of Iowa companies represented at trade  
21 shows, and by the number of out-of-state buyers contacted  
22 through trade shows and other promotional events.

23 c. Furnish information and assistance to the public  
24 concerning the marketing of agricultural products to be  
25 indicated by the number of Iowa companies that receive  
26 counseling or assistance.

27 d. Cooperate with the division of agriculture of Iowa  
28 State University of science and technology in farm marketing  
29 education and research and avoid unnecessary duplications to  
30 be indicated by the number of meetings with the university  
31 staff to discuss marketing research and education and number  
32 and type of recommendations generated from these meetings.

33 e. Gather and diffuse useful information concerning all  
34 phases of the marketing of Iowa farm products in cooperation  
35 with other public and private agencies.

1 f. Ascertain sources of supply of Iowa agricultural  
2 products and prepare and publish from time to time lists of  
3 names and addresses of producers and consignors and furnish  
4 lists to persons applying for them to be indicated by the  
5 number of potential out-of-state buyers that receive the list  
6 of Iowa suppliers.

7 g. Aid in the promotion and development of the  
8 agricultural processing industry in the state to be indicated  
9 by the number of trade or sales leads originated through the  
10 agricultural marketing programs, the number of Iowa companies  
11 represented at trade shows, the number of out-of-state buyers  
12 contacted through trade shows and other promotional events,  
13 and the number of Iowa companies meeting with out-of-state  
14 buyers brought to Iowa as part of the agricultural marketing  
15 programs.

16 Sec. 302. 1985 Iowa Acts, chapter 1246, section 1,  
17 subsection 4, is amended to read as follows:

18 4. For establishment and  
19 maintenance of an ambassador's  
20 program ..... \$ 1,000,000

21 The funds appropriated by this subsection shall be matched  
22 on a dollar for dollar basis with capital provided by private  
23 sources and be expended to attract private capital to be used  
24 by the department to develop a comprehensive national and  
25 international marketing program. These funds shall be  
26 utilized to implement a statewide initiative that includes,  
27 but is not limited to, the development of a trade network,  
28 national and international marketing research, business  
29 recruitment, utilization of national advertising features, a  
30 toll-free number, billboards, displays in key business  
31 locations, a direct marketing program, a "trade and marketing  
32 institute", and an "invest in Iowa" program. The department  
33 shall secure the necessary private participation from groups  
34 and organizations most appropriate for any particular  
35 function. In-kind expenditures from the private sector may be

1 considered as a portion of the dollar for dollar match. The  
2 department shall give attention to using a portion of these  
3 funds to contract and coordinate with international programs  
4 at Iowa colleges and universities to develop a network of  
5 trade contacts overseas through the use of alumni from Iowa  
6 colleges and universities.

7 Notwithstanding section 8.33, funds appropriated under this  
8 subsection for the fiscal year beginning July 1, 1986 and  
9 ending June 30, 1987 shall not revert to the general fund of  
10 the state but shall remain available for expenditure in the  
11 fiscal year beginning July 1, 1987 and ending June 30, 1988.

12 Sec. 303. Section 15.108, subsection 7, Code 1987, is  
13 amended by adding the following new lettered paragraph:

14 NEW LETTERED PARAGRAPH. 1. Organizing and coordinating  
15 quarterly meetings of all state agencies which administer  
16 programs and activities developed to encourage and assist the  
17 development of small businesses in Iowa. The quarterly  
18 meetings shall be attended by, but not limited to:  
19 representatives from Iowa State University of science and  
20 technology concerning programs administered by the small  
21 business development centers, representatives from Iowa State  
22 University of science and technology concerning programs  
23 administered by the cooperative extension service, and  
24 representatives from the merged area schools. The department  
25 and the respective agency representatives shall meet, discuss,  
26 and make recommendations, including but not limited to, the  
27 following areas:

28 (1) Coordination of existing small business programs to  
29 avoid duplication of service delivery.

30 (2) Cataloging of all statewide small business programs  
31 and the respective locations and names of the service  
32 providers.

33 (3) Identification of the current and future economic,  
34 financial, marketing, and research issues and needs involving  
35 small business growth in the state.

1 (4) Development of coordinated technical and financial  
2 assistance programs which maximize accessibility to small  
3 businesses.

4 (5) Evaluation of existing small business programs to  
5 identify the effectiveness of the programs.

6 The department shall submit quarterly reports to the  
7 legislative fiscal bureau. Each report shall contain  
8 recommendations derived from the quarterly meetings.

9 Sec. 304. All federal grants to and the federal receipts  
10 of the agencies appropriated funds under this division of this  
11 Act are appropriated for the purposes set forth in such  
12 federal grants and receipts unless otherwise provided by the  
13 general assembly.

14 DIVISION IV

15 EDUCATION

16 Sec. 401. There is appropriated from the general fund of  
17 the state, to the department of cultural affairs for the fis-  
18 cal year beginning July 1, 1987 and ending June 30, 1988, the  
19 following amounts, or so much thereof as is necessary, for the  
20 purposes designated:

21 1987-1988  
22 Fiscal Year

23 1. For the administration division  
24 for salaries and support for not more  
25 than eight full-time equivalent positions,  
26 maintenance, and miscellaneous purposes ..... \$ 259,214

27 2. For the arts division for sala-  
28 ries and support for not more than ten  
29 full-time equivalent positions, main-  
30 tenance, and miscellaneous purposes  
31 including funds to match federal grants ..... S 467,586

32 3. For the historical division for  
33 salaries and support for not more than  
34 forty-six full-time equivalent positions,  
35 maintenance, and miscellaneous purposes ..... S 1,412,685

1 4. For the library division for sal-  
 2 aries and support for not more than forty  
 3 point five full-time equivalent positions,  
 4 maintenance, and miscellaneous purposes ..... \$ 1,054,145

5 5. For the public broadcasting di-  
 6 vision for salaries and support for  
 7 not more than ninety-four full-time  
 8 equivalent positions, maintenance, and  
 9 miscellaneous purposes ..... \$ 5,837,775

10 6. For the Terrace Hill commission  
 11 for salaries and support for not more  
 12 than five point twenty-five full-time  
 13 equivalent positions, maintenance, and  
 14 miscellaneous purposes for the opera-  
 15 tion of Terrace Hill and for conducting  
 16 tours ..... \$ 151,367

17 7. For the regional library system  
 18 for state aid ..... \$ 1,450,230

19 8. For the library division for  
 20 increasing library accessibility, li-  
 21 brary usage, and the availability of  
 22 library and media materials ..... \$ 100,000

23 From moneys appropriated in this subsection, the library  
 24 division shall provide grants to regional libraries and area  
 25 education agencies for the implementation of cooperative  
 26 programs. In addition, moneys appropriated in this subsection  
 27 shall be used by the library division to conduct a study of  
 28 methods to provide that public libraries, regional libraries,  
 29 libraries administered by the state library division,  
 30 libraries of institutions of higher education under the state  
 31 board of regents, libraries and media centers of the area  
 32 education agencies, and libraries of merged area schools are  
 33 accessible to the citizens of this state, to provide  
 34 additional library and media resources, and to increase the  
 35 utilization of libraries and media centers as lifelong

1 learning centers. Notwithstanding limitations on the  
2 activities of area education agencies under chapter 273, area  
3 education agencies may cooperate with regional libraries for  
4 the purposes of implementation of cooperative programs funded  
5 under this section. Reimbursement to area education agencies  
6 shall be only for marginal costs incurred.

7 Sec. 402. There is appropriated from the general fund of  
8 the state to the college aid commission for the fiscal year  
9 beginning July 1, 1987 and ending June 30, 1988, the following  
10 amounts, or so much thereof as may be necessary, to be used  
11 for the funding of the following programs for the purposes  
12 designated:

	1987-1988
	<u>Fiscal Year</u>
15 1. COLLEGE AID COMMISSION	
16 For salaries and support for	
17 not more than five point two full-	
18 time equivalent positions, main-	
19 tenance, and miscellaneous pur-	
20 poses .....	\$ 264,309
21 2. OCCUPATIONAL THERAPIST	
22 LOAN PROGRAM	
23 For the occupational thera-	
24 pist loan program under section	
25 261.4b .....	\$ 30,000
26 3. SUMMER INSTITUTE PROGRAMS	
27 For summer institute programs .....	\$ 100,000
28 Moneys appropriated in this subsection shall be used to	
29 supplement moneys appropriated from the Iowa plan fund.	

30 Sec. 403. There is appropriated from the general fund of  
31 the state to the college aid commission for the fiscal year  
32 beginning July 1, 1987 and ending June 30, 1988, the sum of  
33 three hundred forty-eight thousand seven hundred fifty  
34 (348,750) dollars, or so much thereof as may be necessary, to  
35 be paid to the college of osteopathic medicine and surgery for

1 the subvention program created pursuant to sections 261.18 and  
2 261.19.

3 Sec. 404. There is appropriated from the guaranteed  
4 student loan reserve fund to the college aid commission for  
5 the fiscal year beginning July 1, 1987 and ending June 30,  
6 1988, the following amounts, or so much thereof as may be  
7 necessary, to be used for the funding of the following  
8 programs for the guaranteed student loan program:

9 1. OPERATING COSTS

10 For operating costs ..... \$ 2,126,304

11 2. LOAN CONSOLIDATION SERVICES

12 For loan consolidation services ..... \$ 375,000

13 Sec. 405. There is appropriated from the general fund of  
14 the state for the fiscal year beginning July 1, 1987 and  
15 ending June 30, 1988, to the department of education the  
16 following amounts, or so much thereof as may be necessary, to  
17 be used in the manner designated:

18 1987-1988  
19 Fiscal Year

20 1. GENERAL ADMINISTRATION

21 For salaries and support for  
22 not more than one hundred fourteen  
23 point ninety-four full-time equiva-  
24 lent positions, maintenance, and  
25 miscellaneous purposes ..... \$ 5,300,708

26 It is the intent of the general assembly that the  
27 department of education expend, from funds appropriated in  
28 this subsection, at least two hundred fifty thousand (250,000)  
29 dollars for the administration of the educational excellence  
30 program established by law, five hundred thousand (500,000)  
31 dollars to be used by the department to provide technical  
32 assistance and monetary grants to school districts for  
33 developing elementary and secondary school foreign language  
34 programs, and one hundred fifty thousand (150,000) dollars to  
35 be used to contract with the state board of regents to provide

1 a summer residence program for gifted and talented elementary  
2 and secondary school students.

3 As a condition of the appropriation made in this  
4 subsection, the department of education shall expend at least  
5 one hundred fifty thousand (150,000) dollars of the moneys  
6 appropriated in this subsection to increase the salaries of  
7 individuals employed by the department in consultant positions  
8 in order to bring their compensation up to a level that is  
9 more competitive with compensation received by individuals  
10 employed in other professional positions that have comparable  
11 educational requirements.

12 It is the intent of the general assembly that the  
13 department provide assistance to area education agencies and  
14 school districts in administering programs for autistic  
15 children.

16 2. VOCATIONAL EDUCATION AD-  
17 MINISTRATION

18 For salaries and support for  
19 not more than forty-two full-time  
20 equivalent positions, maintenance,  
21 and miscellaneous purposes ..... \$ 851,399

22 3. VOCATIONAL EDUCATION AID

23 For vocational education aid  
24 to secondary schools ..... \$ 3,723,061

25 Funds appropriated by this subsection are to be used for  
26 aid to school districts for development and the conduct of  
27 both continuing and new vocational programs, services and  
28 activities of vocational education through secondary schools,  
29 and for aid to existing jointly administered secondary  
30 vocational education programs, in accordance with chapter 258  
31 and chapter 280A, and to purchase instructional equipment for  
32 vocational and technical courses of instruction in such  
33 schools.

34 4. VOCATIONAL YOUTH ORGANI-  
35 ZATION FUND

1 To carry out section 258.14 ..... \$ 9,252  
 2 5. SCHOOL FOOD SERVICE  
 3 For the purpose of providing  
 4 assistance to students en-  
 5 rolled in public school dis-  
 6 tricts and approved nonpublic  
 7 schools of the state for break-  
 8 fasts, lunches and minimal  
 9 equipment programs with the  
 10 funds being used as state match-  
 11 ing funds for federal programs  
 12 and which shall be disbursed  
 13 according to federal requia-  
 14 tions, including salaries and  
 15 support for not more than sixteen  
 16 full-time equivalent positions ..... \$ 3,173,131

17 6. PREKINDERGARTEN PROGRAMS  
 18 For matching funds for school  
 19 districts for prekindergarten  
 20 programs under section 279.51 ..... \$ 300,000

21 7. TEXTBOOKS OF NONPUBLIC  
 22 SCHOOL PUPILS  
 23 To provide funds for costs  
 24 of providing textbooks to  
 25 each resident pupil who at-  
 26 tends an approved nonpublic  
 27 school or authorized by sec-  
 28 tion 301.1. Such funding is  
 29 limited to ten dollars per  
 30 pupil and shall not exceed the  
 31 comparable services offered to  
 32 resident public school pupils ..... \$ 350,000

33 8. PROFESSIONAL TEACHING  
 34 PRACTICES COMMISSION  
 35 For the use of the commis-

1 sion to carry out chapter 272A,  
 2 including salaries and support  
 3 for not more than one point forty-  
 4 six full-time equivalent positions ..... \$ 57,591

5 9. NON-ENGLISH SPEAKING  
 6 To provide funding to public  
 7 schools and for nonpublic school  
 8 students attending approved non-  
 9 public schools for special in-  
 10 struction for non-English speak-  
 11 ing students as provided in  
 12 section 280.4 ..... \$ 150,000

13 10. IOWA ACADEMY OF SCIENCE  
 14 For support and maintenance ..... \$ 57,494

15 11. VOCATIONAL REHABILITATION  
 16 DIVISION  
 17 For salaries and support for  
 18 not more than three hundred seven  
 19 point five full-time equivalent  
 20 positions, maintenance, and  
 21 miscellaneous purposes ..... \$ 2,696,461

22 12. MERGED AREA XI  
 23 For meeting educational needs  
 24 of the Carroll service area ..... \$ 250,000

25 13. MERGED AREA SCHOOLS  
 26 For general state financial aid to merged areas as defined  
 27 in section 280A.2 and for vocational education programs in ac-  
 28 cordance with chapters 258 and 280A, and to purchase instruc-  
 29 tional equipment for vocational and technical courses of in-  
 30 struction in such schools, the amount of fifty-three million  
 31 six hundred thirty-two thousand two hundred seventy-eight  
 32 (53,632,278) dollars to be allocated as follows:

33 a. Merged Area I ..... \$ 2,504,389  
 34 b. Merged Area II ..... \$ 3,004,216  
 35 c. Merged Area III ..... \$ 2,866,669

1	d.	Merged Area IV .....	\$ 1,386,161
2	e.	Merged Area V .....	\$ 3,303,798
3	f.	Merged Area VI .....	\$ 3,177,851
4	g.	Merged Area VII .....	\$ 4,273,077
5	h.	Merged Area IX .....	\$ 4,416,315
6	i.	Merged Area X .....	\$ 7,157,686
7	j.	Merged Area XI .....	\$ 7,002,003
8	k.	Merged Area XII .....	\$ 3,147,254
9	l.	Merged Area XIII .....	\$ 3,384,494
10	m.	Merged Area XIV .....	\$ 1,389,909
11	n.	Merged Area XV .....	\$ 4,075,243
12	o.	Merged Area XVI .....	\$ 2,543,213

13 Sec. 406. There is appropriated from the general fund of  
 14 the state to the department of education for the fiscal year  
 15 beginning July 1, 1988 and ending June 30, 1989, for general  
 16 state financial aid to merged areas the amount of twenty-two  
 17 million nine hundred eighty-five thousand two hundred sixty-  
 18 four (22,985,264) dollars, to be accrued as income and used  
 19 for expenditures incurred by the area schools during the  
 20 fiscal year beginning July 1, 1987 and ending June 30, 1988,  
 21 to be allocated to each area school as follows:

22	1.	Merged Area I .....	\$ 1,073,310
23	2.	Merged Area II .....	\$ 1,287,521
24	3.	Merged Area III .....	\$ 1,228,573
25	4.	Merged Area IV .....	\$ 594,069
26	5.	Merged Area V .....	\$ 1,415,913
27	6.	Merged Area VI .....	\$ 1,361,936
28	7.	Merged Area VII .....	\$ 1,831,319
29	8.	Merged Area IX .....	\$ 1,892,706
30	9.	Merged Area X .....	\$ 3,067,580
31	10.	Merged Area XI .....	\$ 3,000,859
32	11.	Merged Area XII .....	\$ 1,348,823
33	12.	Merged Area XIII .....	\$ 1,450,498
34	13.	Merged Area XIV .....	\$ 595,675
35	14.	Merged Area XV .....	\$ 1,746,533

1 15. Merged Area XVI ..... \$ 1,089,949

2 Funds appropriated by this section shall be allocated  
3 pursuant to this section and paid on or about August 15, 1988.

4 Sec. 407. General state aid paid to area schools under  
5 section 405, subsection 13, of this Act, for expenditures  
6 incurred during the fiscal year beginning July 1, 1987 and  
7 ending June 30, 1988, shall be paid by the department of  
8 revenue and finance in installments due on or about November  
9 15, February 15, and May 15 of that fiscal year. The payment  
10 received by area schools on or about August 15, 1988 under  
11 section 406 of this Act is an account receivable for the  
12 previous fiscal year. The installments shall be as nearly  
13 equal as possible as determined by the department of  
14 management, taking into consideration the relative budget and  
15 cash position of the state resources.

16 Sec. 408. There is appropriated from the general fund of  
17 the state to the state board of regents for the fiscal year  
18 beginning July 1, 1987 and ending June 30, 1988, the following  
19 amounts, or so much thereof as may be necessary, for use for  
20 the following designated purposes:

21		1987-1988
22		Fiscal Year

23 1. OFFICE OF STATE BOARD  
24 OF REGENTS

25 a. for salaries and support  
26 for not more than eighteen point  
27 sixty-three full-time equivalent  
28 positions, maintenance, equipment,  
29 and miscellaneous purposes ..... \$ 483,370

30 As a condition of the appropriation made in this paragraph,  
31 the office of the state board of regents shall direct that  
32 copies of the student newspapers of each of the three  
33 institutions of higher education be transmitted to the  
34 chairpersons and ranking members of the education  
35 appropriations subcommittees and to the legislative fiscal

1 bureau.  
 2 b. For allocation by  
 3 the state board of regents  
 4 to the state university of  
 5 Iowa, the Iowa state university  
 6 of science and technology, and  
 7 the university of northern Iowa  
 8 in amounts as may be necessary  
 9 to reimburse the institutions  
 10 for deficiencies in their operat-  
 11 ing funds resulting from the  
 12 pledging of tuitions, student  
 13 fees and charges and institutional  
 14 income to finance the cost of  
 15 providing academic and adminis-  
 16 trative buildings and facilities  
 17 and utility services at the  
 18 institutions ..... \$ 16,220,946

19 2. STATE UNIVERSITY OF IOWA

20 a. General university, in-  
 21 cluding lakeside laboratory  
 22 (1) For salaries and support  
 23 for not more than four thousand  
 24 two hundred twenty-one point sixty-  
 25 eight full-time equivalent positions,  
 26 maintenance, equipment, and  
 27 miscellaneous purposes ..... \$131,142,205

28 It is a condition of the appropriation in this subparagraph  
 29 that from the moneys appropriated, seven hundred fifty-six  
 30 thousand (756,000) dollars be expended for salary increases  
 31 for professional and scientific employees of the institution,  
 32 two hundred ninety thousand (290,000) dollars be expended for  
 33 an emergency supplement for graduate students adversely  
 34 affected by the federal tax reform Act of 1986, one million  
 35 two hundred eighty thousand (1,280,000) dollars be expended

1 for educational quality projects approved by the state board  
2 of regents, and five hundred thousand (500,000) dollars be  
3 expended for library automation.

4 (2) Agriculture health and  
5 safety service pilot programs ..... \$ 100,000

6 The state board of regents shall establish an agricultural  
7 health and safety service as part of the college of medicine  
8 of the University of Iowa. In order to establish the  
9 effectiveness of the service, the state board of regents shall  
10 undertake an agricultural health and safety service pilot  
11 program for two years. The pilot program will consist of a  
12 service to be located at the Oakdale campus at the University  
13 of Iowa. The pilot program shall provide medical and  
14 engineering services to any person engaged in farming, as  
15 defined in section 99B.4, in cooperation with the Iowa depart-  
16 ment of public health, the department of agriculture and land  
17 stewardship, and the Iowa State University of science and  
18 technology.

19 By January 1, 1969, the dean of the college of medicine of  
20 the University of Iowa shall report to the Iowa general  
21 assembly, the secretary of agriculture, and the director of  
22 public health on the effectiveness of the service and shall  
23 make recommendations regarding continuation, termination, or  
24 expansion of the agricultural health and safety service  
25 program. Moneys appropriated in this subparagraph shall be  
26 used to establish the pilot program.

27 b. University hospitals

28 (1) For salaries and support  
29 for not more than four thousand  
30 seven hundred eighteen point eighty-  
31 three full-time equivalent positions,  
32 maintenance, equipment, and miscel-  
33 laneous purposes; for medical and  
34 surgical treatment of indigent  
35 patients as provided in chapter 255 ..... \$ 25,529,058

1 From moneys appropriated in this subparagraph, four hundred  
2 thousand (400,000) dollars shall be expended for pharmacy  
3 building remodeling and three hundred twenty-six thousand  
4 (326,000) dollars shall be expended for west campus waterline  
5 replacement.

6 (2) For allocation by the  
7 dean of the college of medicine,  
8 with approval of the advisory  
9 board, to qualified participants,  
10 to carry out chapter 148C for  
11 the family practice program,  
12 including salaries and support  
13 for not more than one hundred  
14 seventy-six point eighty-four  
15 full-time equivalent positions ..... \$ 1,449,437

16 (3) For specialized child  
17 health care services, includ-  
18 ing childhood cancer diagnos-  
19 tic and treatment network pro-  
20 grams; rural comprehensive  
21 care for hemophilia patients;  
22 and Iowa high risk infant fol-  
23 low-up program, including salaries  
24 and support for not more than  
25 twelve point thirty-nine full-  
26 time equivalent positions ..... \$ 316,038

27 c. As a condition of the appropriation made in paragraph  
28 "b", subparagraph (1), the county quotas for indigent patients  
29 for the fiscal year commencing July 1, 1987 shall not be lower  
30 than the county quotas for the fiscal year commencing July 1,  
31 1986. Before a patient is eligible for the indigent patient  
32 program, the county general relief director shall first  
33 ascertain from the local office of human services if the  
34 applicant would qualify for medical assistance or the  
35 medically needy program without the spend-down provision under

1 chapter 249A. If the applicant qualifies, then the patient  
2 shall be certified for medical assistance and shall not be  
3 counted under chapter 255. The total amount of state funds  
4 expended for heart, liver, pancreas, artificial heart, or  
5 heart/lung transplantations shall not exceed nine-tenths of  
6 one percent of the total state indigent funds received by the  
7 university hospitals for the fiscal year beginning July 1,  
8 1987 and ending June 30, 1988.

9 d. As a condition of the appropriation made in paragraph  
10 "b", subparagraph (1), funds appropriated in that subparagraph  
11 shall not be allocated to the university hospitals until the  
12 superintendent has filed with the department of management and  
13 the legislative fiscal bureau a quarterly report containing  
14 the account required in section 255.24. The report shall  
15 include the information required in section 255.24 for  
16 patients by the type of service provided.

17 e. As a condition of the appropriation made in paragraph  
18 "b", funds appropriated in this section shall not be used to  
19 perform abortions except medically necessary abortions, and  
20 shall not be used to operate the early termination of  
21 pregnancy clinic except for the performance of medically  
22 necessary abortions. For the purpose of this paragraph, an  
23 abortion is the purposeful interruption of pregnancy with the  
24 intention other than to produce a live-born infant or to  
25 remove a dead fetus, and a medically necessary abortion is one  
26 performed under one of the following conditions:

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

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

32 (3) The pregnancy is the result of a rape which is  
33 reported within forty-five days of the incident to a law  
34 enforcement agency or public or private health agency which  
35 may include a family physician.

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

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

8 f. Psychiatric hospital

9 For salaries and support for  
 10 not more than two hundred eighty-  
 11 seven point twenty-six full-time  
 12 equivalent positions, maintenance,  
 13 equipment, and miscellaneous pur-  
 14 poses and for the care, treatment  
 15 and maintenance of committed and  
 16 voluntary public patients ..... \$ 5,770,862

17 g. State hygienic laboratory

18 For salaries and support for  
 19 not more than one hundred ten  
 20 point zero four full-time equiv-  
 21 alent positions, maintenance,  
 22 equipment, and miscellaneous  
 23 purposes ..... \$ 2,375,932

24 h. Hospital school

25 For salaries and support for  
 26 not more than one hundred eighty-  
 27 five point seventy-three full-time  
 28 equivalent positions, maintenance,  
 29 equipment, and miscellaneous pur-  
 30 poses ..... \$ 4,317,764

31 i. Oakdale campus

32 For salaries and support for  
 33 not more than eighty-two full-  
 34 time equivalent positions, main-  
 35 tenance, equipment, and miscel-

1 laneous purposes ..... \$ 2,422,797

2 3. IOWA STATE UNIVERSITY OF  
3 SCIENCE AND TECHNOLOGY

4 a. General university

5 For salaries and support for  
6 not more than three thousand six  
7 hundred seventy-five full-time  
8 equivalent positions, maintenance,  
9 equipment, and miscellaneous pur-  
10 poses ..... \$108,217,792

11 It is a condition of the appropriation in this subparagraph  
12 that from the moneys appropriated, five hundred eighteen  
13 thousand (518,000) dollars be expended for salary increases  
14 for professional and scientific employees of the institution,  
15 one hundred seventy thousand (170,000) dollars be expended for  
16 an emergency supplement for graduate students adversely  
17 affected by the federal tax reform Act of 1986, one million  
18 two hundred eighty thousand (1,280,000) dollars be expended  
19 for educational quality projects approved by the state board  
20 of regents, and five hundred thousand (500,000) dollars be  
21 expended for library automation.

22 b. Agricultural experiment  
23 station

24 For salaries and support for  
25 not more than four hundred thirteen  
26 point five full-time equivalent  
27 positions, maintenance, equip-  
28 ment, and miscellaneous purposes ..... \$ 12,111,042

29 c. Cooperative extension  
30 service in agriculture and home  
31 economics

32 For salaries and support for  
33 not more than four hundred ninety-  
34 six point ninety-eight full-time  
35 equivalent positions, maintenance,

1 and miscellaneous purposes ..... \$ 12,253,345

2 d. For continuation of the  
3 rural concern hotline, including  
4 salaries and support for not more  
5 than four point five full-time  
6 equivalent positions ..... \$ 90,000

7 e. Fire service education,  
8 including salaries and support  
9 for not more than four point five  
10 full-time equivalent positions ..... \$ 414,846

11 f. Iowa state water resources  
12 research institute  
13 For research approved by the  
14 panel created in 1984 Iowa Acts,  
15 chapter 1303, section 20, including  
16 salaries and support for not more  
17 than two full-time equivalent  
18 positions ..... \$ 100,000

19 4. UNIVERSITY OF NORTHERN  
20 IOWA  
21 For salaries and support for  
22 not more than one thousand two  
23 hundred eighty-eight point fifty-  
24 seven full-time equivalent  
25 positions, maintenance, equipment,  
26 and miscellaneous purposes ..... \$ 42,474,679

27 It is a condition of the appropriation in this subsection  
28 that from the moneys appropriated, one hundred twenty-six  
29 thousand (126,000) dollars be expended for salary increases  
30 for professional and scientific employees of the institution,  
31 forty thousand (40,000) dollars be expended for an emergency  
32 supplement for graduate students adversely affected by the  
33 federal tax reform Act of 1986, six hundred forty thousand  
34 (640,000) dollars be expended for educational quality projects  
35 approved by the state board of regents, and two hundred fifty

1 thousand (250,000) dollars be expended for library automation.  
2 As a further condition of the appropriation made in this  
3 subsection, the state board of regents shall ensure that  
4 students at each institution of higher education shall not be  
5 discriminated against in having access to a self-supporting  
6 student operated book exchange located in the student union of  
7 each institution.

8 5. STATE SCHOOL FOR THE DEAF

9 For salaries and support for  
10 not more than one hundred thirty-  
11 five point three full-time equiva-  
12 lent positions, maintenance, and  
13 miscellaneous purposes ..... \$ 4,669,620

14 6. IOWA BRAILLE AND SIGHT-  
15 SAVING SCHOOL

16 For salaries and support for  
17 not more than ninety-five point  
18 thirty-three full-time equivalent  
19 positions, maintenance, and  
20 miscellaneous purposes ..... \$ 2,632,055

21 7. The provisions of section 8.33, unnumbered paragraph 2,  
22 shall not apply to the funds appropriated in subsection 2,  
23 paragraph "a", subparagraph (1); subsection 3, paragraph "a";  
24 and subsection 4. No later than September 15, 1988, the board  
25 of regents shall submit to the department of management and to  
26 the legislative fiscal bureau a list of all obligations which  
27 have been incurred for goods and services that have not been  
28 received or rendered as of that date.

29 Sec. 409. INDIGENT OBSTETRICAL PATIENT QUOTAS.

30 1. The statewide indigent patient care program shall con-  
31 tinue the nonquota system for indigent obstetrical and ortho-  
32 pedic patients and shall maintain the current county quota  
33 system for other indigent patients. The indigent obstetrical  
34 patient quota system established by 1986 Iowa Acts, chapter  
35 1246, section 111 is abolished.

1 2. Effective July 1, 1987, the department of public health  
2 shall establish a medically indigent obstetrical patient care  
3 and shall adopt rules to implement the program. The rules  
4 shall provide for:

5 a. Eligibility for persons with income at or below one  
6 hundred fifty percent of the annual revision of the poverty  
7 income guidelines published by the United States department of  
8 health and human services, and shall provide, but shall not be  
9 limited to providing, eligibility for uninsured and  
10 underinsured persons financially unable to pay for necessary  
11 obstetrical and newborn care.

12 b. Resource standards set at or above the resource stan-  
13 dards under the federal supplemental security income program.  
14 The resource exclusions allowed under the federal supplemental  
15 security income program shall be allowed and shall include re-  
16 sources necessary for self-employment.

17 c. Conditions of participation for providers of medically  
18 indigent obstetrical patient care equivalent to the require-  
19 ments established for the medical assistance program.

20 3. The department shall require any applicant for assis-  
21 tance under the medically indigent obstetrical patient care  
22 program to apply for medical assistance and shall limit as-  
23 sistance under the medically indigent obstetrical patient care  
24 program to persons who are not eligible for medical  
25 assistance, except that persons who qualify for medical  
26 assistance only under the spend-down provisions of the  
27 medically needy program shall be eligible for assistance under  
28 the medically indigent obstetrical patient care program.

29 4. For patients residing in the service areas of prenatal  
30 clinics staffed by university hospitals' physicians,  
31 consisting of the counties of Cedar, Clinton, Iowa, Johnson,  
32 Keokuk, Louisa, Muscatine, Scott and Washington, the  
33 department shall restrict coverage of inpatient  
34 hospitalization services to emergency services. Inpatient  
35 services for these patients shall be provided at the

1 university hospitals under the nonquota obstetrical program  
2 under chapter 255.

3 5. The department shall establish a schedule of fees to  
4 reimburse providers under the medically indigent obstetrical  
5 patient care program. The department may establish a maximum  
6 reimbursement per case at or below the average reimbursement  
7 for obstetrical services under the medical assistance program.  
8 The department shall establish the number of persons who will  
9 be eligible under the medically indigent obstetrical patient  
10 care program and shall establish limits on reimbursement that  
11 will provide coverage within the funds appropriated.

12 6. The department of human services may seek a waiver  
13 pursuant to Title XIX, section 1915(b) of the federal Social  
14 Security Act, and, if a waiver is granted, may contract ex-  
15 clusively with the university hospitals for the provision of  
16 obstetrical services to Title XIX recipients in counties com-  
17 prising a geographic area consistent with federal requirements  
18 concerning accessibility to care.

19 Sec. 410. Notwithstanding section 8.33, unobligated or  
20 unencumbered funds appropriated in 1986 Iowa Acts, chapter  
21 1246, section 111, subsection 7, that are transferred to the  
22 indigent care fund established pursuant to chapter 255, shall  
23 not revert to the general fund of the state on June 30, 1987,  
24 but shall be available for expenditure from the indigent care  
25 fund during the fiscal year beginning July 1, 1987 and ending  
26 June 30, 1988.

27 Sec. 411. Notwithstanding section 8.33, unobligated or  
28 unencumbered funds appropriated in 1986 Iowa Acts, chapter  
29 1246, section 110, subsection 1, paragraph "b", shall not  
30 revert to the general fund of the state on June 30, 1987, but  
31 shall be available for expenditure for the purposes listed in  
32 section 8, subsection 1, paragraph "b", of this Act during the  
33 fiscal year beginning July 1, 1987 and ending June 30, 1988.

34 Sec. 412. Notwithstanding the appropriation provided in  
35 section 261.53, there is appropriated from the general fund of

1 the state to the college aid commission for the fiscal year  
2 beginning July 1, 1987 and ending June 30, 1988, the sum of  
3 fifty thousand (50,000) dollars, or so much thereof as is  
4 necessary, for science and mathematics loans.

5 Sec. 413. Notwithstanding section 302.1A, the department  
6 of revenue and finance shall transfer the interest earned on  
7 the permanent school fund to the first in the nation in  
8 education foundation in the manner provided in this section.  
9 Prior to July 1, 1987, October 1, 1987, January 1, 1988, and  
10 March 1, 1988, the governing board of the first in the nation  
11 in education foundation established in section 257A.2 shall  
12 certify to the department of management the total amount of  
13 the endowment in the first in the nation in education  
14 foundation fund. The portion of the permanent school fund  
15 that is equal to the total amount of the endowment is  
16 dedicated to the first in the nation in education foundation  
17 for that quarter. The interest from this dedicated amount  
18 shall be transferred to the credit of the first in the nation  
19 in education foundation. The remaining portion of the  
20 interest earned on the permanent school fund shall become a  
21 part of the permanent school fund.

22 Sec. 414. Notwithstanding the appropriation provided in  
23 section 261.25, subsection 3, there is appropriated from the  
24 general fund of the state to the college aid commission for  
25 the fiscal year beginning July 1, 1987 and ending June 30,  
26 1988, the sum of six hundred forty-six thousand five hundred  
27 eighty-two (646,582) dollars, or so much thereof as is  
28 necessary, for vocational-technical grants.

29 Sec. 415. Notwithstanding the definition of accredited  
30 private institution in section 261.9, a student receiving a  
31 tuition grant on the effective date of this section for an  
32 institution that does not meet the requirements of an  
33 accredited private institution may continue to receive a  
34 tuition grant for that institution during the fiscal year  
35 beginning July 1, 1987 if the student meets other requirements

1 for the commission to award a tuition grant.

2 Sec. 416. Notwithstanding the appropriation of moneys for  
3 state school foundation aid made in section 442.26, payments  
4 to a school district for the fiscal year beginning July 1,  
5 1987 will begin when the school district has met the  
6 requirements of 1986 Iowa Acts, chapter 1226, section 15.

7 Sec. 417. The department of education shall review the  
8 actions of the college aid commission and the council for  
9 postsecondary education as they relate to the establishment  
10 and operation of the summer institute program established in  
11 section 99E.31, subsection 4, paragraph "b" and shall recom-  
12 mend to the college aid commission and the council for post-  
13 secondary education programs to be funded. A summer institute  
14 program shall consist of an intensive immersion of at least  
15 eight weeks duration in the subject area of the program. In  
16 determining programs to be funded, preference shall be given  
17 to programs that will allow teachers to gain endorsements in  
18 other subject areas, or to add to their endorsements in  
19 subject areas, that the department of education has determined  
20 are areas in which a shortage of teachers currently exists or  
21 is predicted to occur. From the moneys appropriated for the  
22 fiscal year beginning July 1, 1987 and ending June 30, 1988,  
23 in section 402, subsection 3, of this Act, fifty thousand  
24 (50,000) dollars shall be expended for a program to assist  
25 teachers both as instructors of classes that are offered by  
26 means of telecommunications and as monitors of classes offered  
27 by means of telecommunications.

28 Sec. 418. The department of cultural affairs, in coopera-  
29 tion with the department of economic development, shall de-  
30 velop a tourism program that provides for promotion of Iowa  
31 cultural, artistic, and humanitarian activities and the loca-  
32 tions where these activities take place. A report on the im-  
33 plementation of the program shall be transmitted to the chair-  
34 persons and ranking members of the joint education appropria-  
35 tions subcommittee not later than January 1, 1988.

1     Sec. 419. It is the intent of the general assembly that  
2 the seven regional library boards, in performing their  
3 respective duties required by law, shall conform their  
4 activities to the mission, goals, and objectives and collect  
5 information pertaining to performance measures developed by  
6 the legislative fiscal bureau. The seven regional library  
7 boards shall provide a report at least quarterly to the  
8 legislative fiscal bureau and the co-chairpersons and ranking  
9 members of the education appropriations subcommittee on the  
10 performance measures. The seven regional library boards shall  
11 be notified by the legislative fiscal bureau by July 1, 1987  
12 of the specific performance measures for which data shall be  
13 collected and reported.

14     The regional library system exists for the purpose of  
15 providing supporting services to libraries and to encourage  
16 local financial support for library services to accomplish the  
17 following objectives:

18     1. Provide consultation and educational programs for  
19 library staff and trustees concerning facets of library  
20 management and operation to be indicated by the number of  
21 phone contacts, the number of individual contacts at meetings,  
22 the number of libraries visited, the number of visits made,  
23 the number of local library, county library, and other  
24 meetings attended, the number and type of workshops,  
25 continuing education, and special presentations made, and the  
26 percentage of work time spent consulting with libraries and  
27 trustees on the topics of library administration, public  
28 services, technical services, computer automation, facilities,  
29 and intellectual freedom.

30     2. Provide interlibrary loan and information services  
31 intraregionally, but which are capable of being linked  
32 interregionally, according to the standards developed by the  
33 state library commission to be indicated by the total number  
34 of intraregional books loaned, the total number of  
35 interregional books loaned, the total number of requests,

1 filled and unfilled, the total number of photocopies provided,  
2 the total number of audio-visual items loaned, the total  
3 number of photocopies received, the total number of bulk  
4 loans, and the total number of reference questions received.

5 3. Require, as a condition to receiving services, that a  
6 governmental subdivision assure maintenance of local effort to  
7 support the operating expenses of a local library.

8 4. Require, as a condition for receiving services under  
9 section 303B.6, that a governmental subdivision maintain any  
10 tax levy for library maintenance purposes that is in effect on  
11 July 1, 1973.

12 Sec. 420. It is the intent of the general assembly that  
13 the college aid commission shall study the feasibility of  
14 implementing a program that combines the state scholarship  
15 program and the supplemental grant program and provides for  
16 both need-based and nonneed-based awards. A report of the  
17 commission's conclusions and recommendations for the fiscal  
18 year beginning July 1, 1988 shall be transmitted to the joint  
19 education appropriations subcommittee not later than November  
20 1, 1987.

21 Sec. 421. The legislative fiscal bureau shall study  
22 options for providing guaranteed student loan services to  
23 eligible borrowers and make recommendations to the education  
24 appropriations subcommittee chairpersons and ranking members  
25 not later than November 1, 1987.

26 Sec. 422. Chapter 1246, 1986 Iowa Acts, section 5,  
27 subsection 1, is amended to read as follows:

28 1. There is appropriated from the general fund of the  
29 state to the college aid commission for the fiscal year  
30 beginning July 1, 1986 and ending June 30, 1987, the sum of  
31 seven hundred twenty-five thousand four hundred ten (725,410)  
32 dollars, or so much thereof as may be necessary, to be paid to  
33 the college of osteopathic medicine and surgery for the  
34 subvention program created pursuant to sections 261.18 and  
35 261.19. Notwithstanding section 261.19, for the fiscal year

1 beginning July 1, 1986, the subvention shall be used for the  
2 admission and education of students enrolled in each of the  
3 four years of classes in the college of osteopathic medicine  
4 and surgery. The amount of the grants shall be three thousand  
5 dollars per academic year for each qualified student. Grants  
6 approved for the fiscal year beginning July 1, 1986 per  
7 academic year for each qualified student shall be increased to  
8 such amount, from funds appropriated in this subsection,  
9 before June 30, 1987.

10 Sec. 423. Section 256.7, Code 1987, is amended by adding  
11 the following new subsection:

12 NEW SUBSECTION. 8. Adopt rules pursuant to chapter 17A  
13 relating to educational programs and budget limitations for  
14 educational programs pursuant to sections 282.28, 282.29,  
15 282.30, and 282.31. The rules adopted pursuant to this  
16 subsection shall be written by June 30, 1987.

17 Sec. 424. NEW SECTION. 256.10A DUTIES OF CONSULTANTS.

18 Consultants employed by the director and paid from the fund  
19 created by section 8.41 from moneys received from Pub. L. No.  
20 97-35, Title V, subtitle D, chapter 2, shall assist those  
21 employees designated by the department as school improvement  
22 specialists in helping school districts to participate in  
23 school improvement activities identified as a result of the  
24 accreditation process conducted pursuant to section 256.11.  
25 The department shall assign consultants to assist school  
26 districts that the department determines are most in need of  
27 participation in school improvement activities.

28 For the purpose of this section, "school improvement  
29 specialist" means a consultant employed by the department who  
30 is responsible for the accreditation of school districts under  
31 section 256.11.

32 Sec. 425. Section 256.11, subsections 10, 11, and 12, Code  
33 1987, are amended by striking the subsections and inserting in  
34 lieu thereof the following:

35 10. The state board shall establish an accreditation

1 process for school districts and nonpublic schools seeking  
2 accreditation pursuant to this subsection and subsections 11  
3 and 12. As required in section 256.17, by July 1, 1989, all  
4 school districts shall meet standards for accreditation. For  
5 the school year commencing July 1, 1989 and school years  
6 thereafter, the department of education shall use a two-phase  
7 process for the continued accreditation of schools and school  
8 districts.

9 Phase I consists of annual monitoring by the department of  
10 education of all accredited schools and school districts for  
11 compliance with accreditation standards adopted by the state  
12 board of education as provided by section 256.17. The phase I  
13 monitoring requires that accredited school districts and  
14 schools annually complete accreditation compliance forms  
15 adopted by the state board and file them with the department  
16 of education. In addition, employees of the department of  
17 education shall complete at least one onsite visit each year  
18 to each accredited school and school district to review the  
19 educational programs and the information included in the  
20 compliance forms.

21 Phase II requires the use of an accreditation committee,  
22 appointed by the director of the department of education, to  
23 conduct an onsite visit to an accredited school or school  
24 district if any of the following conditions exist:

25 a. When the annual monitoring of phase I indicates that a  
26 school or school district may be deficient or fails to be in  
27 compliance with accreditation standards.

28 b. In response to a petition filed with the director  
29 requesting such a committee visitation that is signed by  
30 twenty percent or more of the registered voters of a school  
31 district.

32 c. In response to a petition filed with the director  
33 requesting such a committee visitation that is signed by  
34 twenty percent or more of the parents or guardians who have  
35 children enrolled in the school or school district.

1 d. At the direction of the state board of education.  
2 The number and composition of the membership of an  
3 accreditation committee shall be determined by the director  
4 and may vary due to the specific nature or reason for the  
5 visit. In all situations, however, the chairperson and a  
6 majority of the committee membership shall be from the  
7 instructional and administrative program specialty staff of  
8 the department of education. Other members may include  
9 instructional and administrative staff from school districts,  
10 area education agencies, institutions of higher education,  
11 local board members and the general public. An accreditation  
12 committee visit to a nonpublic school requires membership on  
13 the committee from nonpublic school instructional or  
14 administrative staff or board members. A member of a  
15 committee shall not have a direct interest in the nonpublic  
16 school or school district being visited.

17 Rules adopted by the state board may include provisions for  
18 coordination of the accreditation process under this section  
19 with activities of accreditation associations.

20 Prior to a visit to a school district or nonpublic school,  
21 members of the accreditation committee shall have access to  
22 all annual accreditation report information filed with the  
23 department by that nonpublic school or school district.

24 After visiting the school district or nonpublic school, the  
25 accreditation committee shall determine whether the  
26 accreditation standards have been met and shall make a report  
27 to the director, together with a recommendation whether the  
28 school district or nonpublic school shall remain accredited.  
29 The accreditation committee shall report strengths and  
30 weaknesses, if any, for each standard and shall advise the  
31 school or school district of available resources and technical  
32 assistance to further enhance strengths and improve areas of  
33 weakness. A school district or nonpublic school may respond  
34 to the accreditation committee's report.

35 11. The director shall review the accreditation

1 committee's report, and the response of the school district or  
2 nonpublic school, and provide a report and recommendation to  
3 the state board along with copies of the accreditation  
4 committee's report, the response to the report, and other  
5 pertinent information. The state board shall determine  
6 whether the school district or nonpublic school shall remain  
7 accredited. If the state board determines that a school  
8 district or nonpublic school should not remain accredited, the  
9 director, in cooperation with the board of directors of the  
10 school district, or authorities in charge of the nonpublic  
11 school, shall establish a plan prescribing the procedures that  
12 must be taken to correct deficiencies in meeting the  
13 standards, and shall establish a deadline date for completion  
14 of the procedures. The plan is subject to approval of the  
15 state board.

16 12. During the period of time specified in the plan for  
17 its implementation by a school district or nonpublic school,  
18 the school or school district remains accredited. The  
19 accreditation committee shall revisit the school district or  
20 nonpublic school and shall determine whether the deficiencies  
21 in the standards have been corrected and shall make a report  
22 and recommendation to the director and the state board. The  
23 state board shall review the report and recommendation, may  
24 request additional information, and shall determine whether  
25 the deficiencies have been corrected. If the deficiencies  
26 have not been corrected, the state board shall merge the  
27 territory of the school district with one or more contiguous  
28 school districts. Division of assets and liabilities of the  
29 school district shall be as provided in sections 275.29  
30 through 275.31. Until the merger is completed, the school  
31 district shall pay tuition for its resident students to an  
32 accredited school district under section 282.24.

33 Sec. 426. NEW SECTION. 256.20 APPROPRIATION FOR SALARIES  
34 FOR AREA SCHOOL EMPLOYEES.

35 1. There is appropriated from the general fund of the

1 state to the department for each fiscal year the sum of three  
2 million five hundred thousand (3,500,000) dollars to be  
3 allocated to the merged area schools for pay adjustments for  
4 full-time and part-time nonadministrative certificated  
5 employees in addition to any agreement negotiated under  
6 chapter 20 or other salary adjustments or agreements. The  
7 allocation shall be distributed in the same proportion as each  
8 school's full-time and part-time nonadministrative  
9 certificated employees are to the total number of full-time  
10 and part-time nonadministrative certificated employees at all  
11 merged area schools. However, the department shall only  
12 allocate moneys to a merged area school under this subsection  
13 if the merged area school provides an equivalent amount from  
14 either additional moneys that were not available to the area  
15 school during the preceding fiscal year or moneys that were  
16 available to the area school during the preceding fiscal year  
17 but were not expended for salaries for full-time and part-time  
18 nonadministrative certificated employees.

19 2. Moneys appropriated in subsection 1 for a pay  
20 adjustment shall be added to the salary of a full-time and  
21 part-time nonadministrative certificated employee and shall  
22 supplement, not supplant, the results of a collective  
23 bargaining agreement negotiated under chapter 20, if any. The  
24 amount of a pay adjustment is for the adjustment of base pay  
25 only.

26 In addition, this subsection applies to pay adjustments  
27 funded by moneys appropriated in 1985 Iowa Acts, chapter 254,  
28 section 2, subsection 1, for the fiscal year beginning July 1,  
29 1986.

30 Sec. 427. Section 261.2, Code 1987, is amended by adding  
31 the following new subsection:

32 NEW SUBSECTION. 10. Prepare and administer the  
33 occupational therapists loan program under this chapter.

34 Sec. 428. Section 261.9, subsection 5, paragraph c, Code  
35 1987, is amended by striking the paragraph and inserting in

1 lies thereof the following:

2 c. Which has met at least thirteen general institutional  
3 requirements of the North Central Association of Colleges and  
4 Secondary Schools accrediting agency by July 1, 1988 and has  
5 met the requirements for candidacy status of the North Central  
6 Association of Colleges and Secondary Schools accrediting  
7 agency by July 1, 1989.

8 Sec. 429. Section 261.17, subsections 1 and 4, Code 1987,  
9 are amended to read as follows:

10 1. A vocational-technical tuition grant may be awarded to  
11 any resident of Iowa who is admitted and in attendance as a  
12 full-time student in a vocational-technical or career option  
13 program at an area school in the state, and who establishes  
14 financial need.

15 4. A vocational-technical tuition grant shall be awarded  
16 on an annual basis, requiring reapplication by the student for  
17 each year. Payments under the grant shall be allocated  
18 equally among the semesters or quarters of the year upon  
19 certification by the institution that the student is in full-  
20 time attendance in a vocational-technical or career option  
21 program, as defined under rules of the department of  
22 education. If the student discontinues attendance before the  
23 end of any term after receiving payment of the grant, the  
24 entire amount of any refund due that student, up to the amount  
25 of any payments made under the annual grant, shall be paid by  
26 the institution to the state.

27 Sec. 430. Section 261.19, Code 1987, is amended to read as  
28 follows:

29 261.19 PAYMENT OF SUBVENTION.

30 The registrar of the college of osteopathic medicine and  
31 surgery shall file, not later than August 1 of each year, a  
32 certificate of enrollment which shall include the number,  
33 names and addresses of all students enrolled, by class, and  
34 shall indicate which students are resident students. ~~If the~~  
35 ~~number-of-resident-students-does-not-equal-thirty-percent-of~~

1 ~~the total enrollment of a class, the commission shall deduct~~  
2 ~~an amount which equals the actual state contribution per~~  
3 ~~student for each class member under the required percentage.~~  
4 The commission shall compute the amount of the subvention and  
5 shall transmit ~~the funds to the college of osteopathic~~  
6 medicine and surgery by August 15 the grant to each qualified  
7 student at the beginning of each semester of each fiscal year  
8 for which funds are appropriated to the commission by the  
9 general assembly. For the fiscal year beginning July 1, 1987,  
10 only second, third, and fourth year students are qualified  
11 students; for the fiscal year beginning July 1, 1988, only  
12 third and fourth year students are qualified students; and for  
13 the fiscal year beginning July 1, 1989, only fourth year  
14 students are qualified students.

15 Sec. 431. Section 261.25, subsections 1 and 2, Code 1987,  
16 are amended to read as follows:

17 1. There is appropriated from the general fund of the  
18 state to the commission for each fiscal year the sum of twenty  
19 twenty-four million six-hundred eight hundred nineteen  
20 thousand eighty-four dollars for tuition grants.

21 2. There is appropriated from the general fund of the  
22 state to the commission for each fiscal year the sum of three  
23 four hundred fifty thousand dollars for scholarships.

24 Sec. 432. Section 261.37, subsection 8, Code 1987, is  
25 amended to read as follows:

26 8. To develop and disseminate informational and  
27 educational materials to lenders, postsecondary institutions  
28 and borrowers. The commission shall provide applicants, as  
29 deemed necessary by the commission, with information about the  
30 past default rate of borrowers by postsecondary institutions.

31 Sec. 433. Section 261.45, unnumbered paragraph 3, Code  
32 1987, is amended to read as follows:

33 There is appropriated from the general fund of the state to  
34 the Iowa college aid commission, the sum of thirty eighty-five  
35 thousand dollars, or as much thereof as is necessary, for the

1 fiscal years beginning July 1, 1983 and July 1, 1984, and the  
2 sum of sixty thousand dollars, or as much thereof as is  
3 necessary, for the fiscal year beginning July 1, 1985 1987 and  
4 each succeeding fiscal year, to make the reimbursement  
5 payments required under this section.

6 Sec. 434. NEW SECTION. 261.46 OCCUPATIONAL THERAPIST  
7 LOAN PAYMENTS.

8 An occupational therapist loan repayment program is  
9 established to be administered by the commission.

10 An occupational therapist is eligible for reimbursement  
11 payments under this section if the individual:

12 1. Has entered into a payment agreement with the  
13 commission on or after July 1, 1987.

14 2. Is a licensed occupational therapist under chapter  
15 148B.

16 3. Is an Iowa resident employed in Iowa as an occupational  
17 therapist as certified by the board of physical and  
18 occupational therapy examiners.

19 4. Has an outstanding debt with an eligible lender under  
20 the Iowa guaranteed student loan program or has parents with  
21 an outstanding debt with an eligible lender under the Iowa  
22 PLUS loan program for the third and fourth years of an  
23 occupational therapist program.

24 The commission shall adopt rules under chapter 17A to  
25 provide for the administration of the program. The maximum  
26 annual reimbursement to an eligible physical therapist for  
27 loan payments made during a year for loans qualifying under  
28 subsection 4 shall be equal to four thousand dollars or the  
29 remainder of a loan, whichever is less. Total payments for an  
30 eligible occupational therapist are limited to a two-year  
31 period and shall not exceed a total of eight thousand dollars.

32 If an occupational therapist fails to complete a year of  
33 employment as provided in subsection 3, the individual shall  
34 not be reimbursed for payments made during that year.

35 Sec. 435. NEW SECTION. 261.85 APPROPRIATION.

1 There is appropriated from the general fund of the state to  
2 the commission for each fiscal year the sum of two million  
3 five hundred thousand dollars for the work-study program.

4 From moneys appropriated in this section, one million five  
5 hundred thousand dollars shall be allocated to institutions of  
6 higher education under the state board of regents and merged  
7 area schools and the remaining one million dollars shall be  
8 allocated by the commission on the basis of need as determined  
9 by the portion of the federal formula for distribution of work  
10 study funds that relates to the current need of institutions.

11 Sec. 436. Section 262.9, subsection 15, Code 1987, is amended  
12 by striking the subsection and inserting in lieu thereof the  
13 following:

14 15. In its discretion, adopt rules relating to the  
15 classification of students enrolled in institutions of higher  
16 education under the board who are residents of Iowa's sister  
17 states as residents or nonresidents for fee purposes.

18 Sec. 437. Section 262.9, Code 1987, is amended  
19 by adding the following new subsection:

20 NEW SUBSECTION. 17. Not less than thirty days prior  
21 to action by the board on any proposal to increase tuition,  
22 fees, or charges at one or more of the institutions of higher  
23 education under its control, send written notification of the  
24 amount of the proposed increase including a copy of the proposed  
25 tuition increase docket memorandum prepared for its considera-  
26 tion to the presiding officers of the student government  
27 organization of the affected institutions. The final de-  
28 cision on the increase in tuition for a fiscal year shall  
29 be made no later than the regular meeting held in November  
30 of the preceding fiscal year. The regular meeting held in  
31 November shall be held in Ames, Cedar Falls, or Iowa City and  
32 shall not be held during the period in which classes have been  
33 suspended for Thanksgiving vacation.

34 Sec. 438. Section 262.44, subsection 1, unnum-  
35 bered paragraph 1, Code 1987, is amended to read as follows:

1 Set aside and use portions of the respective campuses of  
2 the institutions of higher education under its control,  
3 namely, the state university of Iowa, the Iowa state  
4 university of science and technology, and the university of  
5 northern Iowa, as the board determines are suitable for the  
6 acquisition or construction of ~~the following~~ self-liquidating  
7 and revenue producing buildings and facilities which the board  
8 deems necessary for the students and suitable for the purposes  
9 for which the institutions were established including without  
10 limitation: Student unions, recreational buildings,  
11 auditoriums, stadiums, field houses, athletic buildings and  
12 areas, parking structures and areas, electric, heating, sewage  
13 treatment and communication utilities research equipment ~~if~~  
14 ~~the debt incurred in its acquisition will be retired by~~  
15 ~~federal, private, or other lawfully available nonappropriated~~  
16 ~~funds~~ and additions to or alterations of existing buildings  
17 or structures.

18 Sec. 439. Section 273.3, subsection 10, Code 1987, is  
19 amended by striking the subsection.

20 Sec. 440. NEW SECTION. 279.51 PREKINDERGARTEN PROGRAMS.

21 The board of directors of a school district which incurred  
22 a dropout rate of at least one and one-half times the state  
23 average dropout rate during the two immediately preceding  
24 school years and which has received approval to use additional  
25 allowable growth for programs for returning dropouts and  
26 dropout prevention pursuant to section 442.53 may apply for  
27 matching funds to the department for a prekindergarten program  
28 for at-risk students who are four years of age by September 15  
29 of the school year. The funding shall be provided on a one-  
30 to-one matching basis and shall be based on a per-pupil  
31 enrollment in the program. The department shall develop  
32 criteria for the identification of at-risk prekindergarten  
33 children and shall adopt requirements for the prekindergarten  
34 programs. The school district shall provide the program  
35 without charge to children identified as at-risk and eligible

1 by eligibility criteria for free or reduced price meals. The  
2 school district may provide the program to children identified  
3 as at-risk and exceeding the eligibility criteria and to  
4 children not identified as at-risk on a sliding-fee scale  
5 basis based on income of the parent or guardian of the child.

6 The board of directors of a school district shall apply by  
7 November 1 of a school year for the matching funds to be  
8 utilized during the next following school year. The applica-  
9 tion shall include the process of identification of at-risk  
10 prekindergarten students, the costs of additional personnel  
11 and services, plans for parental and grandparental par-  
12 ticipation when appropriate, the evaluation process for the  
13 program, and the annual costs of the program. The department  
14 shall approve the applications deemed appropriate, by February  
15 15 of that school year and shall send written notification of  
16 approval to the school district, the director of the  
17 department of management and the school budget review  
18 committee. The school district may use funds obtained  
19 pursuant to section 442.54 for the matching requirement under  
20 this section.

21 Sec. 441. Section 280A.22, subsection 1, paragraph a, Code  
22 1987, is amended to read as follows:

23 a. In addition to the tax authorized under section  
24 280A.17, the voters in any merged area may at the annual  
25 school election vote a tax not exceeding twenty and one-fourth  
26 cents per thousand dollars of assessed value in any one year  
27 for a period not to exceed ten years for the purchase of  
28 grounds, construction of buildings, payment of debts  
29 contracted for the construction of buildings, purchase of  
30 buildings and equipment for buildings, and the acquisition of  
31 libraries, for the purpose of paying costs of utilities, and  
32 for the purpose of maintaining, remodeling, improving, or  
33 expanding the area vocational school or area community college  
34 of the merged area. If approved, the tax shall be used to pay  
35 the costs of utilities. The tax shall be collected by the

1 county treasurers and remitted to the treasurer of the merged  
2 area as provided in section 331.552, subsection 29. The  
3 proceeds of the tax shall be deposited in a separate and  
4 distinct fund to be known as the voted tax fund, to be paid  
5 out upon warrants drawn by the president and secretary of the  
6 board of directors of the merged area district for the payment  
7 of costs incurred in providing the school facilities for which  
8 the tax was voted.

9 Sec. 442. Section 280A.22, Code 1987, is amended by adding  
10 the following new subsection:

11 NEW SUBSECTION. 1A. The proceeds of the tax voted under  
12 subsection 1, paragraph "a", prior to July 1, 1987 shall be  
13 used for the purposes for which it was approved by the voters  
14 and may be used for the purpose of paying the costs of  
15 utilities.

16 Sec. 443. Section 280A.23, subsection 2, Code 1987, is  
17 amended to read as follows:

18 2. Have authority to determine tuition rates for  
19 instruction. Tuition for residents of Iowa shall not exceed  
20 the lowest tuition rate per semester, or the equivalent,  
21 charged by an institution of higher education under the state  
22 board of regents for a full-time resident student. However,  
23 if a local school district pays tuition for a resident pupil  
24 of high school age, the limitation on tuition for residents of  
25 Iowa shall not apply, the amount of tuition shall be  
26 determined by the board of directors of the area school with  
27 the consent of the local school board, and the pupil shall not  
28 be included in the full-time equivalent enrollment of the area  
29 school for the purpose of computing general aid to the area  
30 school. Tuition for nonresidents of Iowa shall be not less  
31 than one hundred fifty percent and not more than two hundred  
32 percent of the tuition established for residents of Iowa.  
33 Tuition for resident or nonresident students may be set at a  
34 higher figure with the approval of the state board. A lower  
35 tuition for nonresidents may be permitted under a reciprocal

1 tuition agreement between a merged area and an educational  
2 institution in another state, if the agreement is approved by  
3 the state board. The board may designate that portion of the  
4 tuition moneys collected from students be used for student aid  
5 purposes.

6 Sec. 444. Section 282.19, Code 1987, is amended to read as  
7 follows:

8 282.19 CHILD LIVING IN FOSTER CARE FACILITY.

9 A child who is living in a licensed child foster care  
10 facility as defined in section 237.1 in this state which is  
11 located in a school district other than the school district in  
12 which the child resided before receiving foster care may  
13 enroll in and attend an accredited school in the school  
14 district in which the child is living. ~~if a child does not~~  
15 ~~require special education and was not counted in the basic~~  
16 ~~enrollment of a school district for a budget year under~~  
17 ~~section 442.47 the tuition and transportation, when required~~  
18 ~~by law, shall be paid by the treasurer of state from funds in~~  
19 ~~the state treasury not otherwise appropriated, and upon~~  
20 ~~warrants drawn by the director of revenue and finance upon~~  
21 ~~requisition of the director of the department of education.~~  
22 The instructional costs for students who do not require  
23 special education shall be paid as provided in section 282.31,  
24 subsection 1, paragraph "b" or for students who require  
25 special education shall be paid as provided in section 282.31,  
26 subsection 2.

27 Sec. 445. NEW SECTION. 282.28 CHILDREN AT ELDORA AND  
28 TOLEDO.

29 Annually, the area education agency in which the state  
30 training school and the Iowa juvenile home are located and the  
31 department of human services on behalf of the training school  
32 and juvenile home shall submit an annual joint application by  
33 January 1 for the next succeeding school year to the  
34 department of education describing the proposed special  
35 education instructional and support programs and service

1 improvements for the training school and juvenile home. The  
2 department of education shall review and approve or modify the  
3 program and proposed budget by February 1 and shall notify the  
4 area education agency and the department of human services of  
5 the approved budget. The moneys for the approved budget shall  
6 supplement and not supplant moneys equal to the moneys  
7 expended for education for the fiscal year beginning July 1,  
8 1986 by the department of human services. The moneys for the  
9 approved budget shall be used to ensure that the training  
10 school and juvenile home comply with appropriate  
11 administrative rules relating to special education adopted by  
12 the department of education.

13 The area education agency shall submit a claim to the  
14 department of education by August 1 following the school year  
15 for the actual cost of the special education programs and  
16 services provided at the training school and juvenile home.  
17 The department shall review and approve or modify the claims  
18 by September 1 and shall notify the department of revenue and  
19 finance of the approved claim amount. The total amount of the  
20 approved claim shall be paid by the department of revenue and  
21 finance to the area education agency by October 1. The total  
22 amount paid by the department of revenue and finance shall be  
23 deducted monthly from the state foundation aid paid under  
24 section 442.26 during the remainder of that fiscal year to all  
25 school districts in the state. The portion of the total  
26 amount of the approved claim that shall be deducted from the  
27 state aid of a school district shall be the same as the ratio  
28 that the budget enrollment for the budget year of the school  
29 district bears to the total budget enrollment in the state for  
30 that budget year. The department of revenue and finance shall  
31 transfer the total amount of the approved claim from the  
32 moneys appropriated under section 442.26 for payment to the  
33 area education agency.

34 Sec. 446. NEW SECTION. 282.29 CHILDREN PLACED BY  
35 DISTRICT COURT.

1 Notwithstanding section 282.31, subsection 1, a child who  
2 has been identified as requiring special education, who has  
3 been placed in a facility or home by the district court, and  
4 for whom parental rights have been terminated by the district  
5 court, shall be provided special education programs and  
6 services on the same basis as the programs and services are  
7 provided for children requiring special education who are  
8 residents of the school district in which the child has been  
9 placed. The special education instructional costs shall be  
10 paid as provided in section 282.31, subsection 2.

11 Sec. 447. NEW SECTION. 282.30 SPECIAL PROGRAMS.

12 1. a. An area education agency shall provide or make  
13 provision for an appropriate educational program for each  
14 child living in the following types of facilities located  
15 within its boundaries:

16 (1) An approved or licensed shelter care home, as defined  
17 in section 232.2, subsection 31.

18 (2) An approved juvenile detention home, as defined in  
19 section 232.2, subsection 28.

20 b. The area education agency shall provide the educational  
21 program by any one of, but not limited to, the following:

22 (1) Providing for the enrollment of the child in the  
23 district of residence of the child, subject to the approval of  
24 the district in which the child is living.

25 (2) Cooperating with the district of residence of the  
26 child and obtaining the course of study and textbooks of the  
27 child for use in the special facility into which the child has  
28 been placed.

29 (3) Providing for the enrollment of the child in the  
30 district in which the child is living, subject to the approval  
31 of the district in which the child is living.

32 An area education agency shall not provide educational  
33 services to a facility specified in paragraph "a" unless the  
34 facility makes a request for educational services to the area  
35 education agency by December 1 of the school year prior to the

1 beginning of the school year for which the services are being  
2 requested.

3 2. The area education agency where the child is living,  
4 the school district of residence, the other appropriate area  
5 education agency or agencies, and other appropriate agencies  
6 involved with the care or placement of the child shall  
7 cooperate with the school district where the child is living  
8 in sharing educational information, textbooks, curriculum,  
9 assignments, and materials in order to plan and to provide for  
10 the appropriate education of the child living in such facility  
11 specified in subsection 1.

12 Sec. 448. NEW SECTION. 282.31 FUNDING FOR SPECIAL  
13 PROGRAMS.

14 1. a. A child who lives in a facility pursuant to section  
15 282.30, subsection 1, paragraph "a", and who is not enrolled  
16 in the educational program of the district of residence of the  
17 child, shall receive appropriate educational services. The  
18 area education agency shall submit a proposed program and  
19 budget to the department of education by January 1 for the  
20 next succeeding school year. The department of education  
21 shall review and approve or modify the program and proposed  
22 budget and shall notify the area education agency by February  
23 1. The area education agency shall submit a claim to the  
24 department of education by August 1 following the school year  
25 for the actual cost of the program. The department shall  
26 review and approve or modify all expenditures incurred in  
27 compliance with the guidelines pursuant to section 256.7,  
28 subsection 8, and shall notify the department of revenue and  
29 finance of the approved claim amount by September 1. The  
30 total amount of the approved claim shall be paid by the  
31 department of revenue and finance to the area education agency  
32 by October 1. The total amount paid by the department of  
33 revenue and finance shall be deducted monthly from the state  
34 foundation aid paid under section 442.26 during the remainder  
35 of that fiscal year to all school districts in the state. The

1 portion of the total amount of the approved claims that shall  
2 be deducted from the state aid of a school district shall be  
3 the same as the ratio that the budget enrollment for the  
4 budget year of the school district bears to the total budget  
5 enrollment in the state for that budget year. The department  
6 of revenue and finance shall transfer the total amount of the  
7 approved claims from the moneys appropriated under section  
8 442.26 for payment to the area education agencies.

9     b. A child who lives in a facility or home pursuant to  
10 section 282.19, and who does not require special education and  
11 who is not enrolled in the educational program of the district  
12 of residence of the child, shall be included in the basic  
13 enrollment of the school district in which the facility or  
14 home is located.

15     2. a. The actual special education instructional costs  
16 incurred for a child who lives in a facility pursuant to  
17 section 282.19 or for a child who is placed in a facility or  
18 home pursuant to section 282.29, who requires special  
19 education and who is not enrolled in the educational program  
20 of the district of residence of the child but who receives an  
21 educational program from the district in which the facility or  
22 home is located, shall be paid by the district of residence of  
23 the child to the district in which the facility or home is  
24 located, and the costs shall include the cost of  
25 transportation.

26     b. A child shall not be denied special education programs  
27 and services because of a dispute over the determination of  
28 district of residence of the child. The director of the  
29 department of education shall determine the district of  
30 residence when a dispute arises regarding the determination of  
31 the district of residence for a child who requires special  
32 education pursuant to this subsection.

33     3. The actual special education instructional costs,  
34 including transportation, for a child who requires special  
35 education shall be paid by the department of revenue and

1 finance to the school district in which the facility or home  
2 is located, only when a district of residence cannot be  
3 determined, and the child was not included in the weighted  
4 enrollment of any district pursuant to section 281.9, and the  
5 payment pursuant to paragraph "a" was not made by any  
6 district. The district shall submit a proposed program and  
7 budget to the department of education by January 1 for the  
8 next succeeding school year. The department of education  
9 shall review and approve or modify the program and proposed  
10 budget and shall notify the district by February 1. The  
11 district shall submit a claim by August 1 following the school  
12 year for the actual cost of the program. The department shall  
13 review and approve or modify the claim and shall notify the  
14 department of revenue and finance of the approved claim amount  
15 by September 1. The total amount of the approved claim shall  
16 be paid by the department of revenue and finance to the school  
17 district by October 1. The total amount paid by the  
18 department of revenue and finance shall be deducted monthly  
19 from the state foundation aid paid under section 442.26 during  
20 the remainder of that fiscal year to all school districts in  
21 the state. The portion of the total amount of the approved  
22 claims that shall be deducted from the state aid of a school  
23 district shall be the same as the ratio that the budget  
24 enrollment for the budget year of the school district bears to  
25 the total budget enrollment in the state for the budget year.  
26 The department of revenue and finance shall transfer the total  
27 amount of the approved claims from moneys appropriated under  
28 section 442.26 for payment to the school district.

29 4. For purposes of this section, "district of residence"  
30 means the school district in which the parent or legal  
31 guardian of the child resides or the district in which the  
32 district court is located if the district court is the  
33 guardian of the child.

34 5. Programs may be provided throughout the school year and  
35 funded under this section if the school district or area

1 education agency determines a valid educational reason to do  
2 so.

3 Sec. 449. NEW SECTION. 282.32 APPEAL.

4 An area education agency or local school district may  
5 appeal a decision made pursuant to section 282.28 or 282.31 to  
6 the state board of education. The decision of the state board  
7 is final.

8 Sec. 450. Sections 273.11, 281.12, and 282.27, Code 1987,  
9 are repealed.

10 Sec. 451. TRANSITION.

11 1. The expenditures submitted to the department of  
12 education and approved by the department for providing  
13 programs for students residing in a shelter care home or  
14 juvenile detention home by an area education agency for the  
15 school year beginning July 1, 1986 and ending June 30, 1987  
16 shall be paid during the fiscal year beginning July 1, 1987  
17 and ending June 30, 1988 within sixty days after July 1, 1987.  
18 These payments shall be made to area education agencies  
19 pursuant to the payment method within section 282.31.

20 2. Notwithstanding section 282.28, the area education  
21 agency in which the state training school and the Iowa  
22 juvenile home are located and the department of human services  
23 shall submit the joint application for the special education  
24 program to the department of education by August 15, 1987 for  
25 the school year beginning July 1, 1987.

26 3. Notwithstanding section 282.30, a facility specified in  
27 section 282.30, subsection 1, paragraph "a" shall make a  
28 request to be served by an area education agency for the  
29 school year beginning July 1, 1987 by July 10, 1987.

30 Notwithstanding section 282.31, an area education agency or  
31 local school district shall submit a proposed program and  
32 budget for a program under section 282.31 by July 20, 1987 for  
33 the school year beginning July 1, 1987 and ending June 30,  
34 1988.

35 Sec. 452. Section 286A.8, Code 1987, is amended to read as

1 follows:

2 286A.8 LIBRARY FUNCTION COST.

3 The library function cost for a base budget year for an  
4 area school is determined by the department of education by  
5 multiplying the total of the area school's support for the  
6 five instructional cost centers, for the general institutional  
7 support function, for the student services function, and for  
8 the physical plant function for that year by three and thirty-  
9 three hundredths percent, which is the average percent of the  
10 area schools' support expended for the library function cost.

11 The department shall notify the department of management.

12 The foundation support level for the library services  
13 function for an area school for a base year is sixty-five  
14 percent of the area school's library function cost for that  
15 year.

16 ~~For the budget year beginning July 17, 1986 and each~~  
17 ~~succeeding budget year, the foundation support level for the~~  
18 ~~library function for an area school is the foundation support~~  
19 ~~level for the base year plus a library allowable growth~~  
20 ~~amount. The allowable growth amount is determined by the~~  
21 ~~department of education by multiplying the state percent of~~  
22 ~~growth for the budget year by the state average library~~  
23 ~~function cost for the base year for each area school. The~~  
24 ~~department shall notify the department of management.~~

25 Sec. 453. Section 303.83, Code 1987, is amended to read as  
26 follows:

27 303.83 REVENUE FROM CONTRACTS.

28 The board shall retain for its use revenues generated  
29 through contracts with nonprofit organizations or their  
30 affiliated organizations from the use of the educational radio  
31 and television facility and other educational communications  
32 services, and interest earned on all funds credited to the  
33 division except funds appropriated to the division from the  
34 general fund of the state. The administrator may receive  
35 services from other divisions and state agencies.

1 Sec. 454. Section 422.9, subsection 2, Code 1987, is  
2 amended by adding the following new lettered paragraph:

3 NEW LETTERED PARAGRAPH. Add the amount the taxpayer has  
4 paid to others, not to exceed one thousand dollars for each  
5 dependent in grades kindergarten through twelve, for tuition  
6 and textbooks of each dependent in attending an elementary or  
7 secondary school situated in Iowa, which school is accredited  
8 or approved under section 256.11, which is not operated for  
9 profit, and which adheres to the provisions of the United  
10 States Civil Rights Act of 1964 and chapter 601A. As used in  
11 this paragraph, "textbooks" means books and other  
12 instructional materials and equipment used in elementary and  
13 secondary schools in teaching only those subjects legally and  
14 commonly taught in public elementary and secondary schools in  
15 this state and does not include instructional books and  
16 materials used in the teaching of religious tenets, doctrines,  
17 or worship, the purpose of which is to inculcate those tenets,  
18 doctrines, or worship, and does not include books or materials  
19 for extracurricular activities including sporting events,  
20 musical or dramatic events, speech activities, driver's  
21 education, or programs of a similar nature.

22 Sec. 455. Section 422.12, Code 1987, is amended by adding  
23 the following new subsection:

24 NEW SUBSECTION. For those who do not itemize their  
25 deduction, a tuition credit equal to five percent of the first  
26 one thousand dollars which the taxpayer has paid to others for  
27 each dependent in grades kindergarten through twelve, for  
28 tuition and textbooks of each dependent in attending an  
29 elementary or secondary school situated in Iowa, which school  
30 is accredited or approved under section 256.11, which is not  
31 operated for profit, and which adheres to the provisions of  
32 the United States Civil Rights Act of 1964 and chapter 601A.  
33 As used in this paragraph, "textbooks" means books and other  
34 instructional materials and equipment used in elementary and  
35 secondary schools in teaching only those subjects legally and

1 commonly taught in public elementary and secondary schools in  
2 this state and does not include instructional books and  
3 materials used in the teaching of religious tenets, doctrines,  
4 or worship, the purpose of which is to inculcate those tenets,  
5 doctrines, or worship, and does not include books or materials  
6 for extracurricular activities including sporting events,  
7 musical or dramatic events, speech activities, driver's  
8 education, or programs of a similar nature. Notwithstanding  
9 any other provision, all other credits allowed under section  
10 422.10 through 422.12 shall be deducted before the tuition  
11 credit under this subsection.

12 Sec. 456. Section 427.1, Code 1987, is amended by adding  
13 the following new subsection:

14 NEW SUBSECTION. 40. PUBLIC TELEVISION STATION. All  
15 grounds and buildings used or under construction for a public  
16 television station and not leased or otherwise used or under  
17 construction for pecuniary profit.

18 Sec. 457. NEW SECTION. 442.55 PREKINDERGARTEN PROGRAMS.

19 A school district may include in its plans submitted under  
20 section 442.51 provision for the operation of prekindergarten  
21 programs under section 279.51. Following approval by the  
22 department under section 442.53, the school district may  
23 expend moneys from the budget of an approved plan for the  
24 matching money requirements for a prekindergarten program  
25 under section 279.51.

26 Sec. 458. Section 476.23, subsection 3, Code 1987, is  
27 amended to read as follows:

28 3. Notwithstanding subsections 1 and 2 of this section,  
29 any electric utility may extend electric service and  
30 transmission lines to its own utility property and facilities  
31 and property and facilities under the state board of regents.

32 Sec. 459. All federal grants to and the federal receipts  
33 of agencies appropriated funds under this division of this Act  
34 are appropriated for the purposes set forth in such federal  
35 grants or receipts.



SENATE FILE 511

329

1 Amend Senate File 511 as follows:  
2 1. Page 30, by inserting after line 20 the  
3 following:  
4 "Sec. \_\_\_\_ Chapter 109, Code 1987, is amended by  
5 adding the following new section:  
6 NEW SECTION. 109.10A FARMER ADVISORY COMMITTEE.  
7 The director shall establish a farmer advisory  
8 committee for the purpose of providing information to  
9 the department regarding crop and tree damage caused  
10 by deer, wild turkey, and other predators. The  
11 committee shall serve without compensation or  
12 reimbursement for expenses."

S-3829

Filed April 27, 1987

BY FORREST SCHWENGELS

*Adopted 4/28/87 (p. 1576)*

SENATE FILE 511

S-3830

1 Amend Senate File 511 as follows:  
2 1. Page 42, by striking lines 17 through 20.  
3 2. By striking page 69, line 18 through page 70,  
4 line 20.  
5 3. Page 81, by striking lines 18 through 25.  
6 4. Renumber sections and correct internal  
7 references as necessary.

S-3830

Filed April 27, 1987

BY JOHN W. JENSEN

*Lost 4/28 (p. 1569)*

SENATE FILE 511

S-3831

1 Amend Senate File 511 as follows:  
2 1. Page 37, by inserting after line 35 the  
3 following:  
4 " \_\_\_\_ For the historical di-  
5 vision for capital improvements  
6 and operational contract services  
7 for the Matthew Edel blacksmith  
8 shop in Haverhill ..... \$ 30,000"  
9 2. Renumber sections and correct internal  
10 references as necessary in accordance with this  
11 amendment.

S-3831

Filed April 27, 1987

BY JOHN E. SOORHOLTZ

*4/28 4/28 (p. 1561)*

SENATE FILE 511

S-3823

1 Amend Senate File 511 as follows:

2 1. Page 64, by striking line 4, and inserting the  
3 following: "full-time nonadministrative".

4 2. Page 64, by striking lines 7 through 18 and  
5 inserting the following: "allocation shall be  
6 distributed to merged area schools as follows:

7	a. Merged Area I .....	\$	134,454
8	b. Merged Area II .....	\$	171,821
9	c. Merged Area III .....	\$	127,785
10	d. Merged Area IV .....	\$	47,919
11	e. Merged Area V .....	\$	401,485
12	f. Merged Area VI .....	\$	141,477
13	g. Merged Area VII .....	\$	164,296
14	h. Merged Area IX .....	\$	184,832
15	i. Merged Area X .....	\$	278,390
16	j. Merged Area XI .....	\$	966,727
17	k. Merged Area XII .....	\$	114,094
18	l. Merged Area XIII .....	\$	470,076
19	m. Merged Area XIV .....	\$	54,765
20	n. Merged Area XV .....	\$	134,631
21	o. Merged Area XVI .....	\$	107,248".

22 3. Page 64, line 20, by striking the word "and".

23 4. Page 64, by striking line 21, and inserting  
24 the following: "nonadministrative employee and  
25 shall".

S-3823

Filed April 27, 1987

*Adopted 4/28/87 (1572)*  
JACK NYSTROM  
LEONARD L. BOSWELL  
WILMER RENSINK

BY WALLY E. HORN  
CALVIN O. HULTMAN  
EMIL J. HUSAK  
MICHAEL E. GRONSTAL  
DAVID M. READINGER

SENATE FILE 511

S-3824

1 Amend Senate 511 as follows:

2 1. By striking page 80, line 1 through page 81,  
3 line 11.

4 2. Page 82, by striking lines 5 through 7 and  
5 inserting the following: "their enactment."

S-3824

Filed April 27, 1987

*Loss 4/28 (p. 1574)*

BY JACK RIFE

SENATE FILE 511

S-3825

1 Amend Senate File 511 as follows:

2 1. Page 81, by striking lines 26 through 31.

S-3825

Filed April 27, 1987

*Adopted 4/28/87 (p. 1575)*

BY MICHAEL E. GRONSTAL

SENATE 14  
April 28, 1987

SENATE FILE 511

S-3837

1 Amend Senate File 511 as follows:

2 1. Page 23, by striking lines 20 through 23 and  
3 inserting the following: "the position of state  
4 ecologist."

5 2. Page 30, by inserting after line 20 the  
6 following:

7 "Sec. 216. Section 93.7, subsections 1, 2, 3, 4,  
8 5, 6, 9, 11, 12, 13, and 14, Code 1987, are amended by  
9 striking the subsections.

10 Sec. 217. Section 93.7, subsection 10, is amended  
11 to read as follows:

12 10. Promulgate rules necessary to carry out the  
13 provisions of this chapter, subject to review in  
14 accordance with chapter 17A. ~~Rules promulgated by the~~  
15 ~~governor pursuant to a proclamation issued under the~~  
16 ~~provisions of section 93-8 shall not be subject to~~  
17 ~~review or a public hearing as required in chapter 17A,~~  
18 ~~however, agency rules for implementation of the~~  
19 ~~governor's proclamation are subject to the~~  
20 ~~requirements of chapter 17A.~~

21 Sec. 218. Section 323A.2, subsection 1, paragraph  
22 c, Code 1987, is amended by striking the paragraph.

23 Sec. 219. Section 556.18, subsection 3, Code 1987,  
24 is amended to read as follows:

25 3. After July 1, 1983, the treasurer of state  
26 shall credit all funds received under section 556.4,  
27 after a proportional amount has been deducted for the  
28 trust fund under subsection 1 and any costs have been  
29 deducted under subsection 2, to the ~~energy-research~~  
30 ~~and-development~~ petroleum overcharge fund created  
31 under section ~~93-14~~ 93.15.

32 Sec. 220. Section 805.8, subsection 8, Code 1987,  
33 is amended by striking the subsection.

34 Sec. 221. Sections 93.8 through 93.10, 93.14,  
35 93.16, and 93.21 through 93.30, Code 1987, are  
36 repealed."

S-3837

Filed April 27, 1987

BY EDGAR H. HOLDEN

*W/D 4/28 (p. 1560)*

SENATE FILE 511

S-3836

1 Amend Senate File 511 as follows:

2 1. Page 34, line 27, by striking the word "division"  
3 and inserting in lieu thereof the word "college".

S-3836

Filed April 27, 1987

BY LEONARD L. BOSWELL

*Adopted 4/28/87 (p. 1561)*

SENATE 12  
April 28, 1987

SENATE FILE 511

S-3832

- 1 Amend Senate File 511 as follows:
- 2 1. Page 51, line 20, by inserting after the word
- 3 "regents" the following: ", of which five hundred
- 4 thousand (500,000) dollars shall be expended for the
- 5 meat export technology and policy center".

S-3832

Filed April 27, 1987

BY WILLIAM W. DIELEMAN

*Just 4/28 (p. 1570)*

LEE W. HOLT  
JOHN SOORHOLTZ  
BERL E. PRIEBE  
JACK W. HESTER

LEONARD BOSWELL  
JOHN W. JENSEN  
EUGENE FRAISE

SENATE FILE 511

S-3833

- 1 Amend Senate File 511 as follows:
- 2 1. Page 1, line 35, by striking the figure
- 3 "68,246" and inserting the following: "79,554".

S-3833

Filed April 27, 1987

BY BERL E. PRIEBE

*Adopted 4/28/87 (p. 1559)*

JOHN W. JENSEN

SENATE FILE 511

S-3834

- 1 Amend Senate File 511 as follows:
- 2 1. Page 37, line 35, by striking the figure
- 3 "1,412,685" and inserting the following: "1,442,685".

S-3834

Filed April 27, 1987

BY JOE WELSH

*Adopted 4/28/87 (p. 1561)*

JOHN SOORHOLTZ

SENATE FILE 511

S-3835

- 1 Amend Senate File 511 as follows:
- 2 1. Page 33, by inserting after line 25 the
- 3 following:
- 4 " \_\_\_\_ . The division of financial assistance of the
- 5 department of economic development shall maintain a
- 6 list of all state programs, grants, and other
- 7 assistance available to the political subdivisions of
- 8 the state. The division shall work with other state
- 9 agencies in developing the list, including but not
- 10 limited to, the department of management, the
- 11 department of natural resources, the Iowa department
- 12 of public health, and the department of human
- 13 services."

S-3835

Filed April 27, 1987

BY MICHAEL E. GRONSTAL

*Adopted 4/28/87 (p. 1561)*

SENATE FILE 511

S-3840

1 Amend Senate File 511 as follows:  
 2 1. Page 32, by inserting after line 11 the  
 3 following:  
 4 "Of the funds appropriated under this subsection,  
 5 fifteen thousand (15,000) dollars, or so much thereof  
 6 as is necessary, shall be used for the construction of  
 7 a storage and multi-use facility in Stone City, Iowa  
 8 for the storage of replicas of Grant Wood ice wagons  
 9 in which artists lived in Stone City, Iowa. The funds  
 10 available under this unnumbered paragraph shall be  
 11 matched on a dollar-for-dollar basis with moneys or  
 12 in-kind contributions from other sources.  
 13 Of the funds appropriated under this subsection,  
 14 twenty-five thousand (25,000) dollars, or so much  
 15 thereof as is necessary, shall be used for providing a  
 16 permanent Grant Wood information center and art  
 17 gallery in Anamosa, Iowa. The funds available under  
 18 this unnumbered paragraph shall be matched on a  
 19 dollar-for-dollar basis with moneys or in-kind  
 20 contributions from other sources."

S-3840

Filed April 27, 1987

BY BEVERLY A. HANNON

*Adopted as amended by 5864  
4/28/87 (p. 1566)*

SENATE FILE 511

S-3841

1 Amend Senate File 511 as follows:  
 2 1. Page 43, by inserting after line 21 the  
 3 following:  
 4 "11A. LAW-RELATED EDUCATION  
 5 CENTERS.  
 6 To provide funds for the sup-  
 7 port of existing law-related  
 8 education centers ..... \$ 50,000  
 9 Funds appropriated by this subsection are to be  
 10 used to support existing programs, including but not  
 11 limited to, training seminars and workshops in law-  
 12 related education, summer institutes relating to law-  
 13 related education methodology and substance, and mock  
 14 trial competitions for junior and senior high school  
 15 students."

S-3841

Filed April 27, 1987

BY TOM MANN, JR.

*Done 4/28 (p. 1571)*

SENATE FILE 511

S-3842

1 Amend Senate File 511 as follows:  
 2 1. Page 15, by striking lines 30 through 32.  
 3 2. Page 16, line 12, by striking the word  
 4 "commission" and inserting the following: "governor".  
 5 3. Page 16, line 13, by striking the word  
 6 "commission" and inserting the following: "governor".

S-3842

Filed April 27, 1987

BY ROBERT M. CARR

*Adopted 4/28/87 (p. 1554)*

SENATE FILE 511

S-3838

1 Amend Senate File 511 as follows:  
 2 1. Page 27, by inserting after line 31 the  
 3 following:  
 4 "Sec. \_\_\_\_\_. There is appropriated from the general  
 5 fund of the state to the department of natural  
 6 resources for the payment of assessments to the  
 7 midwest interstate low-level radioactive waste compact  
 8 the following amounts, or so much thereof as is  
 9 necessary, for the fiscal periods indicated:  
 10 1. Assessment for the fiscal year beginning  
 11 July 1, 1986 and ending June 30, 1987 ..... \$ 45,000  
 12 2. Assessment for the fiscal year beginning  
 13 July 1, 1987 and ending June 30, 1988 ..... \$ 60,000".  
 14 2. Page 82, line 3, by inserting after the word  
 15 "Sections" the following: "207,".

S-3838

Filed April 27, 1987  
*Adopted 4/28/87 (p. 1576)*

BY JAMES R. RIORDAN

SENATE FILE 511

S-3839

1 Amend Senate File 511 as follows:  
 2 1. Page 24, by inserting after line 12 the  
 3 following:  
 4 "5. It is the intention of the general assembly in  
 5 adopting the appropriation under subsection 1 and this  
 6 subsection to cease funding for the department's  
 7 implementation of the federal Resource Conservation  
 8 and Recovery Act permit program for hazardous waste  
 9 facilities in this state. Section 455B.411,  
 10 subsections 6, 9, and 10, section 455B.412,  
 11 subsections 2 through 4, and sections 455B.413 through  
 12 455B.421 are suspended and do not apply as they  
 13 pertain to that permit program, but are not suspended  
 14 and do apply as they pertain to abandoned and  
 15 uncontrolled sites, used oil, and site licensing under  
 16 chapter 455B, division IV, part 6. The suspension  
 17 provided by this subsection begins July 1, 1987 and  
 18 ends June 30, 1989."

S-3839

Filed April 27, 1987  
*Adopted 4/28/87 (p. 1576)*

BY MICHAEL E. GRONSTAL

SENATE FILE 511

S-3850

1 Amend Senate File 511 as follows:

2 1. Page 41, line 18, by striking the word "For"

3 and inserting the following:

4 "1. For".

5 2. Page 41, by inserting after line 21 the

6 following:

7 "2. For salaries and support for

8 two additional full-time equivalent

9 state consultant positions to assist in

10 the implementation and improvement of

11 secondary school vocational agriculture

12 programs ..... \$ 80,000".

S-3850

Filed April 27, 1987

BY WILMER RENSINK

*Placed o/c 4/28 (p. 1568)*

SENATE FILE 511

S-3852

1 Amend Senate File 511 as follows:

2 1. Page 18, by striking lines 14 through 16.

S-3852

Filed April 27, 1987

BY JAMES R. RIORDAN

*Lead 4/28 (p. 1559)*

SENATE FILE 511

S-3843

- 1 Amend the amendment, S-3823, to Senate File 511 as
- 2 follows:
- 3 1. Page 1, line 4, by striking the figure "18"
- 4 and inserting the following: "11".
- 5 2. Page 1, by inserting after line 21 the
- 6 following:
- 7 "However, the department shall only".

S-3843

Filed April 27, 1987  
*Rec'd 4/28 (p. 1571)*

BY RICHARD VARN

SENATE FILE 511

S-3847

- 1 Amend Senate File 511 as follows:
- 2 1. Page 1, line 14, by striking the figure
- 3 "1,308,292" and inserting in lieu thereof the figure
- 4 "1,268,292".

S-3847

Filed April 27, 1987  
*Rec'd 4/28 (p. 1559)*

BY JOHN W. JENSEN

SENATE FILE 511

S-3848

- 1 Amend Senate File 511 as follows:
- 2 1. Page 30, line 35, by striking the figure
- 3 "1,771,788" and inserting in lieu thereof the
- 4 following: "1,691,788".
- 5 2. Page 31, line 9, by striking the word "five"
- 6 and inserting in lieu thereof the following: "six".
- 7 3. Page 31, line 10, by striking the figure
- 8 "239,533" and inserting in lieu thereof the following:
- 9 "319,533".
- 10 4. Page 31, line 17, by striking the word "eight"
- 11 and inserting in lieu thereof the word "nine".

S-3848

Filed April 27, 1987  
*Adopted 4/28/87 (p. 1560)*

BY LEONARD L. BOSWELL

SENATE FILE 511

S-3849

- 1 Amend Senate File 511 as follows:
- 2 1. Page 41, line 18, by striking the word "For"
- 3 and inserting the following:
- 4 "1. For".
- 5 2. Page 41, by inserting after line 21 the
- 6 following:
- 7 "2. For salaries and support for
- 8 one additional full-time equivalent
- 9 state consultant position to assist in
- 10 the implementation and improvement of
- 11 secondary school vocational agriculture
- 12 programs ..... \$ 40,000".

S-3849

Filed April 27, 1987  
*Placed o/c 4/28 (p. 1568)*

BY WILMER RENSINK

SENATE FILE 511

S-3853

1 Amend Senate File 511 as follows:

2 1. Page 39, by inserting after line 6 the  
3 following:

4 "Sec. \_\_\_\_ . There is appropriated from the general  
5 fund of the state to the department of cultural  
6 affairs for the historical division for the fiscal  
7 year beginning July 1, 1987 and ending June 30, 1988  
8 the sum of one hundred twenty-five thousand (125,000)  
9 dollars, or so much thereof as is necessary, to  
10 acquire by negotiated sale part of the land  
11 encompassing the Blood Run national historic landmark  
12 in Lyon county, Iowa."

B

13 2. Page 59, by inserting after line 25 the  
14 following:

15 "Sec. \_\_\_\_ . 1986 Iowa Acts, chapter 1246, section  
16 2, unnumbered paragraph 1, is amended to read as  
17 follows:

18 There is appropriated from the general fund of the  
19 state to the department of cultural affairs for the  
20 historical division for the fiscal period beginning  
21 July 1, 1986 and ending June 30, 1988 the sum of one  
22 hundred twenty-five thousand (125,000) dollars, or so  
23 much thereof as is necessary, to acquire by negotiated  
24 sale part of the land encompassing the Blood Run  
25 national historic landmark in Lyon county, Iowa. This  
26 appropriation shall be matched by revenue from other  
27 sources."

A

28 3. Renumber sections and correct internal  
29 references as necessary.

S-3853

Filed April 28, 1987

BY RICHARD VANDE HOEF

A - ADOPTED (p. 1541)

B - WITHDRAWN (p. 1541)

SENATE FILE 511

S-3856

1 Amend Senate File 511 as follows:

2 1. Page 57, by inserting after line 6 the  
3 following:

4 "Sec. \_\_\_\_ . The director of the department of  
5 education shall review the number and type of  
6 consultant positions that can be funded with moneys  
7 appropriated under section 405, subsections 1 and 2,  
8 of this Act, and report to the general assembly by  
9 January 15, 1988 if additional consultant positions  
10 are needed and the costs associated with their  
11 employment."

12 2. By numbering and renumbering sections as  
13 necessary.

S-3856

Filed April 28, 1987

BY WILMER RENSINK

ADOPTED (p. 1571)

SENATE FILE 511

S-3857

Amend Senate File 511 as follows:

1. Page 14, line 34, by striking the word and
- 2 figures "19, 20, and 21" and inserting the following:
- 3 "119, 120, and 121".
- 4

S-3857

Filed April 28, 1987

BY JOE J. WELSH

ADOPTED (p. 15.54)

SENATE FILE 511

S-3863

1 Amend Senate File 511 as follows:

2 1. Page 20, by inserting after line 1 the  
3 following:

4 "Notwithstanding chapters 198, 200, 201, and 206,  
5 the secretary of agriculture may increase fees and  
6 tonnage taxes by rule sufficient to cover the cost of  
7 administering the fertilizer and pesticide sections  
8 and the commercial feed programs of the laboratory  
9 division of the department. The department shall  
10 report any proposed fee or tonnage tax increase to the  
11 legislative council prior to its adoption. The  
12 department shall report to the legislative fiscal  
13 bureau and the department of management monthly as to  
14 the disposition of the fee and tonnage tax receipts.  
15 The department of agriculture and land stewardship  
16 shall report to the agriculture and natural resources  
17 appropriation subcommittee by February 1, 1988 on the  
18 amounts of the fee and tonnage tax increases and the  
19 projected expenses."

20 2. Page 20, by inserting after line 14 the  
21 following:

22 "Notwithstanding chapter 83A, the secretary of  
23 agriculture may increase fees by rule. The department  
24 shall report any proposed fee increase to the  
25 legislative council prior to its adoption. The  
26 increase in the fee receipts shall not exceed forty-  
27 two thousand seven hundred fifty (42,750) dollars.  
28 The amount of the fee increase will be retained by the  
29 department and used to fund the position of a noncoal  
30 mines inspector. The department shall report to the  
31 legislative fiscal bureau and the department of  
32 management monthly as to the disposition of the fee  
33 receipts. The department of agriculture and land  
34 stewardship shall report to the agriculture and  
35 natural resources appropriations subcommittees by  
36 February 1, 1988 on the amounts of the fee increases  
37 and the projected expenses."

S-3863

Filed April 28, 1987

BY JAMES R. RIORDAN

RULED OUT OF ORDER (p. 1566)

SENATE FILE 511

S-3858

- 1 Amend amendment S-3840 to Senate File 511 as
- 2 follows:
- 3 1. Page 1, line 6, by striking the word "shall"
- 4 and inserting in lieu thereof the word "may".

S-3858

Filed April 28, 1987

BY LEONARD L. BOSWELL

WITHDRAWN (p. 1560)

SENATE FILE 511

S-3859

- 1 Amend Senate File 511 as follows:
- 2 1. Page 36, line 18, by inserting after the word
- 3 "to:" the following: "representatives of the State
- 4 University of Iowa, representatives of the University
- 5 of Northern Iowa."

S-3859

Filed April 28, 1987

BY JIM LIND

ADOPTED (p. 1561)

JOY C. CORNING

RICHARD VARN

JEAN LLOYD-JONES

SENATE FILE 511

S-3860

- 1 Amend Senate File 511 as follows:
- 2 1. Page 30, by inserting after line 20 the
- 3 following:
- 4 "Sec. 216. NEW SECTION. 321.416 LIGHTING BY LAW
- 5 ENFORCEMENT VEHICLES OF CONSERVATION OFFICERS AND
- 6 SIGNALING REQUIREMENTS.
- 7 The required usage of lighting devices set out in
- 8 sections 321.384 through 321.409 and section 321.415,
- 9 and sections 321.314 through 321.318 do not apply to
- 10 official law enforcement vehicles operated by
- 11 conservation officers appointed under section 107.13,
- 12 while these vehicles are being used in attempting to
- 13 apprehend suspected criminals."

S-3860

Filed April 28, 1987

BY JIM LIND

WITHDRAWN (p. 1576)

HURLEY W. HALL

SENATE FILE 511

S-3868

- 1 Amend Senate File 511 as follows:
- 2 1. Page 39, by striking lines 21 through 25.
- 3 2. Page 67, by striking lines 6 through 34.
- 4 3. Page 68, by striking line 34 through page 69,
- 5 line 17.

S-3868

Filed April 28, 1987

BY JULIA GENTLEMAN

LOST (p. 1561)

SENATE FILE 511

3865

1 Amend Senate File 511 as follows:

2 1. Page 43, line 30, by striking the word "fifty-  
3 three" and inserting the following: "fifty-two".

4 2. By striking page 43, line 31 through page 44,  
5 line 12 and inserting the following: "seven hundred  
6 seventy-seven thousand three hundred nine (52,777,309)  
7 dollars to be allocated as follows:

8	a. Merged Area I .....	\$ 2,436,434
9	b. Merged Area II .....	\$ 2,952,226
10	c. Merged Area III .....	\$ 2,831,298
11	d. Merged Area IV .....	\$ 1,362,535
12	e. Merged Area V .....	\$ 3,241,957
13	f. Merged Area VI .....	\$ 3,142,360
14	g. Merged Area VII .....	\$ 4,214,363
15	h. Merged Area IX .....	\$ 4,345,039
16	i. Merged Area X .....	\$ 7,057,496
17	j. Merged Area XI .....	\$ 6,854,784
18	k. Merged Area XII .....	\$ 3,099,604
19	l. Merged Area XIII .....	\$ 3,342,548
20	m. Merged Area XIV .....	\$ 1,367,270
21	n. Merged Area XV .....	\$ 4,018,116
22	o. Merged Area XVI .....	\$ 2,511,279".

23 3. Page 44, by striking lines 17 and 18 and  
24 inserting the following: "million six hundred  
25 eighteen thousand eight hundred forty-five  
26 (22,618,845) dollars, to be accrued as income and  
27 used".

28 4. By striking page 44, line 22, through page 45,  
29 line 1, and inserting the following:

30	"1. Merged Area I .....	\$ 1,044,186
31	2. Merged Area II .....	\$ 1,265,240
32	3. Merged Area III .....	\$ 1,213,414
33	4. Merged Area IV .....	\$ 583,943
34	5. Merged Area V .....	\$ 1,389,410
35	6. Merged Area VI .....	\$ 1,346,726
36	7. Merged Area VII .....	\$ 1,806,155
37	8. Merged Area IX .....	\$ 1,862,159
38	9. Merged Area X .....	\$ 3,024,641
39	10. Merged Area XI .....	\$ 2,937,764
40	11. Merged Area XII .....	\$ 1,328,402
41	12. Merged Area XIII .....	\$ 1,432,520
42	13. Merged Area XIV .....	\$ 585,973
43	14. Merged Area XV .....	\$ 1,722,050
44	15. Merged Area XVI .....	\$ 1,076,262".

45 5. Page 45, line 35, by striking the words "and  
46 to" and inserting the following: ", to".

47 6. Page 46, line 1, by inserting after the word  
48 "bureau" the following: ", and to the department of  
management".

7. Page 51, line 6, by striking the word "six"

A

S-3865 pg. 2

- 1 and inserting the following: "seven".
- 2 8. Page 52, line 9, by striking the words "four
- 3 point five" and inserting the following: "eleven".
- 4 9. Page 52, by striking lines 22 through 24 and
- 5 inserting the following: "three hundred twenty-four
- 6 full-time equivalent".
- 7 10. Page 55, line 32, by striking the figure "8"
- 8 and inserting the following: "408".
- 9 11. By striking page 56, line 29 through page 57,
- 10 line 1.
- 11 12. Page 57, by inserting after line 35 the
- 12 following:
- 13 "Sec. \_\_\_\_\_. The state historical society,
- 14 historical division of the department of cultural
- 15 affairs, may sell all or a portion of lot 6, in block
- 16 45, in Iowa City, Iowa, and the proceeds from the sale
- 17 are appropriated to the historical division of the
- 18 department of cultural affairs."
- 19 13. Page 65, by striking lines 2 through 7 and
- 20 inserting the following:
- 21 "c. Which was eligible to participate in the
- 22 tuition grant program during the school year beginning
- 23 July 1, 1986 under section 261.9, subsection 5,
- 24 paragraph "c", Code 1987, and continues to be eligible
- 25 under that paragraph during the school year beginning
- 26 July 1, 1987, and which is making satisfactory
- 27 progress to achieve accreditation from the North
- 28 Central Association of Colleges and Secondary Schools
- 29 accrediting agency, and the institution meets the
- 30 thirteen general institutional requirements of the
- 31 North Central Association of Colleges and Secondary
- 32 Schools accrediting agency by July 1, 1988 and meets
- 33 the requirements for candidacy status of the North
- 34 Central Association of Colleges and Secondary Schools
- 35 accrediting agency by July 1, 1989, and attains full
- 36 accreditation under a time period established by the
- 37 North Central Association."
- 38 14. Page 70, by striking lines 34 and 35 and in-
- 39 sserting the following: "of the merged area. If the
- 40 tax levy is approved under this section, the costs of
- 41 utilities shall be paid from the proceeds of the levy.
- 42 The tax shall be collected by the".
- 43 15. Page 72, line 26, by striking the word and
- 44 figure "subsection 2" and inserting the following:
- 45 "subsections 2 or 3".
- 46 16. Page 74, line 10, by striking the word and
- 47 figure "subsection 2" and inserting the following:
- 48 "subsections 2 or 3".
- 49 17. Page 77, line 34, by striking the words
- 50 "throughout the school year" and inserting the

A

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A

1 following: "during the summer".

2 18. Page 80, line 3, by inserting after the word  
3 "PARAGRAPH." the following: "g."

4 19. Page 80, line 24, by inserting after the word  
5 "SUBSECTION." the following: "4."

6 20. Page 81, by inserting after line 17 the fol-  
7 lowing:

8 "Sec. \_\_\_\_ . Section 427A.12, subsection 6, Code  
9 1987, is amended to read as follows:

10 6. For each state fiscal year beginning on or  
11 after July 1, 1987, each taxing district shall be  
12 reimbursed from the personal property tax replacement  
13 fund in an amount equal to its personal property tax  
14 replacement base. However, the treasurer of state  
15 shall deduct the costs of implementing sections 422.9,  
16 subsection 2, paragraph "g", and 422.12, subsection 4,  
17 from the payments made to school districts as taxing  
18 districts under this subsection. The payments to  
19 school districts shall be reduced proportionally based  
20 upon annual estimates transmitted to the treasurer of  
21 state by the department of revenue and finance. For  
22 each state fiscal year beginning on or after July 1,  
23 1988, the department of revenue and finance shall  
24 determine the actual costs for the previous state  
25 fiscal year and adjust its estimates for the next  
26 fiscal year accordingly.

B

27 Sec. \_\_\_\_ . Section 442.2, subsection 3, Code 1987,  
28 is amended to read as follows:

29 3. The amount that would have been paid to each  
30 school district from the personal property tax  
31 replacement fund established by sections 427A.9 to  
32 427A.14 under section 427A.12, subsection 6, without  
33 subtracting the reduction made under that subsection  
34 shall be regarded as property tax. For budget years  
35 beginning after the year in which the ninth increase  
36 in the additional personal property tax credit becomes  
37 effective as provided in said sections, the portion of  
38 the payment which is foundation property tax shall be  
39 determined by applying the foundation property tax  
40 rate to the total actual value of all personal  
41 property assessed for taxation in the district as of  
42 January 1, 1979, excluding livestock, but including  
43 other personal property eligible for tax credits  
44 granted by sections 427A.9 to 427A.14. For budget  
45 years to and including the year in which the ninth  
46 increase in the additional personal property tax  
47 credit becomes effective as provided in said sections,  
48 the portion of the payment which is foundation  
49 property tax shall be determined by the department of  
50 management pursuant to uniform methods established by

S-3865 pg. 4

1 the department."

S-3865

Filed April 28, 1987

BY RICHARD VARN

A & B - ADOPTED (p. 1569)

MOTION TO RECONSIDER A & B - PREVAILED (p. 1573)

A - ADOPTED B - LOST

SENATE 6  
April 29, 1987

SENATE FILE 511

S-3861

- 1 Amend Senate File 511 as follows:
- 2 1. Page 29, line 7, by striking the word
- 3 "growing" and inserting the following: "production,
- 4 marketing, and distribution".
- 5 2. Page 29, line 11, by striking the word
- 6 "growing" and inserting the following: "production,
- 7 marketing, and distribution".
- 8 3. Page 29, line 14, by striking the word
- 9 "growing" and inserting the following: "production,
- 10 marketing, and distribution".

S-3861

Filed April 28, 1987

BY JIM LIND

LOST (p. 1575)

SENATE FILE 511

S-3862

- 1 Amend Senate File 511 as follows:
- 2 1. Page 39, lines 33 and 34, by striking the
- 3 words and figure "three hundred forty-eight thousand
- 4 seven hundred fifty (348,750)" and inserting the
- 5 following: "seven hundred twenty-five thousand four
- 6 hundred ten (725,410)".
- 7 2. Page 40, line 2, by inserting after the figure
- 8 "261.19." the following: "Notwithstanding section
- 9 261.19, for the fiscal year beginning July 1, 1987,
- 10 the subvention shall be used for the admission and
- 11 education of students enrolled in each of the four
- 12 years of classes in the college of osteopathic
- 13 medicine and surgery."
- 14 3. By striking page 59, line 26 through page 60,
- 15 line 9.
- 16 4. By striking page 65, line 27 through page 66,
- 17 line 14.
- 18 5. Renumber sections and correct internal
- 19 references as necessary.

S-3862

Filed April 28, 1987

BY DAVID M. READINGER

ADOPTED (p. 1563)

SENATE FILE 511

S-3864

- 1 Amend amendment S-3840 to Senate File 511 as
- 2 follows:
- 3 1. Page 1, line 6, by striking the word "shall"
- 4 and inserting in lieu thereof the word "may".
- 5 2. Page 1, line 15, by striking the word "shall"
- 6 and inserting in lieu thereof the word "may".

S-3864

Filed April 28, 1987

BY LEONARD L. BOSWELL

ADOPTED (p. 1566)

S-3869

SENATE FILE 511

- 1 Amend Senate File 511 as follows:
- 2 1. Page 40, line 25, by striking the figure
- 3 "5,300,708" and inserting in lieu thereof the figure
- 4 "4,450,708".
- 5 2. Page 40, by striking line 26 through page 41,
- 6 line 11.
- 7 3. Page 47, by striking lines 4 through 26.

S-3869

Filed April 28, 1987

BY JULIA GENTLEMAN

LOST (p. 1567)

SENATE FILE 511

S-3870

- 1 Amend Senate File 511 as follows:
- 2 1. Page 29, line 32, by striking the words "sixty
- 3 forty-five" and inserting in lieu thereof the word
- 4 "sixty".

S-3870

Filed April 28, 1987

BY FORREST SCHWENGLS

ADOPTED (p. 1574)

SENATE FILE 511

S-3873

- 1 Amend Senate File 511 as follows:
- 2 1. Page 41, line 21, by striking the figure
- 3 "851,399" and inserting the following: "891,399".
- 4 2. Page 41, by inserting after line 21 the
- 5 following:
- 6 "It is the intent of the general assembly that an
- 7 amount up to forty thousand (40,000) dollars, or so
- 8 much thereof as is necessary, be used for salaries and
- 9 support for two additional full-time equivalent
- 10 consultant positions to assist in the implementation
- 11 and improvement of secondary school vocational
- 12 agriculture programs."
- 13 3. Page 41, line 24, by striking the figure
- 14 "3,723,061" and inserting the following: "3,683,061".

S-3873

Filed April 28, 1987

BY WILMER RENSINK

ADOPTED (p. 1568)

RICHARD VARN

SENATE FILE 511

S-3874

- 1 Amend Senate File 511 as follows:
- 2 1. Page 51, line 20, by inserting after the word
- 3 "regents" the following: "for the general university,
- 4 agricultural experiment station or the cooperative
- 5 extension service in agriculture and home economics".

S-3874

Filed April 28, 1987

BY RICHARD VARN

ADOPTED (p. 1570)

SENATE FILE 511

S-3875

- 1 Amend Senate File 511 as follows:
- 2 1. Page 37, line 31, by striking the figure
- 3 "467,586" and inserting in lieu thereof the figure
- 4 "481,590".

S-3875

Filed April 28, 1987

BY JULIA GENTLEMAN

LOST (p. 1568)

JOY C. CORNING

SENATE FILE 511

S-3866

1 Amend Senate File 511 as follows:

2 1. Page 9, by striking lines 15 through 20 and  
3 inserting the following:

4 "For salaries and support for not  
5 more than six hundred thirteen point  
6 twenty-eight full-time equivalent  
7 positions, maintenance and miscellaneous  
8 purposes, provided that an amount of at  
9 least one million (1,000,000) dollars,  
10 or so much thereof as is necessary, shall  
11 be spent to add additional auditing staff  
12 to increase the auditing and enforcement  
13 activities of the department to achieve  
14 a minimum of a three to one revenue  
15 recovery ratio and the department shall  
16 report quarterly beginning July 1, 1987  
17 to the legislative fiscal bureau, the  
18 estimates of additional revenue collected  
19 as a result of any increase in auditing  
20 and enforcement activities provided for  
21 under this appropriation ..... \$ 18,316,998

22 It is the intent of the general assembly that the  
23 limitation on full-time equivalent positions does not  
24 apply to audit staff required to increase the audit  
25 and enforcement activities required by this section."

26 2. Page 17, by inserting after line 29 the  
27 following:

28 "Sec. \_\_\_\_ . NEW SECTION. 421.45 AUDIT EXPENSE  
29 FUND.

30 There is created in the office of the treasurer of  
31 state an "audit expense fund" for the use of the  
32 department to fund audit expenses as authorized in  
33 this section. The department may employ up to twenty-  
34 five full-time equivalent positions in its tax audit  
35 staff to increase tax audits. Positions filled under  
36 authority of this section shall be paid from funds in  
37 the audit expense fund.

38 Of the funds appropriated to the department under  
39 section 111 of this Act, one million dollars shall be  
40 credited to the audit expense fund on July 1, 1987.

41 The moneys in the fund shall be used for salaries,  
42 support, maintenance, and miscellaneous purposes for  
43 the additional audit staff authorized by this section.  
44 Moneys received by the department of revenue and  
45 finance from audits conducted by audit staff employed  
46 with moneys available under this section shall be  
47 credited to the general fund of the state and this  
48 fund. Of the moneys received, three-fourths of the  
49 moneys shall be credited to the general fund of the  
50 state and the remaining moneys shall be credited to

pg. 2

1 the audit expense fund."

S-3866

BY JOE J. WELSH

Filed April 28, 1987

ADOPTED (p 1575)

SENATE FILE 511

S-3876

- 1 Amend Senate File 511 as follows:
- 2 1. Page 56, by striking lines 22 through 28.

S-3876

Filed April 28, 1987  
WITHDRAWN (p. 1571)

BY AL STURGEON

SENATE FILE 511

S-3885

- 1 Amend Senate File 511 as follows:
- 2 1. Page 55, by striking lines 12 through 18.

S-3885

Filed April 28, 1987  
LOST (p. 1576)

BY BEVERLY A. HANNON  
EDGAR H. HOLDEN

SENATE FILE 511

S-3890

- 1 Amend Senate File 511 as follows:
- 2 1. Page 80, line 10, by inserting after the
- 3 figure "601A." the following: "As used in this
- 4 paragraph, "school" means a school that does not
- 5 refuse or deny enrollment to any person, or
- 6 discriminate in any program or activity, because of
- 7 race, creed, color, sex, national origin, religion,
- 8 disability, or economic disadvantage. The school may
- 9 discriminate on the basis of sex in athletic programs,
- 10 except that the school shall provide comparable
- 11 opportunities in intramural and interscholastic
- 12 athletic programs. Any school which does not have the
- 13 capacity to serve the categories of students listed in
- 14 this paragraph shall provide services for those
- 15 students either through shared arrangements with other
- 16 schools or through the area education agencies. Non-
- 17 public schools may also require different wearing
- 18 apparel requirements on the basis of sex."
- 19 2. Page 80, line 32, by inserting after the
- 20 figure "601A." the following: "As used in this
- 21 subsection, "school" means a school that does not
- 22 refuse or deny enrollment to any person, or
- 23 discriminate in any program or activity, because of
- 24 race, creed, color, sex, national origin, religion,
- 25 disability, or economic disadvantage. The school may
- 26 discriminate on the basis of sex in athletic programs,
- 27 except that the school shall provide comparable
- 28 opportunities in intramural and interscholastic
- 29 athletic programs. Any school which does not have the
- 30 capacity to serve the categories of students listed in
- 31 this paragraph shall provide services for those
- 32 students either through shared arrangements with other
- 33 schools or through the area education agencies. Non-
- 34 public schools may also require different wearing
- 35 apparel requirements on the basis of sex."

890

Filed April 28, 1987  
LOST (p. 1575)

BY MICHAEL E. GRONSTAL  
TOM MANN, JR.  
BEVERLY A. HANNON  
CHARLES BRUNER

SENATE FILE 511

S-3878

- 1 Amend Senate File 511 as follows:  
2 1. Page 7, by inserting after line 22 the fol-  
3 lowing:  
4 "Sec. \_\_\_\_\_. There is appropriated from the general  
5 fund of the state to the department of general  
6 services for the fiscal year beginning July 1, 1987  
7 and ending June 30, 1988, the sum of two million  
8 (2,000,000) dollars, or so much thereof as is  
9 necessary, for the planning and construction of a  
10 governor's residence to be located on the capitol  
11 complex south of the state house.  
12 Notwithstanding section 8.33, the funds which  
13 remain unobligated or unencumbered for the purposes  
14 provided in this section for the fiscal year beginning  
15 July 1, 1987 and ending June 30, 1988 shall remain  
16 available for expenditure by the department of general  
17 services for the purposes specified in subsequent  
18 fiscal years. The funds appropriated under this  
19 section shall not revert to the general fund of the  
20 state until September 30, 1990."  
21 2. Renumber sections and correct internal  
22 references as necessary.

S-3878

Filed April 28, 1987  
LOST (p 1575)

BY BERL E. PRIEBE  
JOE J. WELSH

SENATE FILE 511

S-3880

- 1 Amend Senate File 511 as follows:  
2 1. Page 49, line 3, by inserting after the figure  
3 "255." the following: "It is the intent of the  
4 general assembly that university hospitals shall not  
5 perform heart, liver, pancreas, artificial heart, or  
6 heart/lung transplantations on indigent patients  
7 referred under chapter 255 unless the patient meets  
8 criteria developed by the national heart, lung and  
9 blood institute's special advisory group for heart  
10 recipients, or the 1983 national institute of health's  
11 concensus conference on liver transplants for liver  
12 recipients, or unless the patient meets nationally  
13 recognized criteria for pancreas transplantations."

S-3880

Filed April 28, 1987

ADOPTED (p 1564) LINN FUHRMAN  
JACK W. HESTER  
WILMER RENSINK  
C. JOSEPH COLEMAN

BY BEVERLY HANNON  
MICHAEL GRONSTAL  
JAMES RIORDAN  
CHARLES BRUNER  
JULIA GENTLEMAN

SENATE FILE 511  
SECTIONS 454 AND 455  
FISCAL NOTE

REQUESTED BY REPRESENTATIVE DODERER

In compliance with a written request received May 1, 1987, a fiscal note for SECTIONS 454 AND 455 OF SENATE FILE 511 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Sections 454 and 455 of Senate File 511 allow taxpayers to claim either an additional itemized deduction or an income tax credit on their Iowa individual income tax returns for tuition and textbooks of each dependent attending a private elementary or secondary school located in the state. Section 454 of the bill limits the deduction to \$1,000 per dependent if the taxpayer itemizes deductions, and section 455 limits the tuition credit to \$50 per dependent for taxpayers who do not itemize deductions.

Assumptions:

1. One-half of all public and non-public school students (approximately 242,600 public and approximately 24,400 non-public students) would be claimed on returns on which the taxpayer would use the optional standard deduction. The other one-half of public and non-public students would be claimed on itemizers' personal income tax returns.
2. Fees for textbooks and instructional materials paid by all taxpayers for dependents in grades K-12 who attend public schools are estimated to be \$45 per dependent.
3. For those taxpayers who do not itemize their deductions and who have dependents who attend non-public schools, it is assumed that the full \$50 tuition credit is claimed for each dependent (five percent of the first \$1,000 paid).

Fiscal Effect: It is estimated that section 454 of Senate File 511 will cause General Fund revenues to decrease by approximately \$1.5 million annually. Section 455 of the bill would also cause General Fund revenues to decrease by approximately \$546,000 attributable to non-itemizers whose dependents attend public schools and by approximately \$1.2 million attributable to non-itemizers whose dependents attend non-public schools. Thus, the total fiscal effect of sections 454 and 455 is estimated to be \$3.2 million. (LSB 2974S.2, RJH)

FILED MAY 6, 1987

BY DENNIS PROUTY, FISCAL DIRECTOR



SENATE FILE 511  
BY COMMITTEE ON APPROPRIATIONS

(AS AMENDED AND PASSED BY THE SENATE APRIL 28, 1987)

\_\_\_\_\_ - New Language by the Senate  
\* - Language Stricken by the Senate

Passed Senate, Date \_\_\_\_\_ Passed House, Date 5/4/87 (p. 1919)  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes 72 Nays 25  
Approved June 9, 1987 with items noted (see amended copy)

A BILL FOR

1 An Act relating to and making appropriations to agencies, boards,  
2 commissions, departments, and programs of state government  
3 relating to elected officials, the executive council,  
4 management, revenue and finance, personnel, general services,  
5 economic development, agriculture, natural resources, and  
6 education, providing effective dates, and making certain  
7 provisions retroactive.

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

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*Handwritten notes:*  
Dis II  
Dis III  
Dis IV  
Appropriations  
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Conference Committee appointed 5/6/87  
Senators Welch (Chair), Husak, Vann, Holder, Giedl (p. 1748)  
Representatives Jochen (Chair), Peterson, Sweet, Hester, Maulby (p. 2031)  
Passed for Conference Committee Report  
Senate 5/4/87 (p. 1877) House 5/18/87 (p. 2361)  
Reconsidered & Passed 52-40 (p. 2363)  
SF 511

1 DIVISION I  
2 ADMINISTRATION

3 Sec. 101. There is appropriated from the general fund of  
4 the state for the fiscal year beginning July 1, 1987 and  
5 ending June 30, 1988 to the office of the secretary of state,  
6 the following amount, or so much thereof as is necessary, to  
7 be used for the purposes designated:

8 1987-1988  
9 Fiscal Year

10 For salaries and support  
11 for not more than forty-five  
12 full-time equivalent posi-  
13 tions, maintenance, and other  
14 operational purposes ..... \$ 1,308,292

618,410

15 Sec. 102. There is appropriated from the general fund of  
16 the state to the office of the governor for the fiscal year  
17 commencing July 1, 1987 and ending June 30, 1988, the  
18 following amounts, or so much thereof as is necessary, to be  
19 used for the purposes designated:

20 1987-1988  
21 Fiscal Year

22 1. For salaries and support  
23 for not more than fifteen full-  
24 time equivalent positions, main-  
25 tenance, and miscellaneous pur-  
26 poses of the general office of  
27 the governor ..... \$ 763,711

28 2. For the governor's ex-  
29 penses connected with office ..... \$ 5,439

30 3. For salaries and support  
31 for not more than three full-  
32 time equivalent positions, and  
33 miscellaneous purposes of the  
34 governor's quarters at Terrace  
35 Hill ..... \$ 79,554

1 4. For the payment of ex-  
 2 penses of ad hoc committees,  
 3 councils, and task forces ap-  
 4 pointed by the governor to re-  
 5 search and analyze a particular  
 6 subject area relevant to the  
 7 problems and responsibilities  
 8 of state and local government,  
 9 including the employment of  
 10 professional, technical, and ad-  
 11 ministrative staff and the pay-  
 12 ment of per diem, not exceeding  
 13 forty dollars, and actual ex-  
 14 penses of committee, council, or  
 15 task force members ..... \$ 15,706

16 5. For salaries and support  
 17 for not more than two full-time  
 18 equivalent positions, maintenance,  
 19 and miscellaneous purposes of the  
 20 office of administrative rules  
 21 coordinator ..... \$ 76,466

22 Sec. 103. There is appropriated from the general fund of  
 23 the state to the office of the lieutenant governor for the  
 24 fiscal year beginning July 1, 1987 and ending June 30, 1988,  
 25 the following amount, or so much thereof as is necessary, to  
 26 be used for the purposes designated:

27 1987-1988  
 28 Fiscal Year

29 For salaries and support for  
 30 not more than two point five full-  
 31 time equivalent positions, main-  
 32 tenance, and miscellaneous pur-  
 33 poses including the lieutenant  
 34 governor's compensation and ex-  
 35 penses as provided in subsection

1 2 of section 2.10 including ser-  
2 vice as a member of the legis-  
3 lative council and for per diem  
4 and expenses incurred while  
5 performing duties of the lieu-  
6 tenant governor when the gen-  
7 eral assembly is not in session ..... \$ 122,518

8 Sec. 104. There is appropriated from the general fund of  
9 the state to the office of treasurer of state for the fiscal  
10 year beginning July 1, 1987 and ending June 30, 1988, the  
11 following amount, or so much thereof as is necessary, to be  
12 used for the purposes designated:

13  
14 1987-1988  
Fiscal Year

15 For salaries and support for  
16 not more than twenty-five full-  
17 time equivalent positions, main-  
18 tenance and other operational  
19 purposes ..... \$ 569,188

20 Sec. 105. There is appropriated from the general fund of  
21 the state to the executive council for the fiscal year  
22 beginning July 1, 1987 and ending June 30, 1988, the following  
23 amount, or so much thereof as is necessary, to be used for the  
24 purposes designated:

25  
26 1987-1988  
Fiscal Year

27 For salaries and support for  
28 not more than one point four  
29 full-time equivalent positions,  
30 maintenance, and miscellaneous  
31 purposes ..... \$ 39,605

32 Sec. 106. There is appropriated from the general fund of  
33 the state to the following named agencies for the fiscal year  
34 commencing July 1, 1987 and ending June 30, 1988, the  
35 following amounts, or so much thereof as is necessary, to be

1 used for the purposes designated:

2  
3 1987-1988  
Fiscal Year

4 1. NATIONAL CONFERENCE OF  
5 STATE LEGISLATURES

6 For support of the member-  
7 ship assessment ..... \$ 60,844

8 2. COMMISSION ON UNIFORM  
9 STATE LAWS

10 For support of the commis-  
11 sion and expenses of the members ..... \$ 18,273

12 Sec. 107. There is appropriated from the general fund of  
13 the state to the department of general services for the fiscal  
14 year beginning July 1, 1987 and ending June 30, 1988, the  
15 following amounts, or so much thereof as is necessary, to be  
16 used for the purposes designated:

17 1987-1988  
18 Fiscal Year

19 1. GENERAL OPERATIONS

20 For salaries and support for  
21 not more than two hundred thirty-  
22 three point six full-time equiva-  
23 lent positions, maintenance, and  
24 miscellaneous purposes ..... \$ 5,108,985

25 It is the intent of the general assembly that the  
26 department of general services shall continue the forms  
27 management program with the funds appropriated in this  
28 subsection.

29 Savings achieved in providing telecommunications services  
30 shall be used by the department of general services to  
31 increase efficiencies in the provision of those services.

32 2. DIVISION OF INFORMATION  
33 SERVICES

34 For salaries and support for  
35 not more than one hundred sixty-

1 three full-time equivalent posi-  
2 tions, maintenance, and miscel-  
3 laneous purposes ..... \$ 5,379,627

4 It is the intent of the general assembly that funds appro-  
5 priated in this subsection not be used for the replacement of  
6 computer equipment with newer technological devices to replace  
7 the current processing capacity or replace the currently  
8 installed magnetic tape units.

9 It is the intent of the general assembly that ninety thou-  
10 sand (90,000) dollars of the funds appropriated in this  
11 subsection be used for the installation of computer terminals  
12 to improve county auditor access to the state voter  
13 registration system.

14 3. CAPITOL PLANNING COMMISSION

15 For expenses of the members in  
16 carrying out their duties under  
17 chapter 18A ..... \$ 1,571

18 4. UTILITY COSTS

19 For payment of utility costs ..... \$ 1,639,067

20 The department of general services may use funds  
21 appropriated in this subsection for utility costs to fund  
22 energy conservation projects in the state capitol complex  
23 which will have a one hundred percent payback within a twelve-  
24 month period.

25 5. RENTAL SPACE

26 For payment of lease or rental  
27 costs of buildings and office space  
28 at the seat of government as pro-  
29 vided in section 18.12, subsection  
30 9, notwithstanding section 18.16 ..... \$ 667,773

31 6. RISK MANAGEMENT

32 To fund risk reduction projects  
33 for uninsured state-owned property  
34 pursuant to section 18.164, sub-  
35 section 1 ..... \$ 18,500

1 It is the intent of the administration appropriations sub-  
2 committee that an additional two million (2,000,000) dollars  
3 should be appropriated from the lottery funds to the depart-  
4 ment of general services for continuation of the capitol  
5 restoration project which is an important project which should  
6 be continued on schedule.

7 Sec. 108. There is appropriated from the revolving funds  
8 designated to the department of general services for the  
9 fiscal year beginning July 1, 1987 and ending June 30, 1988,  
10 the following amounts, or so much thereof as is necessary, to  
11 be used for the purposes designated:

12 1987-1988  
13 Fiscal Year

14 DEPARTMENT OF GENERAL  
15 SERVICES -- REVOLVING FUNDS

16 1. From the centralized  
17 printing permanent revolving  
18 fund established by section  
19 18.57 for salaries and sup-  
20 port for not more than twenty-  
21 nine full-time equivalent  
22 positions, maintenance, and  
23 miscellaneous purposes ..... \$ 743,986

24 2. The remainder of the centralized printing permanent  
25 revolving fund is appropriated for the expense incurred in  
26 supplying paper stock, offset printing, copy preparation,  
27 binding, distribution costs, original payment of printing and  
28 binding claims and contingencies arising during the fiscal  
29 year beginning July 1, 1987 which are legally payable from  
30 this fund.

31 3. From the general ser-  
32 vice revolving fund estab-  
33 lished by section 18.9 for  
34 salaries and support for not  
35 more than fourteen full-time

1 equivalent positions, mainte-  
2 nance, and miscellaneous pur-  
3 poses ..... \$ 470,850

4 The remainder of the general services revolving fund is  
5 appropriated for the payment of expenses incurred through  
6 purchases by various state departments and for contingencies  
7 arising during the fiscal year beginning July 1, 1987 and  
8 ending June 30, 1988 which are legally payable from this fund.

9 4. From the vehicle dis-  
10 patcher revolving fund es-  
11 tablished by section 18.119  
12 for salaries and support for  
13 not more than fifteen full-  
14 time equivalent positions,  
15 maintenance, and miscella-  
16 neous purposes ..... \$ 439,926

17 5. The remainder of the vehicle dispatcher revolving fund  
18 is appropriated for the purchase of gasoline, oil, tires,  
19 repairs and all other maintenance expenses incurred in the  
20 operation of state-owned motor vehicles and for contingencies  
21 arising during the fiscal year beginning July 1, 1987 which  
22 are legally payable from this fund.

23 Sec. 109. There is appropriated from the general fund of  
24 the state to the department of personnel for the fiscal year  
25 beginning July 1, 1987 and ending June 30, 1988, the following  
26 amounts, or so much thereof as is necessary, to be used for  
27 the purposes designated:

28  
29 1987-1988  
Fiscal Year

30 1. For salaries and support  
31 for not more than ninety-four  
32 point twenty-five full-time  
33 equivalent positions, mainte-  
34 nance, and miscellaneous pur-  
35 poses ..... \$ 3,076,213

1 a. The department may expend up to sixty-nine thousand  
2 five hundred thirty-eight (69,538) dollars of the funds  
3 appropriated in this subsection for the purpose of  
4 investigating worker's compensation claims and expediting the  
5 claims process. The department may not employ more than two  
6 additional full-time equivalent positions annually for this  
7 purpose.

8 b. The department may expend up to thirty-four thousand  
9 four hundred forty-two (34,442) dollars of the funds appro-  
10 priated in this subsection for the purpose of monitoring  
11 trends in unemployment compensation claims and to provide  
12 training to department administrative and supervisory staff in  
13 unemployment cost avoidance. The department may not employ  
14 more than one additional full-time equivalent position  
15 annually for this purpose.

16 2. For salaries and support  
17 for not more than four point  
18 seventy-five full-time equiva-  
19 lent positions, maintenance,  
20 and other operational purposes  
21 to pay the costs of administra-  
22 tion of federal old age bene-  
23 fit and Iowa old age survivors  
24 insurance programs ..... \$ 152,272

25 Sec. 110. There is appropriated from the Iowa public  
26 employees' retirement system fund to the department of  
27 personnel for the fiscal year beginning July 1, 1987 and  
28 ending June 30, 1988, the following amount, or so much thereof  
29 as is necessary, to be used for the following purposes  
30 designated:

31  
32  
33  
34  
35

1987-1988  
Fiscal Year

33 For salaries, support,  
34 maintenance, and other opera-  
35 tional purposes to pay the

1 costs of the Iowa public em-  
2 ployees' retirement system ..... \$ 2,124,435

3 It is the intent of the general assembly that the Iowa  
4 public employees' retirement system employ sufficient staff  
5 within the appropriation provided in this section to meet the  
6 developing requirements of the investment program.

7 Sec. 111. There is appropriated from the general fund of  
8 the state to the department of revenue and finance for the  
9 fiscal year beginning July 1, 1987 and ending June 30, 1988,  
10 the following amounts, or so much thereof as may be necessary,  
11 to be used for the funding of the following programs for the  
12 purposes designated:

13  
14 1987-1988  
Fiscal Year

15 For salaries and support for not  
16 more than six hundred thirteen point  
17 twenty-eight full-time equivalent  
18 positions, maintenance and miscellaneous  
19 purposes, provided that an amount of at  
20 least one million (1,000,000) dollars,  
21 or so much thereof as is necessary, shall  
22 be spent to add additional auditing staff  
23 to increase the auditing and enforcement  
24 activities of the department to achieve  
25 a minimum of a three to one revenue  
26 recovery ratio and the department shall  
27 report quarterly beginning July 1, 1987  
28 to the legislative fiscal bureau, the  
29 estimates of additional revenue collected  
30 as a result of any increase in auditing  
31 and enforcement activities provided for  
32 under this appropriation ..... \$ 18,316,998

33 It is the intent of the general assembly that the  
34 limitation on full-time equivalent positions does not apply to  
35 audit staff required to increase the audit and enforcement

1 activities required by this section.

2 Sec. 112. There is appropriated from the motor vehicle  
 3 fuel tax fund to the department of revenue and finance for the  
 4 fiscal year beginning July 1, 1987 and ending June 30, 1988,  
 5 the following amounts, or so much thereof as may be necessary,  
 6 for salaries, support, maintenance, and other operational  
 7 purposes for administration and enforcement of the provisions  
 8 of chapter 324 and the motor vehicle use tax program:

9	1987-1988
10	<u>Fiscal Year</u>
11	\$ 977,676

12 It is the intent of the general assembly that one hundred  
 13 twenty-five thousand (125,000) dollars of the funds  
 14 appropriated in this section be used for increased monitoring  
 15 of special fuel tax accounts and the collection of delinquent  
 16 fuel taxes. The department shall report quarterly beginning  
 17 July 1, 1987 to the legislative fiscal bureau the estimates of  
 18 additional revenue collected as a result of any increase in  
 19 auditing and enforcement provided under this appropriation.

20 Sec. 113. There is appropriated from the lottery fund to  
 21 the department of revenue and finance for the fiscal year  
 22 beginning July 1, 1987 and ending June 30, 1988, the following  
 23 amounts, or so much thereof as is necessary, to be used for  
 24 the purposes designated:

25	1987-1988
26	<u>Fiscal Year</u>
27	For salaries and support for
28	not more than one hundred forty-
29	one point thirty-five full-time
30	equivalent positions, maintenance,
31	and miscellaneous purposes ..... \$ 7,458,628

32 After exhausting its lottery fund appropriation, the  
 33 lottery division of the department of revenue and finance may,  
 34 upon approval of the department of management and the fiscal  
 35 committee of the legislative council, expend additional funds.

1 Sec. 114. There is appropriated from the general fund of  
 2 the state for the fiscal year beginning July 1, 1987 and  
 3 ending June 30, 1988 to the department of management, the  
 4 following amounts, or so much thereof as is necessary, to be  
 5 used for the purposes designated:

6 1987-1988  
 7 Fiscal Year

8 1. DEPARTMENT OF MANAGEMENT

9 For salaries and support for  
 10 not more than thirty-two full-  
 11 time equivalent positions, main-  
 12 tenance, and miscellaneous pur-  
 13 poses provided that the office  
 14 of state-federal relations is no  
 15 longer funded through the depart-  
 16 ment of management under a chap-  
 17 ter 28E agreement or funded by  
 18 the department of management  
 19 through its budget ..... \$ 1,364,905

20 2. COUNCIL OF STATE GOVERNMENTS

21 For support of the membership  
 22 assessment ..... \$ 52,500

23 3. PROGRAM ADMINISTRATION

24 For program administration of  
 25 juvenile justice, victim assistance  
 26 and justice assistance funds, sta-  
 27 tistical analysis and highway  
 28 safety statistics funds provided  
 29 that an amount of at least thirty-  
 30 six thousand (36,000) dollars  
 31 shall be spent for expenses re-  
 32 lating to the administration of  
 33 federal funds for juvenile as-  
 34 sistance ..... \$ 54,559

35 It is the intent of the general assembly that the

1 department of management employ sufficient staff to meet the  
2 federal funding match requirements established by the federal  
3 office for juvenile justice delinquency prevention. The  
4 governor's advisory council on juvenile justice shall  
5 determine the staffing level necessary to carry out federal  
6 and state mandates for juvenile justice.

7 Sec. 115. There is appropriated from the general fund of  
8 the state to the office of state-federal relations for the  
9 fiscal year beginning July 1, 1987 and ending June 30, 1988,  
10 the following amount, or so much thereof as is necessary, to  
11 be used for the following purposes designated:

12	1987-1988
13	<u>Fiscal Year</u>
14 For salaries and support for	
15 not more than three full-time	
16 equivalent positions, maintenance,	
17 and miscellaneous purposes .....	\$ 190,034

18 Sec. 116. There is appropriated from the general fund of  
19 the state to the moneys and credits replacement fund  
20 established in section 422.100 for the fiscal year beginning  
21 July 1, 1987 and ending June 30, 1988 the sum of two million  
22 four hundred seventy-five thousand (2,475,000) dollars, or so  
23 much thereof as may be necessary, to be used for payments to  
24 counties as provided in section 422.100.

25 If Senate File 279 is enacted by the Seventy-second General  
26 Assembly, 1987 Session, and becomes law, this section is void.

27 Sec. 117. There is appropriated from the general fund of  
28 the state to the municipal assistance fund, established in  
29 section 405.1, for the fiscal year beginning July 1, 1987 and  
30 ending June 30, 1988 the following amount, or so much thereof  
31 as is necessary, to be used for state assistance to  
32 municipalities, with distribution in accordance with section  
33 405.1.

34	1987-1988
35	<u>Fiscal Year</u>

1 \$14,503,500

2 If Senate File 279 is enacted by the Seventy-second General  
3 Assembly, 1987 Session, and becomes law, this section is void.

4 Sec. 118. There is appropriated from the general fund of  
5 the state to the county assistance fund, established in  
6 section 334A.1, for the fiscal year beginning July 1, 1987 and  
7 ending June 30, 1988 the following amount, or so much thereof  
8 as is necessary, to be used for state assistance to counties,  
9 with distribution in accordance with section 334A.2.

10	1987-1988
11	<u>Fiscal Year</u>
12	\$ 5,296,500

13 If Senate File 279 is enacted by the Seventy-second General  
14 Assembly, 1987 Session, and becomes law, this section is void.

15 Sec. 119. There is appropriated from the general fund of  
16 the state for the fiscal year beginning July 1, 1987, and  
17 ending June 30, 1988, the sum of seven hundred sixty-seven  
18 thousand nine hundred seventy-six (767,976) dollars, or so  
19 much thereof as is necessary, to be used to fund increases in  
20 the judicial salaries and related benefits and for the state's  
21 contribution to the judicial retirement system provided for in  
22 chapter 605A required because of the increased salaries.

23 Sec. 120.

24 1. There is appropriated from the general fund of the  
25 state to the salary adjustment fund provided for in section  
26 8.43, for the fiscal year beginning July 1, 1987, the sum of  
27 thirty-seven million seven hundred ninety-five thousand six  
28 hundred eighty-one (37,795,681) dollars, or so much thereof as  
29 may be necessary, to be distributed to the various departments  
30 to supplement other funds appropriated by the general  
31 assembly.

32 2. There is appropriated from the road use tax fund of the  
33 state to the state department of transportation, for the  
34 fiscal year beginning July 1, 1987, the sum of two hundred  
35 ninety-six thousand forty-five (296,045) dollars, or so much

1 thereof as may be necessary, to supplement other funds appro-  
2 priated by the general assembly.

3 3. There is appropriated from the road use tax fund of the  
4 state to the department of public safety, for the fiscal year  
5 beginning July 1, 1987, the sum of five hundred sixty-five  
6 thousand nine hundred eighteen (565,918) dollars, or so much  
7 thereof as may be necessary, to supplement other funds  
8 appropriated by the general assembly.

9 4. There is appropriated from the primary road fund to the  
10 state department of transportation, for the fiscal year  
11 beginning July 1, 1987, the sum of two million one hundred  
12 fifty-nine thousand seven hundred thirteen (2,159,713)  
13 dollars, or so much thereof as may be necessary, to supplement  
14 other funds appropriated by the general assembly.

15 5. Except as otherwise provided in this Act, the amounts  
16 appropriated in subsections 1, 2, 3, and 4 shall be used to  
17 fund the annual pay adjustments, expense reimbursements, and  
18 related benefits not in conflict with the Code for public  
19 officials and employees as authorized in Senate File 504,  
20 enacted by the Seventy-second General Assembly, 1987 Session.

21 Sec. 121.

22 1. There is appropriated from the general fund of the  
23 state for the fiscal year beginning July 1, 1987, the  
24 following amounts to the designated political subdivisions or  
25 public agencies:

	1987-1988
	<u>Fiscal Year</u>
26	
27	
28 a. To the seven regional	
29 libraries of the regional	
30 library system as defined in	
31 section 303B.2 .....	\$ 15,400
32 b. To the substance abuse	
33 treatment facilities receiving	
34 substance abuse program grants	
35 as provided in section 125.25 .....	\$ 97,000

1 c. To local boards of health  
2 receiving in-home health care  
3 grants ..... \$ 30,100

4 d. Local homemaker/chore  
5 service programs ..... \$ 100,600

6 2. The director of the department of management shall  
7 allocate and distribute each of the amounts specified in this  
8 section to the programs indicated in the same proportion that  
9 the payroll for each individual program for the fiscal year  
10 ending June 30, 1987 is to the annual payroll for all programs  
11 for that fiscal year. Moneys received by local programs under  
12 this section shall be used to pay the state's share of the  
13 authorized salary increases for the local program employees.

14 Sec. 122. Funds appropriated from the general fund of the  
15 state in sections 119, 120, and 121 of this Act relate only to  
16 salaries supported from general fund appropriations of the  
17 state.

18 Sec. 123. To departmental revolving, trust, or special  
19 funds, except for the primary road fund or the road use tax  
20 fund, for which the general assembly has established an  
21 operating budget, a supplemental authorization is provided for  
22 those funds, unless otherwise provided, in an amount necessary  
23 to fund salary adjustments provided in Senate File 504,  
24 enacted by the Seventy-second General Assembly, 1987 Session.

25 Sec. 124. NEW SECTION. 7F.1 OFFICE FOR STATE-FEDERAL  
26 RELATIONS.

27 1. PURPOSE. The purpose of this section is to establish,  
28 as an independent agency, an office for state-federal  
29 relations which will develop a nonpartisan state-federal  
30 relations program accessible to all three branches of state  
31 government.

32 2. DEFINITIONS. As used in this section, unless the  
33 context otherwise requires:

34 a. "Office" means the office for state-federal relations  
35 established pursuant to this section.

1 b. "Commission" means the state-federal relations  
2 commission established pursuant to this section.

3 3. COMMISSION ESTABLISHED. A state-federal relations  
4 commission is established composed of the director of the  
5 department of management or the director's designee, the  
6 director of the legislative fiscal bureau or the director's  
7 designee, and the state court administrator or the  
8 administrator's designee. A different member of the  
9 commission shall serve as the commission's chairperson each  
10 year. The commission shall:

\* 11 a. Establish general policies for the operation and  
12 funding of the office.

13 b. Promote cooperation and information sharing among the  
14 agencies of the three branches of government in the  
15 development of an effective state-federal relations program.

16 c. Annually review the operation and activities of the  
17 office and by February 15 report its findings and any  
18 recommendations to the governor, the general assembly, and the  
19 supreme court.

20 4. OFFICE ESTABLISHED. A state-federal relations office  
21 is established as an independent agency with oversight of the  
22 office to be provided by the state-federal relations  
23 commission. The office shall be located in Washington D.C.  
24 and shall be administered by the director of the office who is  
25 appointed by the governor, subject to confirmation by the  
26 senate, and who serves at the pleasure of the governor. The  
27 office and its personnel are exempt from the merit system  
28 provisions of chapter 19A.

29 5. OFFICE DUTIES. The office shall:

30 a. Coordinate the development of Iowa's state-federal  
31 relations efforts which shall include an annual state-federal  
32 program to be presented to Iowa's congressional delegation,  
33 the sponsorship of training sessions for state government  
34 officials, and the maintenance of a management information  
35 system.

1 b. Provide state government officials with greater access  
2 to current information on federal legislative and executive  
3 actions affecting state government.

4 c. Advocate federal policies and positions which benefit  
5 the state or are important to state government.

6 d. Monitor federal budget policies and assistance programs  
7 and assess their impact on the state.

8 e. Strengthen the working relationships between state  
9 government officials and Iowa's congressional delegation.

10 f. Improve the state's ability to establish key contacts  
11 with federal officials, officials from other states,  
12 organizations, business groups, and professional associations  
13 in order to share information and form cooperative agreements.

14 6. SUPPORT SERVICES AND COOPERATION. The department of  
15 management, the legislative fiscal bureau, and the state court  
16 administrator's office shall provide administrative support  
17 services to the office. All agencies of state government  
18 shall cooperate fully with the office on matters pertaining to  
19 its federal-state relations responsibilities. Agencies may  
20 enter into agreements with the office to provide or receive  
21 special services of benefit to or from the federal-state  
22 relations program.

23 Sec. 125. Section 18.12, subsection 7, Code 1987, is  
24 amended to read as follows:

25 7. Contract, with the approval of the executive council,  
26 for the repair, remodeling or, if the condition warrants,  
27 demolition of all buildings and grounds of the state at the  
28 seat of government and the institutions of the department of  
29 human services and the department of corrections for which no  
30 specific appropriation has been made, if the cost of repair,  
31 remodeling or demolition will not exceed one hundred thousand  
32 dollars when completed. The cost of repair projects for which  
33 no specific appropriation has been made shall be paid from the  
34 fund provided in section 19.29.

35 Sec. 126. Section 324.66, unnumbered paragraph 1, Code

1 1987, is amended to read as follows:

2 The appropriate state agency shall administer the taxes  
3 imposed by this chapter in the same manner as and subject to  
4 section 422.25, subsection 4 and section 422.52, subsection 3.  
5 ~~Notwithstanding section 422.527, subsection 3, all special fuel~~  
6 ~~licensees are required to file a bond with the director in an~~  
7 ~~amount as established by the director.~~

8 Sec. 127. NEW SECTION. 421.45 AUDIT EXPENSE FUND.

9 There is created in the office of the treasurer of state an  
10 "audit expense fund" for the use of the department to fund  
11 audit expenses as authorized in this section. The department  
12 may employ up to twenty-five full-time equivalent positions in  
13 its tax audit staff to increase tax audits. Positions filled  
14 under authority of this section shall be paid from funds in  
15 the audit expense fund.

16 Of the funds appropriated to the department under section  
17 111 of this Act, one million dollars shall be credited to the  
18 audit expense fund on July 1, 1987.

19 The moneys in the fund shall be used for salaries, support,  
20 maintenance, and miscellaneous purposes for the additional  
21 audit staff authorized by this section. Moneys received by  
22 the department of revenue and finance from audits conducted by  
23 audit staff employed with moneys available under this section  
24 shall be credited to the general fund of the state and this  
25 fund. Of the moneys received, three-fourths of the moneys  
26 shall be credited to the general fund of the state and the  
27 remaining moneys shall be credited to the audit expense fund.

28 Sec. 128. All federal grants to and the federal receipts  
29 of agencies appropriated funds under this division of this Act  
30 are appropriated for the purposes set forth in such federal  
31 grants or receipts.

32 DIVISION II

33 AGRICULTURE AND NATURAL RESOURCES

34 Sec. 201. DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP.

35 There is appropriated from the general fund of the state and

1 the trust funds indicated to the department of agriculture and  
 2 land stewardship for the fiscal year beginning July 1, 1987  
 3 and ending June 30, 1988 the following amounts, or so much  
 4 thereof as is necessary, to be used for the purposes desig-  
 5 nated:

6  
 7 1987-1988  
Fiscal Year

8 1. ADMINISTRATIVE DIVISION

9 a. From the general fund for sala-  
 10 ries, support, maintenance, and miscel-  
 11 laneous purposes ..... \$ 774,611

12 It is a condition of the funds appropriated by this  
 13 subsection that no general funds be used for crop and  
 14 livestock reporting.

15 b. From the fertilizer fund to be  
 16 transferred to the administration divi-  
 17 sion ..... \$ 45,417

18 c. From the dairy trade practice  
 19 fund to be transferred to the adminis-  
 20 tration division ..... \$ 86,321

21 d. From the commercial feed fund  
 22 to be transferred to the administra-  
 23 tion division ..... \$ 45,417

24 e. The department of agriculture and land stewardship  
 25 shall establish annual subscription fees for the regular and  
 26 periodic publications of the department. Fees collected from  
 27 subscribers shall be deposited in the general fund of the  
 28 state.

29 f. Funds appropriated by this subsection are for the  
 30 salaries and support of not more than thirty-two point  
 31 seventy-four full-time equivalent positions.

32 2. FARM COMMODITY DIVISION

33 a. From the general fund for sal-  
 34 aries and support for not more than  
 35 twenty-two point five full-time equiv-

1 alent positions, maintenance, and

2 miscellaneous purposes ..... \$ 955,842

3 b. Of the amount appropriated from the general fund under  
4 paragraph "a" of this subsection, three hundred forty-six  
5 thousand three hundred seventy-nine (346,379) dollars shall be  
6 allocated to the horticultural division for the continuation  
7 of the agricultural diversification program as enacted by 1986  
8 Iowa Acts, chapter 1246, section 501, subsection 1, paragraph  
9 "e".

10 c. Of the amount appropriated from the general fund under  
11 paragraph "a" of this subsection, two hundred fifty thousand  
12 (250,000) dollars shall revert to the general fund upon  
13 successful completion of the public stock offering as required  
14 by Senate File 274.

15 3. REGULATORY DIVISION

16 From the general fund for salaries  
17 and support for not more than one hun-  
18 dred forty-seven full-time equivalent  
19 positions, maintenance, and miscella-  
20 neous purposes ..... \$ 3,519,884

21 4. LABORATORY DIVISION

22 a. From the general fund for sala-  
23 ries, support, maintenance, and miscel-  
24 laneous purposes ..... \$ 674,472

25 b. From the commercial feed fund  
26 to be transferred to the laboratory  
27 division ..... \$ 756,329

28 c. From the pesticide fund to be  
29 transferred to the laboratory division ..... \$ 464,835

30 d. From the fertilizer fund to be  
31 transferred to the laboratory division ..... \$ 801,609

32 e. Funds appropriated by this subsection are for salaries  
33 and support of not more than ninety-two full-time equivalent  
34 positions.

35 5. SOIL CONSERVATION DIVISION

1 a. From the general fund for sala-  
2 ries and support for not more than one  
3 hundred eighty-six point seventy-four  
4 full-time equivalent positions, main-  
5 tenance, assistance to soil conserva-  
6 tion districts, and for miscellaneous  
7 purposes ..... \$ 4,334,184

8 b. Of the amount appropriated from the general fund of the  
9 state under paragraph "a" of this subsection, three hundred  
10 three thousand four hundred thirty-six (303,436) dollars shall  
11 be used to conduct soil surveys in conjunction with federal,  
12 state, and local agencies in Iowa.

13 c. To provide financial incentives  
14 for soil conservation practices in ac-  
15 cordance with the provisions of para-  
16 graph "d" of this subsection ..... \$ 6,616,519

17 d. The following requirements apply to the funds appropri-  
18 ated by paragraph "c":

19 (1) Not more than five percent may be allocated for cost  
20 sharing to abate complaints filed under section 467A.47 and  
21 467A.48.

22 (2) Not more than ten percent may be allocated for finan-  
23 cial incentives not exceeding seventy-five percent of the ap-  
24 proved cost of permanent soil conservation practices under  
25 chapter 467A on watersheds above publicly owned lakes in ac-  
26 cordance with the priority list required in section 210 of  
27 this Act.

28 (3) The soil conservation district commissioners may al-  
29 locate financial incentives not exceeding sixty percent of the  
30 cost of permanent soil conservation practices for special  
31 watershed practices or summer construction incentives under  
32 section 467A.7, subsections 17 and 19.

33 (4) Except for the allocations subject to subparagraphs 1,  
34 2, and 3, these funds shall not be used alone or in combina-  
35 tion with other public funds to provide a financial incentive

1 payment greater than fifty percent of the approved cost for  
2 voluntary permanent soil conservation practices and priority  
3 shall be given to family-operated farms.

4 (5) The soil conservation committee may allocate funds to  
5 conduct research and demonstration projects to promote conser-  
6 vation tillage and nonpoint sources pollution control  
7 practices.

8 (6) Not more than thirty percent of a district's alloca-  
9 tion may be allocated by the soil conservation district com-  
10 missioners for the establishment of management practices to  
11 control soil erosion on land that is now row cropped.

12 (7) Not more than seventy thousand (70,000) dollars may be  
13 used for permanent soil conservation practices to protect  
14 unique subterranean features in state parks threatened by  
15 siltation.

16 (8) The financial incentive payments may be used in com-  
17 bination with department of natural resources funds.

18 e. The provisions of section 8.33 shall not apply to the  
19 funds appropriated by paragraph "c". Unencumbered or unobli-  
20 gated funds remaining on June 30, 1991 from funds appropriated  
21 for the fiscal year beginning July 1, 1987 shall revert to the  
22 general fund on September 30, 1991.

23 Sec. 202. There is appropriated to the department of  
24 agriculture and land stewardship for the fiscal year beginning  
25 July 1, 1987 and ending June 30, 1988 from the funds available  
26 under section 99D.13 the sum of one hundred twelve thousand  
27 (112,000) dollars, or as much thereof as necessary, for  
28 volunteer assistance and not more than three full-time  
29 equivalent positions for the administration of section 99D.22.

30 Sec. 203. MULTIFLORA ROSE ERADICATION COST REIMBURSEMENT.

31 1. There is appropriated from the general fund of the  
32 state to the state department of agriculture and land  
33 stewardship for the fiscal year beginning July 1, 1987 and  
34 ending June 30, 1988, the sum of sixty thousand (60,000)  
35 dollars, or as much thereof as may be necessary, to be used

1 for the purpose of partially reimbursing agricultural  
2 landowners or tenants for the cost of herbicide for  
3 controlling or eradicating the multiflora rose which has  
4 severely infested their agricultural land. Not more than five  
5 percent of the funds appropriated under this subsection shall  
6 be used for administrative expenses.

7 2. A county board of supervisors desiring a share of the  
8 appropriation shall, in conjunction with the county weed  
9 commissioner and the county soil conservation district  
10 commissioners, develop a plan to combat severe infestations of  
11 multiflora rose on privately owned land within the county.  
12 The plan shall be based upon partial reimbursement of  
13 individual landowner's costs for the purchase of herbicide  
14 from both state and county appropriations; however, the share  
15 of costs reimbursed by state funds shall not exceed one-  
16 fourth. The plan shall be submitted to the secretary of  
17 agriculture for approval or recommendations for modification.

18 3. A landowner or tenant whose agricultural land is  
19 severely infested by multiflora roses may apply to the soil  
20 conservation district commissioners of the county for partial  
21 reimbursement, according to the approved plan, of the cost of  
22 herbicide for controlling or eradicating the multiflora rose  
23 on the agricultural land. The county weed commissioner shall  
24 assist the soil conservation district commissioners in  
25 investigating the application and determining if the  
26 infestation is severe. The soil conservation district  
27 commissioners shall review and approve each application for  
28 partial cost reimbursement if the infestation is severe on the  
29 applicant's agricultural land. If the soil conservation  
30 district commissioners find the amount of reimbursement  
31 claimed to be excessive, the district commissioners may  
32 approve a lesser amount. The reasons for disapproval of an  
33 application or reduction of the amount of reimbursement shall  
34 be sent in writing to the applicant. The amount of  
35 reimbursement certified by the secretary shall be paid by

1 warrant issued by the director of revenue and finance.

2 4. Federal lands and federal land tenants are not eligible  
3 for reimbursement under this section.

4 Sec. 204. DEPARTMENT OF NATURAL RESOURCES. There is  
5 appropriated from the general fund of the state to the  
6 department of natural resources for the fiscal year beginning  
7 July 1, 1987 and ending June 30, 1988 the following amounts,  
8 or so much thereof as may be necessary, to be used for the  
9 following purposes:

10		1987-1988
11		<u>Fiscal Year</u>
12	1. For salaries, support, main-	
13	tenance, and miscellaneous purposes .....	\$ 10,149,123

14 Of the amounts appropriated from the general fund under  
15 this subsection, thirty-three thousand (33,000) dollars shall  
16 be used for studies of preserves. It is a condition of the  
17 funds appropriated by this subsection that the department fund  
18 the position of state ecologist. It is a condition of the  
19 funds appropriated by this subsection that the department  
20 cease motor fuel price forecasting and reporting during fiscal  
21 year 1988, section 93.7 notwithstanding.

22	2. For reimbursement to fed-	
23	eral agencies for cooperative con-	
24	tracts .....	\$ 186,169

25	3. For the green thumb program	
26	for the employment of the elderly in	
27	conservation and outdoor recreation	
28	related fields in coordination with	
29	other agencies as provided by law .....	\$ 200,000

30 4. For payments to the governing  
31 bodies responsible for publicly owned  
32 sewage treatment facilities which are  
33 eligible for grants under section 202  
34 of the federal Water Pollution Control  
35 Act, 33 U.S.C. § 466 et seq., as amended

1 by the federal Clean Water Act of 1977,  
2 Pub. L. No. 95-217, in an amount equal  
3 to five percent of the amount approved  
4 as the eligible cost of the project by  
5 the environmental protection commission ..... \$ 1,278,008

6 The provisions of section 8.33 shall not apply to the funds  
7 appropriated by this subsection. Unencumbered or unobligated  
8 funds remaining on June 30, 1991 from funds appropriated for  
9 the fiscal year beginning July 1, 1987, shall revert to the  
10 general fund on September 30, 1991.

11 5. It is the intention of the general assembly in adopting  
12 the appropriation under subsection 1 and this subsection to  
13 cease funding for the department's implementation of the  
14 federal Resource Conservation and Recovery Act permit program  
15 for hazardous waste facilities in this state. Section  
16 455B.411, subsections 6, 9, and 10, section 455B.412,  
17 subsections 2 through 4, and sections 455B.413 through  
18 455B.421 are suspended and do not apply as they pertain to  
19 that permit program, but are not suspended and do apply as  
20 they pertain to abandoned and uncontrolled sites, used oil,  
21 and site licensing under chapter 455B, division IV, part 6.  
22 The suspension provided by this subsection begins July 1, 1987  
23 and ends June 30, 1989.

24 Sec. 205. There is appropriated from the state fish and  
25 game protection fund to the department of natural resources  
26 for the fiscal year beginning July 1, 1987 and ending June 30,  
27 1988 the following amounts, or so much thereof as is  
28 necessary, to be used for the purposes designated:

29  
30  
31  
32  
33  
34  
35  
1987-1988  
Fiscal Year

31 DIVISION OF FISH AND WILDLIFE

32 1. From the state fish and game  
33 protection fund for salaries, support,  
34 maintenance, equipment, and miscella-  
35 neous purposes including not more than

1 two million one hundred ten thousand  
2 six hundred fourteen (2,110,614) dol-  
3 lars during the fiscal year beginning  
4 on July 1, 1987 which shall be avail-  
5 able from the state fish and game  
6 protection fund for administrative  
7 support ..... \$13,769,023  
8 2. From the fees deposited under  
9 section 321G.7 to the fish and game  
10 protection fund for enforcement of snow-  
11 mobile laws as part of the state snow-  
12 mobile program ..... \$ 145,000  
13 3. From the fees deposited under  
14 section 106.52 to the fish and game  
15 protection fund for administration and  
16 enforcement of navigation laws and water  
17 safety ..... \$ 950,000  
18 4. Funds remaining in the fish and game protection fund  
19 during fiscal year 1987-1988 which are not specifically  
20 appropriated by this section are appropriated and may be used  
21 for capital projects and contingencies arising during the  
22 fiscal year beginning July 1, 1987. A contingency shall not  
23 include any purpose or project which was presented to the  
24 general assembly by way of a bill or a proposed bill and which  
25 failed to be enacted into law. For the purpose of this  
26 subsection, a necessity of additional operating funds may be  
27 construed as a contingency. Before any of the funds  
28 authorized to be expended by this subsection are allocated for  
29 contingencies, it shall be determined by the executive council  
30 that a contingency exists and that the contingency was not  
31 existent while the general assembly was in session and that  
32 the proposed allocation shall be in the best interests of the  
33 state. If a contingency arises or could reasonably be  
34 foreseen during the time the general assembly is in session,  
35 expenditures for the contingency must be authorized by the

1 general assembly.

2 5. It is the intent of the general assembly that the law  
3 enforcement bureau of the fish and wildlife division of the  
4 department of natural resources, in its operations to protect  
5 the state's fish and wildlife natural resources, shall conform  
6 its operation to the mission, goals, and objectives provided  
7 in this subsection and collect information pertaining to the  
8 performance measures developed by the legislative fiscal  
9 bureau. The division shall provide a report at least  
10 quarterly to the legislative fiscal bureau and the co-  
11 chairpersons and ranking members of the agriculture and  
12 natural resources appropriations subcommittee on the  
13 performance measures. The division shall be notified by July  
14 1, 1987 of the specific performance measures for which data  
15 shall be collected and reported.

16 The fish and wildlife division of the department of natural  
17 resources exists to protect, propagate, increase, and preserve  
18 the wild mammals, fish, birds, reptiles, and amphibians of the  
19 state and enforce by proper actions and proceedings the laws  
20 and rules relating to them and to collect, classify, and  
21 preserve all statistics, data, and information as in its  
22 opinion tend to promote the objects of the law, to conduct  
23 research in improved conservation methods, and disseminate  
24 information to residents and nonresidents in conservation  
25 matters. The bureau must ensure adequate protection and wise  
26 use of Iowa's fish and wildlife natural resources to  
27 accomplish the following objectives:

28 a. To enforce conservation laws and rules relating to  
29 fishing, hunting, trapping, boating, dock permits, snowmo-  
30 biling, and public land management to be indicated by not less  
31 than one hundred thousand hours per year devoted to law  
32 enforcement.

33 b. To assist with fish and wildlife population surveys and  
34 nuisance animal complaints to be indicated by not less than  
35 five thousand hours per year devoted to these surveys and

1 nuisance animal investigations.

2 c. To provide conservation information to the public by  
3 writing newspaper and magazine articles, speaking before  
4 organized groups, contacting radio and television media, and  
5 person-to-person contacts, to be indicated by not less than  
6 twenty thousand hours per year devoted to providing public  
7 information and not less than four thousand hours per year  
8 devoted to public programs and meetings.

9 d. To provide assistance to the public, other public  
10 agencies, and other divisions of the department as needed to  
11 be indicated by not less than ten thousand hours per year  
12 devoted to providing assistance to the public and other  
13 agencies.

14 e. To provide conservation-recreation safety and ethics  
15 training through hunter safety and ethics training, snowmobile  
16 safety training, boating safety training, and fur harvester  
17 education and ethics training to be indicated by offering not  
18 less than nine hundred safety-recreation courses, three  
19 thousand two hundred hours per year devoted to safety-  
20 recreation training, and training not less than ten thousand  
21 persons.

22 Sec. 206. MARINE FUEL TAX FUND. There is appropriated  
23 from the marine fuel tax fund to the department of natural  
24 resources for the fiscal year beginning July 1, 1987 and  
25 ending June 30, 1988 the following amounts, or so much thereof  
26 as is necessary, to be used for the following purposes:

	1987-1988
	<u>Fiscal Year</u>
27	
28	
29 1. For maintenance and development	
30 of boating facilities and access to	
31 public waters .....	\$ 397,179
32 2. For deposit in the state fish and	
33 game protection fund for the administra-	
34 tion and enforcement of navigation laws	
35 and boat safety .....	\$ 100,000

1 The balance of the amount computed as provided in section  
2 324.84 for the fiscal year beginning July 1, 1987 and ending  
3 June 30, 1988 is appropriated for the purposes provided in  
4 section 324.79, subsections 1, 2, 3 and 5. The unencumbered  
5 or unobligated balances of funds specifically allocated for  
6 such projects for the fiscal year ending June 30, 1988, shall  
7 revert to the fund from which appropriated June 30, 1990.

8 Sec. 207. There is appropriated from the general fund of  
9 the state to the department of natural resources for the  
10 payment of assessments to the midwest interstate low-level  
11 radioactive waste compact the following amounts, or so much  
12 thereof as is necessary, for the fiscal periods indicated:

- 13 1. Assessment for the fiscal year beginning  
14 July 1, 1986 and ending June 30, 1987 ..... \$ 45,000  
15 2. Assessment for the fiscal year beginning  
16 July 1, 1987 and ending June 30, 1988 ..... \$ 60,000

17 Sec. 208. Funds appropriated by section 204, except  
18 subsection 3 of that section, and sections 205 and 206 of this  
19 Act are for salaries and support for not more than nine  
20 hundred twelve point thirty-six full-time equivalent  
21 positions.

22 Sec. 209. The natural resource commission shall give  
23 priority to the acquisition of private property along the  
24 Cedar Valley nature trail in Black Hawk, Buchanan, Benton, and  
25 Linn counties and its extension into Johnson and Cedar  
26 Counties; the Heritage trail in Dubuque county; the Comet  
27 trail in Grundy county; and the trail from Des Moines to  
28 Arispe in Polk, Warren, Madison and Union counties. The  
29 department of transportation shall provide technical  
30 assistance to the natural resources commission with regard to  
31 acquisition proceedings. State funds shall not be used unless  
32 appropriated by the general assembly.

33 Sec. 210. During the fiscal year for which funds are  
34 appropriated by section 204 of this Act, the department of  
35 natural resources shall not require the installation or use of

1 equipment to control the emission of dust or other particulate  
2 matter on facilities for the storage of grain which are  
3 located within the ambient air quality attainment areas for  
4 suspended particulates.

5 Sec. 211. The natural resources commission shall establish  
6 a priority list of watersheds above publicly owned lakes and  
7 areas within those watersheds which are of highest importance  
8 based on soil loss to be used for the allocation of funds set  
9 aside in the appropriations to the department of agriculture  
10 and land stewardship for permanent soil conservation  
11 practices.

12 Sec. 212. An employee of the department of natural re-  
13 sources who retires after the effective date of this Act is  
14 eligible for payment of life or health insurance premiums as  
15 provided for in the collective bargaining agreement covering  
16 the public safety bargaining unit at the time of retirement if  
17 that employee previously served in a position which would have  
18 been covered by that agreement. The employee shall be given  
19 credit for the service in that prior position as though it  
20 were covered by that agreement. This section shall not  
21 operate to reduce any retirement benefits an employee may have  
22 earned under other collective bargaining agreements or  
23 retirement programs.

24 Sec. 213. Effective July 1, 1987, the department of  
25 natural resources shall establish prices of plant material  
26 grown at the state forest nurseries to cover half of all  
27 expenses directly related to the growing of the plants.

28 Effective July 1, 1988, the department shall establish  
29 prices of plant material grown at the state forest nurseries  
30 to cover eighty percent of all expenses directly related to  
31 the growing of plants.

32 Effective July 1, 1989, the department shall establish  
33 prices of plant material grown at the state forest nurseries  
34 to cover all expenses directly related to the growing of the  
35 plants.

1 The department shall develop additional programs to  
2 encourage the wise management and preservation of existing  
3 woodlands and shall increase its efforts to encourage  
4 forestation and reforestation on private and public lands in  
5 the state.

6 The department shall encourage a cooperative relationship  
7 between the state forest nurseries and private nurseries in  
8 the state in order to achieve these goals.

9 Sec. 214. Unless otherwise appropriated or provided by the  
10 general assembly, the agencies appropriated funds by this  
11 division of the Act are also appropriated their federal grants  
12 and federal receipts, for the purposes set forth in those  
13 federal grants or receipts.

14 Sec. 215. Section 15.227, subsection 1, paragraph c, Code  
15 1987, is amended to read as follows:

16 c. A person participating in the "green thumb program"  
17 shall be sixty years of age or older to be eligible for  
18 employment. A lower income person shall be preferred for  
19 employment. "Lower income" means a person who meets the  
20 requirements for "lower income families" described in section  
21 8f, of the United States Housing Act of 1937, as amended by  
22 the Housing and Community Development Act of 1974, Pub. L. No.  
23 93-383, 201a.

24 Sec. 216. Section 97B.49, subsection 7, paragraph c, Code  
25 1987, is amended to read as follows:

26 c. There is appropriated from the state fish and game  
27 protection fund to the department of personnel an actuarially-  
28 determined amount determined by the Iowa public employees'  
29 retirement system sufficient to pay for the additional  
30 benefits to conservation peace officers provided by this  
31 section, as a percentage, in paragraph "a" and for the  
32 employer portion of the benefits provided in paragraph "b".  
33 The amount is in addition to the contribution paid by the  
34 employer under section 97B.11. The cost of the benefits  
35 relating to conservation peace officers within the fish and

1 game division of the department of natural resources shall be  
2 paid from the state fish and game protection fund and the cost  
3 of the benefits relating to the other conservation peace  
4 officers of the department shall be paid from the general  
5 fund.

6 Sec. 217. Chapter 109, Code 1987, is amended by adding the  
7 following new section:

8 NEW SECTION. 109.10A FARMER ADVISORY COMMITTEE.  
9 The director shall establish a farmer advisory committee  
10 for the purpose of providing information to the department  
11 regarding crop and tree damage caused by deer, wild turkey,  
12 and other predators. The committee shall serve without  
13 compensation or reimbursement for expenses.

14 DIVISION III

15 ECONOMIC DEVELOPMENT

16 Sec. 301. There is appropriated from the general fund of  
17 the state to the department of economic development for the  
18 fiscal year beginning July 1, 1987 and ending June 30, 1988  
19 the following amounts, or so much thereof as is necessary, to  
20 be used for the purposes designated:

21 1987-1988  
22 Fiscal Year

23 1. For salaries and support  
24 for not more than thirty-five  
25 point zero eight full-time  
26 equivalent positions, main-  
27 tenance, and other operational  
28 purposes ..... \$ 1,691,788

29 2. For domestic marketing  
30 programs, including salaries  
31 and support for not more than  
32 eight point six full-time  
33 equivalent positions ..... \$ 665,900

34 3. For small business  
35 programs, including salaries

1 and support for not more than  
2 six full-time equivalent

3 positions ..... \$ 319,533

4 The department shall develop and administer a small  
5 business information center with a portion of the funds  
6 appropriated by this subsection.

7 4. For community progress  
8 programs, including salaries  
9 and support for not more than  
10 nine point five full-time

11 equivalent positions ..... \$ 411,054

12 5. For tourism and promotion  
13 programs, including salaries  
14 and support for not more than  
15 sixteen point four full-time  
16 equivalent positions ..... \$ 1,490,000

17 Of the funds appropriated by this subsection, fifty  
18 thousand (50,000) dollars, or so much thereof as is necessary,  
19 may be used to purchase or support the Grant Wood gothic house  
20 in Eldon, Iowa. The department shall cooperate with the  
21 historical division of the department of cultural affairs to  
22 acquire and maintain the Grant Wood gothic house and to  
23 promote the property as a tourist attraction. Of the funds  
24 allocated for the purchase of the house, unexpended funds  
25 shall be credited to the Grant Wood gothic house trust fund  
26 which is created in the office of the treasurer of state. The  
27 moneys in this fund shall be administered by the historical  
28 division of the department of cultural affairs and shall be  
29 used to provide for the maintenance of the house and to  
30 receive local public and private contributions for the  
31 promotion and maintenance of the house as a tourist site. Of  
32 the funds appropriated by this subsection, fifty thousand  
33 (50,000) dollars, or so much thereof as is necessary, may be  
34 used for evaluating the feasibility of preserving the  
35 historical significance of and establishing tourism and

1 recreation centers in existing Iowa railway passenger stations  
2 and depots. Local communities in which passenger stations and  
3 depots are located shall match, on an equal basis, state funds  
4 expended on evaluating the respective station or depot.

5 Of the funds appropriated under this subsection, fifteen  
6 thousand (15,000) dollars, or so much thereof as is necessary,  
7 may be used for the construction of a storage and multi-use  
8 facility in Stone City, Iowa for the storage of replicas of  
9 Grant Wood ice wagons in which artists lived in Stone City,  
10 Iowa. The funds available under this unnumbered paragraph  
11 shall be matched on a dollar-for-dollar basis with moneys or  
12 in-kind contributions from other sources.

13 Of the funds appropriated under this subsection, twenty-  
14 five thousand (25,000) dollars, or so much thereof as is  
15 necessary, may be used for providing a permanent Grant Wood  
16 information center and art gallery in Anamosa, Iowa. The  
17 funds available under this unnumbered paragraph shall be  
18 matched on a dollar-for-dollar basis with moneys or in-kind  
19 contributions from other sources.

20 6. For advertising and marketing ..... \$ 89,563

21 7. For operation and maintenance  
22 of an Asian trade office, including  
23 salaries and support for not more  
24 than two full-time equivalent  
25 positions ..... \$ 291,000

26 8. For salary and support for  
27 not more than one full-time  
28 equivalent position, and main-  
29 tenance of an export finance program ..... \$ 200,000

30 9. Community development block grant  
31 administration and related federal housing  
32 and urban development grant  
33 administration

34 For salaries and support for not  
35 more than fourteen full-time equivalent

1 positions, maintenance,  
2 and miscellaneous purposes ..... \$ 54,285  
3 10. Job training partnership Act:  
4 dislocated workers  
5 For salaries and support for not  
6 more than twenty-eight point seven full-  
7 time equivalent positions, maintenance,  
8 and miscellaneous purposes ..... \$ 960,151  
9 11. Mississippi river parkway commission  
10 For support, maintenance, and  
11 miscellaneous purposes ..... \$ 14,550  
12 12. Youth services administration  
13 For salaries and support for not more  
14 than two full-time equivalent positions,  
15 maintenance, and miscellaneous purposes  
16 to develop and administer employment  
17 opportunities for youth ..... \$ 76,516  
18 In expending the funds appropriated by this subsection, the  
19 department of economic development shall consider the level of  
20 training and education in the areas of work skills, job  
21 retention, job searching, and work ethics in evaluating  
22 requests or proposals for funds to be used for local youth  
23 corps projects or programs.  
24 13. Iowa conservation corps  
25 For program purposes ..... \$ 291,000  
26 14. For additional and supplemental  
27 funding for the child care services programs  
28 including employer sponsored child day care  
29 services and child day care services for ill  
30 children, and the displaced homemakers program,  
31 including salaries and support for not more  
32 than zero point eight full-time equivalent  
33 positions ..... \$ 728,000  
34 15. The division of financial assistance of the department  
35 of economic development shall maintain a list of all state

1 programs, grants, and other assistance available to the  
2 political subdivisions of the state. The division shall work  
3 with other state agencies in developing the list, including  
4 but not limited to, the department of managment, the  
5 department of natural resources, the Iowa department of public  
6 health, and the department of human services.

7 16. It is the intent of the general assembly that the  
8 department of economic development, in its operation of the  
9 agricultural marketing program, shall conform its activities  
10 to the mission, goals, and objectives provided in this  
11 subsection and collect information pertaining to performance  
12 measures developed by the legislative fiscal bureau. The  
13 department shall provide a report at least quarterly to the  
14 legislative fiscal bureau and the co-chairpersons and ranking  
15 members of the economic development appropriations  
16 subcommittee on the performance measures. The department  
17 shall be notified by the legislative fiscal bureau by July 1,  
18 1987 of the specific performance measures for which data shall  
19 be collected and reported.

20 The department exists for the purpose of enhancing economic  
21 development in the state and to provide for job creation and  
22 increased prosperity and opportunities for the citizens of the  
23 state by providing direct financial and technical assistance  
24 and training to businesses and individuals and by coordinating  
25 other state, local, and federal economic development programs.

26 The department shall operate an agricultural marketing  
27 program designed to lead to more advantageous marketing of  
28 Iowa agricultural products to accomplish the following  
29 objectives:

30 a. Investigate the subject of marketing agricultural  
31 products and recommend efficient and economical methods of  
32 marketing.

33 b. Promote the sales, distribution, and merchandising of  
34 agricultural products to be indicated by the number of trade  
35 or sales leads originated through the agricultural marketing

1 programs, by the number of Iowa companies represented at trade  
2 shows, and by the number of out-of-state buyers contacted  
3 through trade shows and other promotional events.

4 c. Furnish information and assistance to the public  
5 concerning the marketing of agricultural products to be  
6 indicated by the number of Iowa companies that receive  
7 counseling or assistance.

8 d. Cooperate with the college of agriculture of Iowa State  
9 University of science and technology in farm marketing  
10 education and research and avoid unnecessary duplications to  
11 be indicated by the number of meetings with the university  
12 staff to discuss marketing research and education and number  
13 and type of recommendations generated from these meetings.

14 e. Gather and diffuse useful information concerning all  
15 phases of the marketing of Iowa farm products in cooperation  
16 with other public and private agencies.

17 f. Ascertain sources of supply of Iowa agricultural  
18 products and prepare and publish from time to time lists of  
19 names and addresses of producers and consignors and furnish  
20 lists to persons applying for them to be indicated by the  
21 number of potential out-of-state buyers that receive the list  
22 of Iowa suppliers.

23 g. Aid in the promotion and development of the  
24 agricultural processing industry in the state to be indicated  
25 by the number of trade or sales leads originated through the  
26 agricultural marketing programs, the number of Iowa companies  
27 represented at trade shows, the number of out-of-state buyers  
28 contacted through trade shows and other promotional events,  
29 and the number of Iowa companies meeting with out-of-state  
30 buyers brought to Iowa as part of the agricultural marketing  
31 programs.

32 Sec. 302. 1986 Iowa Acts, chapter 1246, section 1,  
33 subsection 4, is amended to read as follows:

34 4. For establishment and  
35 maintenance of an ambassador's

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

2 The funds appropriated by this subsection shall be matched  
3 on a dollar for dollar basis with capital provided by private  
4 sources and be expended to attract private capital to be used  
5 by the department to develop a comprehensive national and  
6 international marketing program. These funds shall be  
7 utilized to implement a statewide initiative that includes,  
8 but is not limited to, the development of a trade network,  
9 national and international marketing research, business  
10 recruitment, utilization of national advertising features, a  
11 toll-free number, billboards, displays in key business  
12 locations, a direct marketing program, a "trade and marketing  
13 institute", and an "invest in Iowa" program. The department  
14 shall secure the necessary private participation from groups  
15 and organizations most appropriate for any particular  
16 function. In-kind expenditures from the private sector may be  
17 considered as a portion of the dollar for dollar match. The  
18 department shall give attention to using a portion of these  
19 funds to contract and coordinate with international programs  
20 at Iowa colleges and universities to develop a network of  
21 trade contacts overseas through the use of alumni from Iowa  
22 colleges and universities.

23 Notwithstanding section 8.33, funds appropriated under this  
24 subsection for the fiscal year beginning July 1, 1986 and  
25 ending June 30, 1987 shall not revert to the general fund of  
26 the state but shall remain available for expenditure in the  
27 fiscal year beginning July 1, 1987 and ending June 30, 1988.

28 Sec. 303. Section 15.108, subsection 7, Code 1987, is  
29 amended by adding the following new lettered paragraph:

30 NEW LETTERED PARAGRAPH. i. Organizing and coordinating  
31 quarterly meetings of all state agencies which administer  
32 programs and activities developed to encourage and assist the  
33 development of small businesses in Iowa. The quarterly  
34 meetings shall be attended by, but not limited to:  
35 representatives of the State University of Iowa,

1 representatives of the University of Northern Iowa,  
2 representatives from Iowa State University of science and  
3 technology concerning programs administered by the small  
4 business development centers, representatives from Iowa State  
5 University of science and technology concerning programs  
6 administered by the cooperative extension service, and  
7 representatives from the merged area schools. The department  
8 and the respective agency representatives shall meet, discuss,  
9 and make recommendations, including but not limited to, the  
10 following areas:

11 (1) Coordination of existing small business programs to  
12 avoid duplication of service delivery.

13 (2) Cataloging of all statewide small business programs  
14 and the respective locations and names of the service  
15 providers.

16 (3) Identification of the current and future economic,  
17 financial, marketing, and research issues and needs involving  
18 small business growth in the state.

19 (4) Development of coordinated technical and financial  
20 assistance programs which maximize accessibility to small  
21 businesses.

22 (5) Evaluation of existing small business programs to  
23 identify the effectiveness of the programs.

24 The department shall submit quarterly reports to the  
25 legislative fiscal bureau. Each report shall contain  
26 recommendations derived from the quarterly meetings.

27 Sec. 304. All federal grants to and the federal receipts  
28 of the agencies appropriated funds under this division of this  
29 Act are appropriated for the purposes set forth in such  
30 federal grants and receipts unless otherwise provided by the  
31 general assembly.

32 DIVISION IV

33 EDUCATION

34 Sec. 401. There is appropriated from the general fund of  
35 the state, to the department of cultural affairs for the fis-

1 cal year beginning July 1, 1987 and ending June 30, 1988, the  
2 following amounts, or so much thereof as is necessary, for the  
3 purposes designated:

	1987-1988 <u>Fiscal Year</u>
4	
5	
6 1. For the administration division	
7 for salaries and support for not more	
8 than eight full-time equivalent positions,	
9 maintenance, and miscellaneous purposes .....	\$ 259,214
10 2. For the arts division for sala-	
11 ries and support for not more than ten	
12 full-time equivalent positions, main-	
13 tenance, and miscellaneous purposes	
14 including funds to match federal grants .....	\$ 467,586
15 3. For the historical division for	
16 salaries and support for not more than	
17 forty-six full-time equivalent positions,	
18 maintenance, and miscellaneous purposes .....	\$ <u>1,442,685</u>
19 4. For the library division for sal-	
20 aries and support for not more than forty	
21 point five full-time equivalent positions,	
22 maintenance, and miscellaneous purposes .....	\$ 1,054,145
23 5. For the public broadcasting di-	
24 vision for salaries and support for	
25 not more than ninety-four full-time	
26 equivalent positions, maintenance, and	
27 miscellaneous purposes .....	\$ 5,837,775
28 6. For the Terrace Hill commission	
29 for salaries and support for not more	
30 than five point twenty-five full-time	
31 equivalent positions, maintenance, and	
32 miscellaneous purposes for the opera-	
33 tion of Terrace Hill and for conducting	
34 tours .....	\$ 151,367
35 7. For the regional library system	

1 for state aid ..... \$ 1,450,230

2 8. For the library division for  
3 increasing library accessibility, li-  
4 brary usage, and the availability of  
5 library and media materials ..... \$ 100,000

6 From moneys appropriated in this subsection, the library  
7 division shall provide grants to regional libraries and area  
8 education agencies for the implementation of cooperative  
9 programs. In addition, moneys appropriated in this subsection  
10 shall be used by the library division to conduct a study of  
11 methods to provide that public libraries, regional libraries,  
12 libraries administered by the state library division,  
13 libraries of institutions of higher education under the state  
14 board of regents, libraries and media centers of the area  
15 education agencies, and libraries of merged area schools are  
16 accessible to the citizens of this state, to provide  
17 additional library and media resources, and to increase the  
18 utilization of libraries and media centers as lifelong  
19 learning centers. Notwithstanding limitations on the  
20 activities of area education agencies under chapter 273, area  
21 education agencies may cooperate with regional libraries for  
22 the purposes of implementation of cooperative programs funded  
23 under this section. Reimbursement to area education agencies  
24 shall be only for marginal costs incurred.

25 Sec. 402. There is appropriated from the general fund of  
26 the state to the college aid commission for the fiscal year  
27 beginning July 1, 1987 and ending June 30, 1988, the following  
28 amounts, or so much thereof as may be necessary, to be used  
29 for the funding of the following programs for the purposes  
30 designated:

31  
32  
33  
34  
35  
1987-1988  
Fiscal Year

1. COLLEGE AID COMMISSION  
For salaries and support for  
not more than five point two full-

1 time equivalent positions, main-  
2 tenance, and miscellaneous pur-  
3 poses ..... \$ 264,309

4 2. OCCUPATIONAL THERAPIST

5 LOAN PROGRAM

6 For the occupational thera-  
7 pist loan program under section  
8 261.46 ..... \$ 30,000

9 3. SUMMER INSTITUTE PROGRAMS

10 For summer institute programs ..... \$ 100,000

11 Moneys appropriated in this subsection shall be used to  
12 supplement moneys appropriated from the Iowa plan fund.

13 Sec. 403. There is appropriated from the general fund of  
14 the state to the college aid commission for the fiscal year  
15 beginning July 1, 1987 and ending June 30, 1988, the sum of  
16 seven hundred twenty-five thousand four hundred ten (725,410)  
17 dollars, or so much thereof as may be necessary, to be paid to  
18 the college of osteopathic medicine and surgery for the  
19 subvention program created pursuant to sections 261.18 and  
20 261.19. Notwithstanding section 261.19, for the fiscal year  
21 beginning July 1, 1987, the subvention shall be used for the  
22 admission and education of students enrolled in each of the  
23 four years of classes in the college of osteopathic medicine  
24 and surgery.

25 Sec. 404. There is appropriated from the guaranteed  
26 student loan reserve fund to the college aid commission for  
27 the fiscal year beginning July 1, 1987 and ending June 30,  
28 1988, the following amounts, or so much thereof as may be  
29 necessary, to be used for the funding of the following  
30 programs for the guaranteed student loan program:

31 1. OPERATING COSTS

32 For operating costs ..... \$ 2,126,304

33 2. LOAN CONSOLIDATION SERVICES

34 For loan consolidation services ..... \$ 375,000

35 Sec. 405. There is appropriated from the general fund of

1 the state for the fiscal year beginning July 1, 1987 and  
2 ending June 30, 1988, to the department of education the  
3 following amounts, or so much thereof as may be necessary, to  
4 be used in the manner designated:

5  
6 1987-1988  
Fiscal Year

7 1. GENERAL ADMINISTRATION

8 For salaries and support for  
9 not more than one hundred fourteen  
10 point ninety-four full-time equiva-  
11 lent positions, maintenance, and  
12 miscellaneous purposes ..... \$ 5,300,708

13 It is the intent of the general assembly that the  
14 department of education expend, from funds appropriated in  
15 this subsection, at least two hundred fifty thousand (250,000)  
16 dollars for the administration of the educational excellence  
17 program established by law, five hundred thousand (500,000)  
18 dollars to be used by the department to provide technical  
19 assistance and monetary grants to school districts for  
20 developing elementary and secondary school foreign language  
21 programs, and one hundred fifty thousand (150,000) dollars to  
22 be used to contract with the state board of regents to provide  
23 a summer residence program for gifted and talented elementary  
24 and secondary school students.

25 As a condition of the appropriation made in this  
26 subsection, the department of education shall expend at least  
27 one hundred fifty thousand (150,000) dollars of the moneys  
28 appropriated in this subsection to increase the salaries of  
29 individuals employed by the department in consultant positions  
30 in order to bring their compensation up to a level that is  
31 more competitive with compensation received by individuals  
32 employed in other professional positions that have comparable  
33 educational requirements.

34 It is the intent of the general assembly that the  
35 department provide assistance to area education agencies and

1 school districts in administering programs for autistic  
2 children.

3 2. VOCATIONAL EDUCATION AD-  
4 MINISTRATION

5 For salaries and support for  
6 not more than forty-two full-time  
7 equivalent positions, maintenance,  
8 and miscellaneous purposes ..... \$ 891,399

9 It is the intent of the general assembly that an amount up  
10 to forty thousand (40,000) dollars, or so much thereof as is  
11 necessary, be used for salaries and support for two additional  
12 full-time equivalent consultant positions to assist in the  
13 implementation and improvement of secondary school vocational  
14 agriculture programs.

15 3. VOCATIONAL EDUCATION AID

16 For vocational education aid  
17 to secondary schools ..... \$ 3,683,061

18 Funds appropriated by this subsection are to be used for  
19 aid to school districts for development and the conduct of  
20 both continuing and new vocational programs, services and  
21 activities of vocational education through secondary schools,  
22 and for aid to existing jointly administered secondary  
23 vocational education programs, in accordance with chapter 258  
24 and chapter 280A, and to purchase instructional equipment for  
25 vocational and technical courses of instruction in such  
26 schools.

27 4. VOCATIONAL YOUTH ORGANI-  
28 ZATION FUND

29 To carry out section 258.14 ..... \$ 9,252

30 5. SCHOOL FOOD SERVICE

31 For the purpose of providing  
32 assistance to students en-  
33 rolled in public school dis-  
34 tricts and approved nonpublic  
35 schools of the state for break-

1 fasts, lunches and minimal  
2 equipment programs with the  
3 funds being used as state match-  
4 ing funds for federal programs  
5 and which shall be disbursed  
6 according to federal regula-  
7 tions, including salaries and  
8 support for not more than sixteen  
9 full-time equivalent positions ..... \$ 3,173,131

10 6. PREKINDERGARTEN PROGRAMS

11 For matching funds for school  
12 districts for prekindergarten  
13 programs under section 279.51 ..... \$ 300,000

14 7. TEXTBOOKS OF NONPUBLIC  
15 SCHOOL PUPILS

16 To provide funds for costs  
17 of providing textbooks to  
18 each resident pupil who at-  
19 tends an approved nonpublic  
20 school or authorized by sec-  
21 tion 301.1. Such funding is  
22 limited to ten dollars per  
23 pupil and shall not exceed the  
24 comparable services offered to  
25 resident public school pupils ..... \$ 350,000

26 8. PROFESSIONAL TEACHING  
27 PRACTICES COMMISSION

28 For the use of the commis-  
29 sion to carry out chapter 272A,  
30 including salaries and support  
31 for not more than one point forty-  
32 six full-time equivalent positions ..... \$ 57,591

33 9. NON-ENGLISH SPEAKING

34 To provide funding to public  
35 schools and for nonpublic school

1 students attending approved non-  
2 public schools for special in-  
3 struction for non-English speak-  
4 ing students as provided in  
5 section 280.4 ..... \$ 150,000

6 10. IOWA ACADEMY OF SCIENCE  
7 For support and maintenance ..... \$ 57,494

8 11. VOCATIONAL REHABILITATION  
9 DIVISION

10 For salaries and support for  
11 not more than three hundred seven  
12 point five full-time equivalent  
13 positions, maintenance, and  
14 miscellaneous purposes ..... \$ 2,696,461

15 12. MERGED AREA XI  
16 For meeting educational needs  
17 of the Carroll service area ..... \$ 250,000

18 13. MERGED AREA SCHOOLS  
19 For general state financial aid to merged areas as defined  
20 in section 280A.2 and for vocational education programs in ac-  
21 cordance with chapters 258 and 280A, and to purchase instruc-  
22 tional equipment for vocational and technical courses of in-  
23 struction in such schools, the amount of fifty-two million  
24 seven hundred seventy-seven thousand three hundred nine  
25 (52,777,309) dollars to be allocated as follows:

26	a. Merged Area I .....	\$ 2,436,434
27	b. Merged Area II .....	\$ 2,952,226
28	c. Merged Area III .....	\$ 2,831,298
29	d. Merged Area IV .....	\$ 1,362,535
30	e. Merged Area V .....	\$ 3,241,957
31	f. Merged Area VI .....	\$ 3,142,360
32	g. Merged Area VII .....	\$ 4,214,363
33	h. Merged Area IX .....	\$ 4,345,039
34	i. Merged Area X .....	\$ 7,057,496
35	j. Merged Area XI .....	\$ 6,854,784

1	k.	Merged Area XII .....	\$ 3,099,604
2	l.	Merged Area XIII .....	\$ 3,342,548
3	m.	Merged Area XIV .....	\$ 1,367,270
4	n.	Merged Area XV .....	\$ 4,018,116
5	o.	Merged Area XVI .....	\$ 2,511,279

6     Sec. 406. There is appropriated from the general fund of  
 7 the state to the department of education for the fiscal year  
 8 beginning July 1, 1988 and ending June 30, 1989, for general  
 9 state financial aid to merged areas the amount of twenty-two  
 10 million six hundred eighteen thousand eight hundred forty-five  
 11 (22,618,845) dollars, to be accrued as income and used for  
 12 expenditures incurred by the area schools during the fiscal  
 13 year beginning July 1, 1987 and ending June 30, 1988, to be  
 14 allocated to each area school as follows:

15	1.	Merged Area I .....	\$ 1,044,186
16	2.	Merged Area II .....	\$ 1,265,240
17	3.	Merged Area III .....	\$ 1,213,414
18	4.	Merged Area IV .....	\$ 583,943
19	5.	Merged Area V .....	\$ 1,389,410
20	6.	Merged Area VI .....	\$ 1,346,726
21	7.	Merged Area VII .....	\$ 1,806,155
22	8.	Merged Area IX .....	\$ 1,862,159
23	9.	Merged Area X .....	\$ 3,024,641
24	10.	Merged Area XI .....	\$ 2,937,764
25	11.	Merged Area XII .....	\$ 1,328,402
26	12.	Merged Area XIII .....	\$ 1,432,520
27	13.	Merged Area XIV .....	\$ 585,973
28	14.	Merged Area XV .....	\$ 1,722,050
29	15.	Merged Area XVI .....	\$ 1,076,262

30 Funds appropriated by this section shall be allocated  
 31 pursuant to this section and paid on or about August 15, 1988.

32     Sec. 407. General state aid paid to area schools under  
 33 section 405, subsection 13, of this Act, for expenditures  
 34 incurred during the fiscal year beginning July 1, 1987 and  
 35 ending June 30, 1988, shall be paid by the department of

1 revenue and finance in installments due on or about November  
2 15, February 15, and May 15 of that fiscal year. The payment  
3 received by area schools on or about August 15, 1988 under  
4 section 406 of this Act is an account receivable for the  
5 previous fiscal year. The installments shall be as nearly  
6 equal as possible as determined by the department of  
7 management, taking into consideration the relative budget and  
8 cash position of the state resources.

9 Sec. 408. There is appropriated from the general fund of  
10 the state to the state board of regents for the fiscal year  
11 beginning July 1, 1987 and ending June 30, 1988, the following  
12 amounts, or so much thereof as may be necessary, for use for  
13 the following designated purposes:

14		1987-1988
15		<u>Fiscal Year</u>

16 1. OFFICE OF STATE BOARD  
17 OF REGENTS

18 a. For salaries and support  
19 for not more than eighteen point  
20 sixty-three full-time equivalent  
21 positions, maintenance, equipment,  
22 and miscellaneous purposes ..... \$ 483,370

23 As a condition of the appropriation made in this paragraph,  
24 the office of the state board of regents shall direct that  
25 copies of the student newspapers of each of the three  
26 institutions of higher education be transmitted to the  
27 chairpersons and ranking members of the education  
28 appropriations subcommittees, to the legislative fiscal  
29 bureau, and to the department of management.

30 b. For allocation by  
31 the state board of regents  
32 to the state university of  
33 Iowa, the Iowa state university  
34 of science and technology, and  
35 the university of northern Iowa

1 in amounts as may be necessary  
2 to reimburse the institutions  
3 for deficiencies in their operat-  
4 ing funds resulting from the  
5 pledging of tuitions, student  
6 fees and charges and institutional  
7 income to finance the cost of  
8 providing academic and adminis-  
9 trative buildings and facilities  
10 and utility services at the  
11 institutions ..... \$ 16,220,946

12 2. STATE UNIVERSITY OF IOWA

13 a. General university, in-  
14 cluding lakeside laboratory

15 (1) For salaries and support  
16 for not more than four thousand  
17 two hundred twenty-one point sixty-  
18 eight full-time equivalent positions,  
19 maintenance, equipment, and  
20 miscellaneous purposes ..... \$131,142,205

21 It is a condition of the appropriation in this subparagraph  
22 that from the moneys appropriated, seven hundred fifty-six  
23 thousand (756,000) dollars be expended for salary increases  
24 for professional and scientific employees of the institution,  
25 two hundred ninety thousand (290,000) dollars be expended for  
26 an emergency supplement for graduate students adversely  
27 affected by the federal tax reform Act of 1986, one million  
28 two hundred eighty thousand (1,280,000) dollars be expended  
29 for educational quality projects approved by the state board  
30 of regents, and five hundred thousand (500,000) dollars be  
31 expended for library automation.

32 (2) Agriculture health and  
33 safety service pilot programs ..... \$ 100,000

34 The state board of regents shall establish an agricultural  
35 health and safety service as part of the college of medicine

1 of the University of Iowa. In order to establish the  
2 effectiveness of the service, the state board of regents shall  
3 undertake an agricultural health and safety service pilot  
4 program for two years. The pilot program will consist of a  
5 service to be located at the Oakdale campus at the University  
6 of Iowa. The pilot program shall provide medical and  
7 engineering services to any person engaged in farming, as  
8 defined in section 89B.4, in cooperation with the Iowa depart-  
9 ment of public health, the department of agriculture and land  
10 stewardship, and the Iowa State University of science and  
11 technology.

12 By January 1, 1989, the dean of the college of medicine of  
13 the University of Iowa shall report to the Iowa general  
14 assembly, the secretary of agriculture, and the director of  
15 public health on the effectiveness of the service and shall  
16 make recommendations regarding continuation, termination, or  
17 expansion of the agricultural health and safety service  
18 program. Moneys appropriated in this subparagraph shall be  
19 used to establish the pilot program.

20 b. University hospitals

21 (1) For salaries and support  
22 for not more than four thousand  
23 seven hundred eighteen point eighty-  
24 three full-time equivalent positions,  
25 maintenance, equipment, and miscel-  
26 laneous purposes; for medical and  
27 surgical treatment of indigent

28 patients as provided in chapter 255 ..... \$ 25,529,058

29 From moneys appropriated in this subparagraph, four hundred  
30 thousand (400,000) dollars shall be expended for pharmacy  
31 building remodeling and three hundred twenty-six thousand  
32 (326,000) dollars shall be expended for west campus waterline  
33 replacement.

34 (2) For allocation by the  
35 dean of the college of medicine,

1 with approval of the advisory  
2 board, to qualified participants,  
3 to carry out chapter 148C for  
4 the family practice program,  
5 including salaries and support  
6 for not more than one hundred  
7 seventy-six point eighty-four  
8 full-time equivalent positions ..... \$ 1,449,437

9 (3) For specialized child  
10 health care services, includ-  
11 ing childhood cancer diagnos-  
12 tic and treatment network pro-  
13 grams; rural comprehensive  
14 care for hemophilia patients;  
15 and Iowa high risk infant fol-  
16 low-up program, including salaries  
17 and support for not more than  
18 twelve point thirty-nine full-  
19 time equivalent positions ..... \$ 316,038

20 c. As a condition of the appropriation made in paragraph  
21 "b", subparagraph (1), the county quotas for indigent patients  
22 for the fiscal year commencing July 1, 1987 shall not be lower  
23 than the county quotas for the fiscal year commencing July 1,  
24 1986. Before a patient is eligible for the indigent patient  
25 program, the county general relief director shall first  
26 ascertain from the local office of human services if the  
27 applicant would qualify for medical assistance or the  
28 medically needy program without the spend-down provision under  
29 chapter 249A. If the applicant qualifies, then the patient  
30 shall be certified for medical assistance and shall not be  
31 counted under chapter 255. It is the intent of the general  
32 assembly that university hospitals shall not perform heart,  
33 liver, pancreas, artificial heart, or heart/lung  
34 transplantations on indigent patients referred under chapter  
35 255 unless the patient meets criteria developed by the

1 national heart, lung and blood institute's special advisory  
2 group for heart recipients, or the 1983 national institute of  
3 health's concensus conference on liver transplants for liver  
4 recipients, or unless the patient meets nationally recognized  
5 criteria for pancreas transplantations. The total amount of  
6 state funds expended for heart, liver, pancreas, artificial  
7 heart, or heart/lung transplantations shall not exceed nine-  
8 tenths of one percent of the total state indigent funds  
9 received by the university hospitals for the fiscal year  
10 beginning July 1, 1987 and ending June 30, 1988.

11 d. As a condition of the appropriation made in paragraph  
12 "b", subparagraph (1), funds appropriated in that subparagraph  
13 shall not be allocated to the university hospitals until the  
14 superintendent has filed with the department of management and  
15 the legislative fiscal bureau a quarterly report containing  
16 the account required in section 255.24. The report shall  
17 include the information required in section 255.24 for  
18 patients by the type of service provided.

19 e. As a condition of the appropriation made in paragraph  
20 "b", funds appropriated in this section shall not be used to  
21 perform abortions except medically necessary abortions, and  
22 shall not be used to operate the early termination of  
23 pregnancy clinic except for the performance of medically  
24 necessary abortions. For the purpose of this paragraph, an  
25 abortion is the purposeful interruption of pregnancy with the  
26 intention other than to produce a live-born infant or to  
27 remove a dead fetus, and a medically necessary abortion is one  
28 performed under one of the following conditions:

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

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

34 (3) The pregnancy is the result of a rape which is  
35 reported within forty-five days of the incident to a law

1 enforcement agency or public or private health agency which  
2 may include a family physician.

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

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

10 f. Psychiatric hospital

11 For salaries and support for  
12 not more than two hundred eighty-  
13 seven point twenty-six full-time  
14 equivalent positions, maintenance,  
15 equipment, and miscellaneous pur-  
16 poses and for the care, treatment  
17 and maintenance of committed and

18 voluntary public patients ..... \$ 5,770,862

19 g. State hygienic laboratory

20 For salaries and support for  
21 not more than one hundred ten  
22 point zero four full-time equiv-  
23 alent positions, maintenance,  
24 equipment, and miscellaneous

25 purposes ..... \$ 2,375,932

26 h. Hospital school

27 For salaries and support for  
28 not more than one hundred eighty-  
29 five point seventy-three full-time  
30 equivalent positions, maintenance,  
31 equipment, and miscellaneous pur-

32 poses ..... \$ 4,317,764

33 i. Oakdale campus

34 For salaries and support for  
35 not more than eighty-two full-

1 time equivalent positions, main-  
2 tenance, equipment, and miscel-  
3 laneous purposes ..... \$ 2,422,797

4 3. IOWA STATE UNIVERSITY OF  
5 SCIENCE AND TECHNOLOGY

6 a. General university

7 For salaries and support for  
8 not more than three thousand seven  
9 hundred seventy-five full-time  
10 equivalent positions, maintenance,  
11 equipment, and miscellaneous pur-  
12 poses ..... \$108,217,792

13 It is a condition of the appropriation in this subparagraph  
14 that from the moneys appropriated, five hundred eighteen  
15 thousand (518,000) dollars be expended for salary increases  
16 for professional and scientific employees of the institution,  
17 one hundred seventy thousand (170,000) dollars be expended for  
18 an emergency supplement for graduate students adversely  
19 affected by the federal tax reform Act of 1986, one million  
20 two hundred eighty thousand (1,280,000) dollars be expended  
21 for educational quality projects approved by the state board  
22 of regents for the general university, agricultural experiment  
23 station or the cooperative extension service in agriculture  
24 and home economics, and five hundred thousand (500,000)  
25 dollars be expended for library automation.

26 b. Agricultural experiment

27 station

28 For salaries and support for  
29 not more than four hundred thirteen  
30 point five full-time equivalent  
31 positions, maintenance, equip-  
32 ment, and miscellaneous purposes ..... \$ 12,111,042

33 c. Cooperative extension

34 service in agriculture and home  
35 economics

1 For salaries and support for  
2 not more than four hundred ninety-  
3 six point ninety-eight full-time  
4 equivalent positions, maintenance,  
5 and miscellaneous purposes ..... \$ 12,253,345

6 d. For continuation of the  
7 rural concern hotline, including  
8 salaries and support for not more  
9 than four point five full-time  
10 equivalent positions ..... \$ 90,000

11 e. Fire service education,  
12 including salaries and support  
13 for not more than eleven  
14 full-time equivalent positions ..... \$ 414,846

15 f. Iowa state water resources  
16 research institute  
17 For research approved by the  
18 panel created in 1984 Iowa Acts,  
19 chapter 1303, section 20, including  
20 salaries and support for not more  
21 than two full-time equivalent  
22 positions ..... \$ 100,000

23 4. UNIVERSITY OF NORTHERN  
24 IOWA

25 For salaries and support for  
26 three hundred twenty-four  
27 full-time equivalent  
28 positions, maintenance, equipment,  
29 and miscellaneous purposes ..... \$ 42,474,679

30 It is a condition of the appropriation in this subsection  
31 that from the moneys appropriated, one hundred twenty-six  
32 thousand (126,000) dollars be expended for salary increases  
33 for professional and scientific employees of the institution,  
34 forty thousand (40,000) dollars be expended for an emergency  
35 supplement for graduate students adversely affected by the

1 federal tax reform Act of 1986, six hundred forty thousand  
2 (640,000) dollars be expended for educational quality projects  
3 approved by the state board of regents, and two hundred fifty  
4 thousand (250,000) dollars be expended for library automation.

5 As a further condition of the appropriation made in this  
6 subsection, the state board of regents shall ensure that  
7 students at each institution of higher education shall not be  
8 discriminated against in having access to a self-supporting  
9 student operated book exchange located in the student union of  
10 each institution.

11 5. STATE SCHOOL FOR THE DEAF

12 For salaries and support for  
13 not more than one hundred thirty-  
14 five point three full-time equiva-  
15 lent positions, maintenance, and

16 miscellaneous purposes ..... \$ 4,669,620

17 6. IOWA BRAILLE AND SIGHT-  
18 SAVING SCHOOL

19 For salaries and support for  
20 not more than ninety-five point  
21 thirty-three full-time equivalent  
22 positions, maintenance, and

23 miscellaneous purposes ..... \$ 2,632,055

24 7. The provisions of section 8.33, unnumbered paragraph 2,  
25 shall not apply to the funds appropriated in subsection 2,  
26 paragraph "a", subparagraph (1); subsection 3, paragraph "a";  
27 and subsection 4. No later than September 15, 1988, the board  
28 of regents shall submit to the department of management and to  
29 the legislative fiscal bureau a list of all obligations which  
30 have been incurred for goods and services that have not been  
31 received or rendered as of that date.

32 Sec. 409. INDIGENT OBSTETRICAL PATIENT QUOTAS.

33 1. The statewide indigent patient care program shall con-  
34 tinue the nonquota system for indigent obstetrical and ortho-  
35 pedic patients and shall maintain the current county quota

1 system for other indigent patients. The indigent obstetrical  
2 patient quota system established by 1986 Iowa Acts, chapter  
3 1246, section 111 is abolished.

4 2. Effective July 1, 1987, the department of public health  
5 shall establish a medically indigent obstetrical patient care  
6 and shall adopt rules to implement the program. The rules  
7 shall provide for:

8 a. Eligibility for persons with income at or below one  
9 hundred fifty percent of the annual revision of the poverty  
10 income guidelines published by the United States department of  
11 health and human services, and shall provide, but shall not be  
12 limited to providing, eligibility for uninsured and  
13 underinsured persons financially unable to pay for necessary  
14 obstetrical and newborn care.

15 b. Resource standards set at or above the resource stan-  
16 dards under the federal supplemental security income program.  
17 The resource exclusions allowed under the federal supplemental  
18 security income program shall be allowed and shall include re-  
19 sources necessary for self-employment.

20 c. Conditions of participation for providers of medically  
21 indigent obstetrical patient care equivalent to the require-  
22 ments established for the medical assistance program.

23 3. The department shall require any applicant for assis-  
24 tance under the medically indigent obstetrical patient care  
25 program to apply for medical assistance and shall limit as-  
26 sistance under the medically indigent obstetrical patient care  
27 program to persons who are not eligible for medical  
28 assistance, except that persons who qualify for medical  
29 assistance only under the spend-down provisions of the  
30 medically needy program shall be eligible for assistance under  
31 the medically indigent obstetrical patient care program.

32 4. For patients residing in the service areas of prenatal  
33 clinics staffed by university hospitals' physicians,  
34 consisting of the counties of Cedar, Clinton, Iowa, Johnson,  
35 Keokuk, Louisa, Muscatine, Scott and Washington, the

1 department shall restrict coverage of inpatient  
2 hospitalization services to emergency services. Inpatient  
3 services for these patients shall be provided at the  
4 university hospitals under the nonquota obstetrical program  
5 under chapter 255.

6 5. The department shall establish a schedule of fees to  
7 reimburse providers under the medically indigent obstetrical  
8 patient care program. The department may establish a maximum  
9 reimbursement per case at or below the average reimbursement  
10 for obstetrical services under the medical assistance program.  
11 The department shall establish the number of persons who will  
12 be eligible under the medically indigent obstetrical patient  
13 care program and shall establish limits on reimbursement that  
14 will provide coverage within the funds appropriated.

15 6. The department of human services may seek a waiver  
16 pursuant to Title XIX, section 1915(b) of the federal Social  
17 Security Act, and, if a waiver is granted, may contract ex-  
18 clusively with the university hospitals for the provision of  
19 obstetrical services to Title XIX recipients in counties com-  
20 prising a geographic area consistent with federal requirements  
21 concerning accessibility to care.

22 Sec. 410. Notwithstanding section 8.33, unobligated or  
23 unencumbered funds appropriated in 1986 Iowa Acts, chapter  
24 1246, section 111, subsection 7, that are transferred to the  
25 indigent care fund established pursuant to chapter 255, shall  
26 not revert to the general fund of the state on June 30, 1987,  
27 but shall be available for expenditure from the indigent care  
28 fund during the fiscal year beginning July 1, 1987 and ending  
29 June 30, 1988.

30 Sec. 411. Notwithstanding section 8.33, unobligated or  
31 unencumbered funds appropriated in 1986 Iowa Acts, chapter  
32 1246, section 110, subsection 1, paragraph "b", shall not  
33 revert to the general fund of the state on June 30, 1987, but  
34 shall be available for expenditure for the purposes listed in  
35 section 408, subsection 1, paragraph "b", of this Act during

1 the fiscal year beginning July 1, 1987 and ending June 30,  
2 1988.

3 Sec. 412. Notwithstanding the appropriation provided in  
4 section 261.53, there is appropriated from the general fund of  
5 the state to the college aid commission for the fiscal year  
6 beginning July 1, 1987 and ending June 30, 1988, the sum of  
7 fifty thousand (50,000) dollars, or so much thereof as is  
8 necessary, for science and mathematics loans.

9 Sec. 413. Notwithstanding section 302.1A, the department  
10 of revenue and finance shall transfer the interest earned on  
11 the permanent school fund to the first in the nation in  
12 education foundation in the manner provided in this section.  
13 Prior to July 1, 1987, October 1, 1987, January 1, 1988, and  
14 March 1, 1988, the governing board of the first in the nation  
15 in education foundation established in section 257A.2 shall  
16 certify to the department of management the total amount of  
17 the endowment in the first in the nation in education  
18 foundation fund. The portion of the permanent school fund  
19 that is equal to the total amount of the endowment is  
20 dedicated to the first in the nation in education foundation  
21 for that quarter. The interest from this dedicated amount  
22 shall be transferred to the credit of the first in the nation  
23 in education foundation. The remaining portion of the  
24 interest earned on the permanent school fund shall become a  
25 part of the permanent school fund.

26 Sec. 414. Notwithstanding the appropriation provided in  
27 section 261.25, subsection 3, there is appropriated from the  
28 general fund of the state to the college aid commission for  
29 the fiscal year beginning July 1, 1987 and ending June 30,  
30 1988, the sum of six hundred forty-six thousand five hundred  
31 eighty-two (646,582) dollars, or so much thereof as is  
32 necessary, for vocational-technical grants.

\*33 Sec. 415. Notwithstanding the appropriation of moneys for  
34 state school foundation aid made in section 442.26, payments  
35 to a school district for the fiscal year beginning July 1,

1 1987 will begin when the school district has met the  
2 requirements of 1986 Iowa Acts, chapter 1226, section 15.

3 Sec. 416. The director of the department of education  
4 shall review the number and type of consultant positions that  
5 can be funded with moneys appropriated under section 405,  
6 subsections 1 and 2, of this Act, and report to the general  
7 assembly by January 15, 1988 if additional consultant  
8 positions are needed and the costs associated with their  
9 employment.

10 Sec. 417. The department of education shall review the  
11 actions of the college aid commission and the council for  
12 postsecondary education as they relate to the establishment  
13 and operation of the summer institute program established in  
14 section 99E.31, subsection 4, paragraph "b" and shall recom-  
15 mend to the college aid commission and the council for post-  
16 secondary education programs to be funded. A summer institute  
17 program shall consist of an intensive immersion of at least  
18 eight weeks duration in the subject area of the program. In  
19 determining programs to be funded, preference shall be given  
20 to programs that will allow teachers to gain endorsements in  
21 other subject areas, or to add to their endorsements in  
22 subject areas, that the department of education has determined  
23 are areas in which a shortage of teachers currently exists or  
24 is predicted to occur. From the moneys appropriated for the  
25 fiscal year beginning July 1, 1987 and ending June 30, 1988,  
26 in section 402, subsection 3, of this Act, fifty thousand  
27 (50,000) dollars shall be expended for a program to assist  
28 teachers both as instructors of classes that are offered by  
29 means of telecommunications and as monitors of classes offered  
30 by means of telecommunications.

31 Sec. 418. The department of cultural affairs, in coopera-  
32 tion with the department of economic development, shall de-  
33 velop a tourism program that provides for promotion of Iowa  
34 cultural, artistic, and humanitarian activities and the loca-  
35 tions where these activities take place. A report on the im-

1 plementation of the program shall be transmitted to the chair-  
2 persons and ranking members of the joint education appropria-  
3 tions subcommittee not later than January 1, 1988.

4 Sec. 419. The state historical society, historical  
5 division of the department of cultural affairs, may sell all  
6 or a portion of lot 6, in block 45, in Iowa City, Iowa, and  
7 the proceeds from the sale are appropriated to the historical  
8 division of the department of cultural affairs.

9 Sec. 420. It is the intent of the general assembly that  
10 the seven regional library boards, in performing their  
11 respective duties required by law, shall conform their  
12 activities to the mission, goals, and objectives and collect  
13 information pertaining to performance measures developed by  
14 the legislative fiscal bureau. The seven regional library  
15 boards shall provide a report at least quarterly to the  
16 legislative fiscal bureau and the co-chairpersons and ranking  
17 members of the education appropriations subcommittee on the  
18 performance measures. The seven regional library boards shall  
19 be notified by the legislative fiscal bureau by July 1, 1987  
20 of the specific performance measures for which data shall be  
21 collected and reported.

22 The regional library system exists for the purpose of  
23 providing supporting services to libraries and to encourage  
24 local financial support for library services to accomplish the  
25 following objectives:

26 1. Provide consultation and educational programs for  
27 library staff and trustees concerning facets of library  
28 management and operation to be indicated by the number of  
29 phone contacts, the number of individual contacts at meetings,  
30 the number of libraries visited, the number of visits made,  
31 the number of local library, county library, and other  
32 meetings attended, the number and type of workshops,  
33 continuing education, and special presentations made, and the  
34 percentage of work time spent consulting with libraries and  
35 trustees on the topics of library administration, public

1 services, technical services, computer automation, facilities,  
2 and intellectual freedom.

3 2. Provide interlibrary loan and information services  
4 intraregionally, but which are capable of being linked  
5 interregionally, according to the standards developed by the  
6 state library commission to be indicated by the total number  
7 of intraregional books loaned, the total number of  
8 interregional books loaned, the total number of requests,  
9 filled and unfilled, the total number of photocopies provided,  
10 the total number of audio-visual items loaned, the total  
11 number of photocopies received, the total number of bulk  
12 loans, and the total number of reference questions received.

13 3. Require, as a condition to receiving services, that a  
14 governmental subdivision assure maintenance of local effort to  
15 support the operating expenses of a local library.

16 4. Require, as a condition for receiving services under  
17 section 303B.6, that a governmental subdivision maintain any  
18 tax levy for library maintenance purposes that is in effect on  
19 July 1, 1973.

20 Sec. 421. It is the intent of the general assembly that  
21 the college aid commission shall study the feasibility of  
22 implementing a program that combines the state scholarship  
23 program and the supplemental grant program and provides for  
24 both need-based and nonneed-based awards. A report of the  
25 commission's conclusions and recommendations for the fiscal  
26 year beginning July 1, 1988 shall be transmitted to the joint  
27 education appropriations subcommittee not later than November  
28 1, 1987.

29 Sec. 422. The legislative fiscal bureau shall study  
30 options for providing guaranteed student loan services to  
31 eligible borrowers and make recommendations to the education  
32 appropriations subcommittee chairpersons and ranking members  
33 not later than November 1, 1987.

34 Sec. 423. 1986 Iowa Acts, chapter 1246, section 2,  
35 unnumbered paragraph 1, is amended to read as follows:

1 There is appropriated from the general fund of the state to  
2 the department of cultural affairs for the historical division  
3 for the fiscal period beginning July 1, 1986 and ending June  
4 30, 1988 the sum of one hundred twenty-five thousand (125,000)  
5 dollars, or so much thereof as is necessary, to acquire by  
6 negotiated sale part of the land encompassing the Blood Run  
7 national historic landmark in Lyon county, Iowa. This  
8 appropriation shall be matched by revenue from other sources.

9 Sec. 424. Section 256.7, Code 1987, is amended by adding  
10 the following new subsection:

11 NEW SUBSECTION. 8. Adopt rules pursuant to chapter 17A  
12 relating to educational programs and budget limitations for  
13 educational programs pursuant to sections 282.28, 282.29,  
14 282.30, and 282.31. The rules adopted pursuant to this  
15 subsection shall be written by June 30, 1987.

16 Sec. 425. NEW SECTION. 256.10A DUTIES OF CONSULTANTS.

17 Consultants employed by the director and paid from the fund  
18 created by section 8.41 from moneys received from Pub. L. No.  
19 97-35, Title V, subtitle D, chapter 2, shall assist those  
20 employees designated by the department as school improvement  
21 specialists in helping school districts to participate in  
22 school improvement activities identified as a result of the  
23 accreditation process conducted pursuant to section 256.11.  
24 The department shall assign consultants to assist school  
25 districts that the department determines are most in need of  
26 participation in school improvement activities.

27 For the purpose of this section, "school improvement  
28 specialist" means a consultant employed by the department who  
29 is responsible for the accreditation of school districts under  
30 section 256.11.

31 Sec. 426. Section 256.11, subsections 10, 11, and 12, Code  
32 1987, are amended by striking the subsections and inserting in  
33 lieu thereof the following:

34 10. The state board shall establish an accreditation  
35 process for school districts and nonpublic schools seeking

1 accreditation pursuant to this subsection and subsections 11  
2 and 12. As required in section 256.17, by July 1, 1989, all  
3 school districts shall meet standards for accreditation. For  
4 the school year commencing July 1, 1989 and school years  
5 thereafter, the department of education shall use a two-phase  
6 process for the continued accreditation of schools and school  
7 districts.

8 Phase I consists of annual monitoring by the department of  
9 education of all accredited schools and school districts for  
10 compliance with accreditation standards adopted by the state  
11 board of education as provided by section 256.17. The phase I  
12 monitoring requires that accredited school districts and  
13 schools annually complete accreditation compliance forms  
14 adopted by the state board and file them with the department  
15 of education. In addition, employees of the department of  
16 education shall complete at least one onsite visit each year  
17 to each accredited school and school district to review the  
18 educational programs and the information included in the  
19 compliance forms.

20 Phase II requires the use of an accreditation committee,  
21 appointed by the director of the department of education, to  
22 conduct an onsite visit to an accredited school or school  
23 district if any of the following conditions exist:

24 a. When the annual monitoring of phase I indicates that a  
25 school or school district may be deficient or fails to be in  
26 compliance with accreditation standards.

27 b. In response to a petition filed with the director  
28 requesting such a committee visitation that is signed by  
29 twenty percent or more of the registered voters of a school  
30 district.

31 c. In response to a petition filed with the director  
32 requesting such a committee visitation that is signed by  
33 twenty percent or more of the parents or guardians who have  
34 children enrolled in the school or school district.

35 d. At the direction of the state board of education.

1 The number and composition of the membership of an  
2 accreditation committee shall be determined by the director  
3 and may vary due to the specific nature or reason for the  
4 visit. In all situations, however, the chairperson and a  
5 majority of the committee membership shall be from the  
6 instructional and administrative program specialty staff of  
7 the department of education. Other members may include  
8 instructional and administrative staff from school districts,  
9 area education agencies, institutions of higher education,  
10 local board members and the general public. An accreditation  
11 committee visit to a nonpublic school requires membership on  
12 the committee from nonpublic school instructional or  
13 administrative staff or board members. A member of a  
14 committee shall not have a direct interest in the nonpublic  
15 school or school district being visited.

16 Rules adopted by the state board may include provisions for  
17 coordination of the accreditation process under this section  
18 with activities of accreditation associations.

19 Prior to a visit to a school district or nonpublic school,  
20 members of the accreditation committee shall have access to  
21 all annual accreditation report information filed with the  
22 department by that nonpublic school or school district.

23 After visiting the school district or nonpublic school, the  
24 accreditation committee shall determine whether the  
25 accreditation standards have been met and shall make a report  
26 to the director, together with a recommendation whether the  
27 school district or nonpublic school shall remain accredited.  
28 The accreditation committee shall report strengths and  
29 weaknesses, if any, for each standard and shall advise the  
30 school or school district of available resources and technical  
31 assistance to further enhance strengths and improve areas of  
32 weakness. A school district or nonpublic school may respond  
33 to the accreditation committee's report.

34 11. The director shall review the accreditation  
35 committee's report, and the response of the school district or

1 nonpublic school, and provide a report and recommendation to  
2 the state board along with copies of the accreditation  
3 committee's report, the response to the report, and other  
4 pertinent information. The state board shall determine  
5 whether the school district or nonpublic school shall remain  
6 accredited. If the state board determines that a school  
7 district or nonpublic school should not remain accredited, the  
8 director, in cooperation with the board of directors of the  
9 school district, or authorities in charge of the nonpublic  
10 school, shall establish a plan prescribing the procedures that  
11 must be taken to correct deficiencies in meeting the  
12 standards, and shall establish a deadline date for completion  
13 of the procedures. The plan is subject to approval of the  
14 state board.

15 12. During the period of time specified in the plan for  
16 its implementation by a school district or nonpublic school,  
17 the school or school district remains accredited. The  
18 accreditation committee shall revisit the school district or  
19 nonpublic school and shall determine whether the deficiencies  
20 in the standards have been corrected and shall make a report  
21 and recommendation to the director and the state board. The  
22 state board shall review the report and recommendation, may  
23 request additional information, and shall determine whether  
24 the deficiencies have been corrected. If the deficiencies  
25 have not been corrected, the state board shall merge the  
26 territory of the school district with one or more contiguous  
27 school districts. Division of assets and liabilities of the  
28 school district shall be as provided in sections 275.29  
29 through 275.31. Until the merger is completed, the school  
30 district shall pay tuition for its resident students to an  
31 accredited school district under section 282.24.

32 Sec. 427. NEW SECTION. 256.20 APPROPRIATION FOR SALARIES  
33 FOR AREA SCHOOL EMPLOYEES.

34 1. There is appropriated from the general fund of the  
35 state to the department for each fiscal year the sum of three

1 million five hundred thousand (3,500,000) dollars to be  
 2 allocated to the merged area schools for pay adjustments for  
 3 full-time nonadministrative employees in addition to any  
 4 agreement negotiated under chapter 20 or other salary  
 5 adjustments or agreements. The allocation shall be  
 6 distributed to merged area schools as follows:

7	a. Merged Area I .....	\$ 134,454
8	b. Merged Area II .....	\$ 171,821
9	c. Merged Area III .....	\$ 127,785
10	d. Merged Area IV .....	\$ 47,919
11	e. Merged Area V .....	\$ 401,485
12	f. Merged Area VI .....	\$ 141,477
13	g. Merged Area VII .....	\$ 164,296
14	h. Merged Area IX .....	\$ 184,832
15	i. Merged Area X .....	\$ 278,390
16	j. Merged Area XI .....	\$ 966,727
17	k. Merged Area XII .....	\$ 114,094
18	l. Merged Area XIII .....	\$ 470,076
19	m. Merged Area XIV .....	\$ 54,765
20	n. Merged Area XV .....	\$ 134,631
21	o. Merged Area XVI .....	\$ 107,248

22 2. Moneys appropriated in subsection 1 for a pay  
 \* 23 adjustment shall be added to the salary of a full-time  
 24 nonadministrative employee and shall supplement, not supplant,  
 25 the results of a collective bargaining agreement negotiated  
 26 under chapter 20, if any. The amount of a pay adjustment is  
 27 for the adjustment of base pay only.

28 In addition, this subsection applies to pay adjustments  
 29 funded by moneys appropriated in 1985 Iowa Acts, chapter 254,  
 30 section 2, subsection 1, for the fiscal year beginning July 1,  
 31 1986.

32 Sec. 428. Section 261.2, Code 1987, is amended by adding  
 33 the following new subsection:

34 NEW SUBSECTION. 10. Prepare and administer the  
 35 occupational therapists loan program under this chapter.

21 Sec. 429. Section 261.9, subsection 5, paragraph c, Code  
2 1987, is amended by striking the paragraph and inserting in  
3 lieu thereof the following:

4 c. Which was eligible to participate in the tuition grant  
5 program during the school year beginning July 1, 1986 under  
6 section 261.9, subsection 5, paragraph "c", Code 1987, and  
7 continues to be eligible under that paragraph during the  
8 school year beginning July 1, 1987, and which is making  
9 satisfactory progress to achieve accreditation from the North  
10 Central Association of Colleges and Secondary Schools  
11 accrediting agency, and the institution meets the thirteen  
12 general institutional requirements of the North Central  
13 Association of Colleges and Secondary Schools accrediting  
14 agency by July 1, 1988 and meets the requirements for  
15 candidacy status of the North Central Association of Colleges  
16 and Secondary Schools accrediting agency by July 1, 1989, and  
17 attains full accreditation under a time period established by  
18 the North Central Association.

19 Sec. 430. Section 261.17, subsections 1 and 4, Code 1987,  
20 are amended to read as follows:

21 1. A vocational-technical tuition grant may be awarded to  
22 any resident of Iowa who is admitted and in attendance as a  
23 full-time student in a vocational-technical or career option  
24 program at an area school in the state, and who establishes  
25 financial need.

26 4. A vocational-technical tuition grant shall be awarded  
27 on an annual basis, requiring reapplication by the student for  
28 each year. Payments under the grant shall be allocated  
29 equally among the semesters or quarters of the year upon  
30 certification by the institution that the student is in full-  
31 time attendance in a vocational-technical or career option  
32 program, as defined under rules of the department of  
33 education. If the student discontinues attendance before the  
34 end of any term after receiving payment of the grant, the  
35 entire amount of any refund due that student, up to the amount

1 of any payments made under the annual grant, shall be paid by  
2 the institution to the state.

\* 3 Sec. 431. Section 261.25, subsections 1 and 2, Code 1987,  
4 are amended to read as follows:

5 1. There is appropriated from the general fund of the  
6 state to the commission for each fiscal year the sum of twenty  
7 twenty-four million six-hundred eight hundred nineteen  
8 thousand eighty-four dollars for tuition grants.

9 2. There is appropriated from the general fund of the  
10 state to the commission for each fiscal year the sum of three  
11 four hundred fifty thousand dollars for scholarships.

12 Sec. 432. Section 261.37, subsection 8, Code 1987, is  
13 amended to read as follows:

14 8. To develop and disseminate informational and  
15 educational materials to lenders, postsecondary institutions  
16 and borrowers. The commission shall provide applicants, as  
17 deemed necessary by the commission, with information about the  
18 past default rate of borrowers by postsecondary institutions.

19 Sec. 433. Section 261.45, unnumbered paragraph 3, Code  
20 1987, is amended to read as follows:

21 There is appropriated from the general fund of the state to  
22 the Iowa college aid commission, the sum of thirty eighty-five  
23 thousand dollars, or as much thereof as is necessary, for-the  
24 fiscal-years-beginning-July-1,-1983-and-July-1,-1984,-and-the  
25 sum-of-sixty-thousand-dollars,-or-as-much-thereof-as-is  
26 necessary, for the fiscal year beginning July 1, 1985 1987 and  
27 each succeeding fiscal year, to make the reimbursement  
28 payments required under this section.

29 Sec. 434. NEW SECTION. 261.46 OCCUPATIONAL THERAPIST  
30 LOAN PAYMENTS.

31 An occupational therapist loan repayment program is  
32 established to be administered by the commission.

33 An occupational therapist is eligible for reimbursement  
34 payments under this section if the individual:

35 1. Has entered into a payment agreement with the

1 commission on or after July 1, 1987.

2 2. Is a licensed occupational therapist under chapter  
3 148B.

4 3. Is an Iowa resident employed in Iowa as an occupational  
5 therapist as certified by the board of physical and  
6 occupational therapy examiners.

7 4. Has an outstanding debt with an eligible lender under  
8 the Iowa guaranteed student loan program or has parents with  
9 an outstanding debt with an eligible lender under the Iowa  
10 PLUS loan program for the third and fourth years of an  
11 occupational therapist program.

12 The commission shall adopt rules under chapter 17A to  
13 provide for the administration of the program. The maximum  
14 annual reimbursement to an eligible physical therapist for  
15 loan payments made during a year for loans qualifying under  
16 subsection 4 shall be equal to four thousand dollars or the  
17 remainder of a loan, whichever is less. Total payments for an  
18 eligible occupational therapist are limited to a two-year  
19 period and shall not exceed a total of eight thousand dollars.

20 If an occupational therapist fails to complete a year of  
21 employment as provided in subsection 3, the individual shall  
22 not be reimbursed for payments made during that year.

23 Sec. 435. NEW SECTION. 261.85 APPROPRIATION.

24 There is appropriated from the general fund of the state to  
25 the commission for each fiscal year the sum of two million  
26 five hundred thousand dollars for the work-study program.

27 From moneys appropriated in this section, one million five  
28 hundred thousand dollars shall be allocated to institutions of  
29 higher education under the state board of regents and merged  
30 area schools and the remaining one million dollars shall be  
31 allocated by the commission on the basis of need as determined  
32 by the portion of the federal formula for distribution of work  
33 study funds that relates to the current need of institutions.

34 Sec. 436. Section 262.9, subsection 15, Code 1987, is amended  
35 by striking the subsection and inserting in lieu thereof the

1 following:

2 15. In its discretion, adopt rules relating to the  
3 classification of students enrolled in institutions of higher  
4 education under the board who are residents of Iowa's sister  
5 states as residents or nonresidents for fee purposes.

6 Sec. 437. Section 262.9, Code 1987, is amended  
7 by adding the following new subsection:

8 NEW SUBSECTION. 17. Not less than thirty days prior  
9 to action by the board on any proposal to increase tuition,  
10 fees, or charges at one or more of the institutions of higher  
11 education under its control, send written notification of the  
12 amount of the proposed increase including a copy of the proposed  
13 tuition increase docket memorandum prepared for its considera-  
14 tion to the presiding officers of the student government  
15 organization of the affected institutions. The final de-  
16 cision on the increase in tuition for a fiscal year shall  
17 be made no later than the regular meeting held in November  
18 of the preceding fiscal year. The regular meeting held in  
19 November shall be held in Ames, Cedar Falls, or Iowa City and  
20 shall not be held during the period in which classes have been  
21 suspended for Thanksgiving vacation.

22 Sec. 438. Section 262.44, subsection 1, unnum-  
23 bered paragraph 1, Code 1987, is amended to read as follows:

24 Set aside and use portions of the respective campuses of  
25 the institutions of higher education under its control,  
26 namely, the state university of Iowa, the Iowa state  
27 university of science and technology, and the university of  
28 northern Iowa, as the board determines are suitable for the  
29 acquisition or construction of ~~the-following~~ self-liquidating  
30 and revenue producing buildings and facilities which the board  
31 deems necessary for the students and suitable for the purposes  
32 for which the institutions were established including without  
33 limitation: Student unions, recreational buildings,  
34 auditoriums, stadiums, field houses, athletic buildings and  
35 areas, parking structures and areas, electric, heating, sewage

1 treatment and communication utilities research equipment if  
2 ~~the-debt-incurred-in-its-acquisition-will-be-retired-by~~  
3 ~~federal, private, or other lawfully available nonappropriated~~  
4 ~~funds,~~ and additions to or alterations of existing buildings  
5 or structures.

6 Sec. 439. Section 273.3, subsection 10, Code 1987, is  
7 amended by striking the subsection.

8 Sec. 440. NEW SECTION. 279.51 PREKINDERGARTEN PROGRAMS.

9 The board of directors of a school district which incurred  
10 a dropout rate of at least one and one-half times the state  
11 average dropout rate during the two immediately preceding  
12 school years and which has received approval to use additional  
13 allowable growth for programs for returning dropouts and  
14 dropout prevention pursuant to section 442.53 may apply for  
15 matching funds to the department for a prekindergarten program  
16 for at-risk students who are four years of age by September 15  
17 of the school year. The funding shall be provided on a one-  
18 to-one matching basis and shall be based on a per-pupil  
19 enrollment in the program. The department shall develop  
20 criteria for the identification of at-risk prekindergarten  
21 children and shall adopt requirements for the prekindergarten  
22 programs. The school district shall provide the program  
23 without charge to children identified as at-risk and eligible  
24 by eligibility criteria for free or reduced price meals. The  
25 school district may provide the program to children identified  
26 as at-risk and exceeding the eligibility criteria and to  
27 children not identified as at-risk on a sliding-fee scale  
28 basis based on income of the parent or guardian of the child.

29 The board of directors of a school district shall apply by  
30 November 1 of a school year for the matching funds to be  
31 utilized during the next following school year. The applica-  
32 tion shall include the process of identification of at-risk  
33 prekindergarten students, the costs of additional personnel  
34 and services, plans for parental and grandparental par-  
35 ticipation when appropriate, the evaluation process for the

1 program, and the annual costs of the program. The department  
2 shall approve the applications deemed appropriate, by February  
3 15 of that school year and shall send written notification of  
4 approval to the school district, the director of the  
5 department of management and the school budget review  
6 committee. The school district may use funds obtained  
7 pursuant to section 442.54 for the matching requirement under  
8 this section.

9 Sec. 441. Section 280A.22, subsection 1, paragraph a, Code  
10 1987, is amended to read as follows:

11 a. In addition to the tax authorized under section  
12 280A.17, the voters in any merged area may at the annual  
13 school election vote a tax not exceeding twenty and one-fourth  
14 cents per thousand dollars of assessed value in any one year  
15 for a period not to exceed ten years for the purchase of  
16 grounds, construction of buildings, payment of debts  
17 contracted for the construction of buildings, purchase of  
18 buildings and equipment for buildings, and the acquisition of  
19 libraries, for the purpose of paying costs of utilities, and  
20 for the purpose of maintaining, remodeling, improving, or  
21 expanding the area vocational school or area community college  
22 of the merged area. If the tax levy is approved under this  
23 section, the costs of utilities shall be paid from the  
24 proceeds of the levy. The tax shall be collected by the  
25 county treasurers and remitted to the treasurer of the merged  
26 area as provided in section 331.552, subsection 29. The  
27 proceeds of the tax shall be deposited in a separate and  
28 distinct fund to be known as the voted tax fund, to be paid  
29 out upon warrants drawn by the president and secretary of the  
30 board of directors of the merged area district for the payment  
31 of costs incurred in providing the school facilities for which  
32 the tax was voted.

33 Sec. 442. Section 280A.22, Code 1987, is amended by adding  
34 the following new subsection:

35 NEW SUBSECTION. 1A. The proceeds of the tax voted under

1 subsection 1, paragraph "a", prior to July 1, 1987 shall be  
2 used for the purposes for which it was approved by the voters  
3 and may be used for the purpose of paying the costs of  
4 utilities.

5 Sec. 443. Section 280A.23, subsection 2, Code 1987, is  
6 amended to read as follows:

7 2. Have authority to determine tuition rates for  
8 instruction. Tuition for residents of Iowa shall not exceed  
9 the lowest tuition rate per semester, or the equivalent,  
10 charged by an institution of higher education under the state  
11 board of regents for a full-time resident student. However,  
12 if a local school district pays tuition for a resident pupil  
13 of high school age, the limitation on tuition for residents of  
14 Iowa shall not apply, the amount of tuition shall be  
15 determined by the board of directors of the area school with  
16 the consent of the local school board, and the pupil shall not  
17 be included in the full-time equivalent enrollment of the area  
18 school for the purpose of computing general aid to the area  
19 school. Tuition for nonresidents of Iowa shall be not less  
20 than one hundred fifty percent and not more than two hundred  
21 percent of the tuition established for residents of Iowa.  
22 Tuition for resident or nonresident students may be set at a  
23 higher figure with the approval of the state board. A lower  
24 tuition for nonresidents may be permitted under a reciprocal  
25 tuition agreement between a merged area and an educational  
26 institution in another state, if the agreement is approved by  
27 the state board. The board may designate that portion of the  
28 tuition moneys collected from students be used for student aid  
29 purposes.

30 Sec. 444. Section 282.19, Code 1987, is amended to read as  
31 follows:

32 282.19 CHILD LIVING IN FOSTER CARE FACILITY.

33 A child who is living in a licensed child foster care  
34 facility as defined in section 237.1 in this state which is  
35 located in a school district other than the school district in

1 which the child resided before receiving foster care may  
2 enroll in and attend an accredited school in the school  
3 district in which the child is living. ~~If a child does not~~  
4 ~~require special education and was not counted in the basic~~  
5 ~~enrollment of a school district for a budget year under~~  
6 ~~section 442.47, the tuition and transportation, when required~~  
7 ~~by law, shall be paid by the treasurer of state from funds in~~  
8 ~~the state treasury not otherwise appropriated, and upon~~  
9 ~~warrants drawn by the director of revenue and finance upon~~  
10 ~~requisition of the director of the department of education.~~  
11 The instructional costs for students who do not require  
12 special education shall be paid as provided in section 282.31,  
13 subsection 1, paragraph "b" or for students who require  
14 special education shall be paid as provided in section 282.31,  
15 subsections 2 or 3.

16 Sec. 445. NEW SECTION. 282.28 CHILDREN AT ELDORA AND  
17 TOLEDO.

18 Annually, the area education agency in which the state  
19 training school and the Iowa juvenile home are located and the  
20 department of human services on behalf of the training school  
21 and juvenile home shall submit an annual joint application by  
22 January 1 for the next succeeding school year to the  
23 department of education describing the proposed special  
24 education instructional and support programs and service  
25 improvements for the training school and juvenile home. The  
26 department of education shall review and approve or modify the  
27 program and proposed budget by February 1 and shall notify the  
28 area education agency and the department of human services of  
29 the approved budget. The moneys for the approved budget shall  
30 supplement and not supplant moneys equal to the moneys  
31 expended for education for the fiscal year beginning July 1,  
32 1986 by the department of human services. The moneys for the  
33 approved budget shall be used to ensure that the training  
34 school and juvenile home comply with appropriate  
35 administrative rules relating to special education adopted by

1 the department of education.

2 The area education agency shall submit a claim to the  
3 department of education by August 1 following the school year  
4 for the actual costs of the special education programs and  
5 services provided at the training school and juvenile home.  
6 The department shall review and approve or modify the claims  
7 by September 1 and shall notify the department of revenue and  
8 finance of the approved claim amount. The total amount of the  
9 approved claim shall be paid by the department of revenue and  
10 finance to the area education agency by October 1. The total  
11 amount paid by the department of revenue and finance shall be  
12 deducted monthly from the state foundation aid paid under  
13 section 442.26 during the remainder of that fiscal year to all  
14 school districts in the state. The portion of the total  
15 amount of the approved claim that shall be deducted from the  
16 state aid of a school district shall be the same as the ratio  
17 that the budget enrollment for the budget year of the school  
18 district bears to the total budget enrollment in the state for  
19 that budget year. The department of revenue and finance shall  
20 transfer the total amount of the approved claim from the  
21 moneys appropriated under section 442.26 for payment to the  
22 area education agency.

23 Sec. 446. NEW SECTION. 282.29 CHILDREN PLACED BY  
24 DISTRICT COURT.

25 Notwithstanding section 282.31, subsection 1, a child who  
26 has been identified as requiring special education, who has  
27 been placed in a facility or home by the district court, and  
28 for whom parental rights have been terminated by the district  
29 court, shall be provided special education programs and  
30 services on the same basis as the programs and services are  
31 provided for children requiring special education who are  
32 residents of the school district in which the child has been  
33 placed. The special education instructional costs shall be  
34 paid as provided in section 282.31, subsections 2 or 3.

35 Sec. 447. NEW SECTION. 282.30 SPECIAL PROGRAMS.

1 1. a. An area education agency shall provide or make  
2 provision for an appropriate educational program for each  
3 child living in the following types of facilities located  
4 within its boundaries:

5 (1) An approved or licensed shelter care home, as defined  
6 in section 232.2, subsection 31.

7 (2) An approved juvenile detention home, as defined in  
8 section 232.2, subsection 28.

9 b. The area education agency shall provide the educational  
10 program by any one of, but not limited to, the following:

11 (1) Providing for the enrollment of the child in the  
12 district of residence of the child, subject to the approval of  
13 the district in which the child is living.

14 (2) Cooperating with the district of residence of the  
15 child and obtaining the course of study and textbooks of the  
16 child for use in the special facility into which the child has  
17 been placed.

18 (3) Providing for the enrollment of the child in the  
19 district in which the child is living, subject to the approval  
20 of the district in which the child is living.

21 An area education agency shall not provide educational  
22 services to a facility specified in paragraph "a" unless the  
23 facility makes a request for educational services to the area  
24 education agency by December 1 of the school year prior to the  
25 beginning of the school year for which the services are being  
26 requested.

27 2. The area education agency where the child is living,  
28 the school district of residence, the other appropriate area  
29 education agency or agencies, and other appropriate agencies  
30 involved with the care or placement of the child shall  
31 cooperate with the school district where the child is living  
32 in sharing educational information, textbooks, curriculum,  
33 assignments, and materials in order to plan and to provide for  
34 the appropriate education of the child living in such facility  
35 specified in subsection 1.

1 Sec. 448. NEW SECTION. 282.31 FUNDING FOR SPECIAL  
2 PROGRAMS.

3 1. a. A child who lives in a facility pursuant to section  
4 282.30, subsection 1, paragraph "a", and who is not enrolled  
5 in the educational program of the district of residence of the  
6 child, shall receive appropriate educational services. The  
7 area education agency shall submit a proposed program and  
8 budget to the department of education by January 1 for the  
9 next succeeding school year. The department of education  
10 shall review and approve or modify the program and proposed  
11 budget and shall notify the area education agency by February  
12 1. The area education agency shall submit a claim to the  
13 department of education by August 1 following the school year  
14 for the actual cost of the program. The department shall  
15 review and approve or modify all expenditures incurred in  
16 compliance with the guidelines pursuant to section 256.7,  
17 subsection 8, and shall notify the department of revenue and  
18 finance of the approved claim amount by September 1. The  
19 total amount of the approved claim shall be paid by the  
20 department of revenue and finance to the area education agency  
21 by October 1. The total amount paid by the department of  
22 revenue and finance shall be deducted monthly from the state  
23 foundation aid paid under section 442.26 during the remainder  
24 of that fiscal year to all school districts in the state. The  
25 portion of the total amount of the approved claims that shall  
26 be deducted from the state aid of a school district shall be  
27 the same as the ratio that the budget enrollment for the  
28 budget year of the school district bears to the total budget  
29 enrollment in the state for that budget year. The department  
30 of revenue and finance shall transfer the total amount of the  
31 approved claims from the moneys appropriated under section  
32 442.26 for payment to the area education agencies.

33 b. A child who lives in a facility or home pursuant to  
34 section 282.19, and who does not require special education and  
35 who is not enrolled in the educational program of the district

1 of residence of the child, shall be included in the basic  
2 enrollment of the school district in which the facility or  
3 home is located.

4 2. a. The actual special education instructional costs  
5 incurred for a child who lives in a facility pursuant to  
6 section 282.19 or for a child who is placed in a facility or  
7 home pursuant to section 282.29, who requires special  
8 education and who is not enrolled in the educational program  
9 of the district of residence of the child but who receives an  
10 educational program from the district in which the facility or  
11 home is located, shall be paid by the district of residence of  
12 the child to the district in which the facility or home is  
13 located, and the costs shall include the cost of  
14 transportation.

15 b. A child shall not be denied special education programs  
16 and services because of a dispute over the determination of  
17 district of residence of the child. The director of the  
18 department of education shall determine the district of  
19 residence when a dispute arises regarding the determination of  
20 the district of residence for a child who requires special  
21 education pursuant to this subsection.

22 3. The actual special education instructional costs,  
23 including transportation, for a child who requires special  
24 education shall be paid by the department of revenue and  
25 finance to the school district in which the facility or home  
26 is located, only when a district of residence cannot be  
27 determined, and the child was not included in the weighted  
28 enrollment of any district pursuant to section 281.9, and the  
29 payment pursuant to paragraph "a" was not made by any  
30 district. The district shall submit a proposed program and  
31 budget to the department of education by January 1 for the  
32 next succeeding school year. The department of education  
33 shall review and approve or modify the program and proposed  
34 budget and shall notify the district by February 1. The  
35 district shall submit a claim by August 1 following the school

1 year for the actual cost of the program. The department shall  
2 review and approve or modify the claim and shall notify the  
3 department of revenue and finance of the approved claim amount  
4 by September 1. The total amount of the approved claim shall  
5 be paid by the department of revenue and finance to the school  
6 district by October 1. The total amount paid by the  
7 department of revenue and finance shall be deducted monthly  
8 from the state foundation aid paid under section 442.26 during  
9 the remainder of that fiscal year to all school districts in  
10 the state. The portion of the total amount of the approved  
11 claims that shall be deducted from the state aid of a school  
12 district shall be the same as the ratio that the budget  
13 enrollment for the budget year of the school district bears to  
14 the total budget enrollment in the state for the budget year.  
15 The department of revenue and finance shall transfer the total  
16 amount of the approved claims from moneys appropriated under  
17 section 442.26 for payment to the school district.

18 4. For purposes of this section, "district of residence"  
19 means the school district in which the parent or legal  
20 guardian of the child resides or the district in which the  
21 district court is located if the district court is the  
22 guardian of the child.

23 5. Programs may be provided during the summer and funded  
24 under this section if the school district or area education  
25 agency determines a valid educational reason to do so.

26 Sec. 449. NEW SECTION. 282.32 APPEAL.

27 An area education agency or local school district may  
28 appeal a decision made pursuant to section 282.28 or 282.31 to  
29 the state board of education. The decision of the state board  
30 is final.

31 Sec. 450. Sections 273.11, 281.12, and 282.27, Code 1987,  
32 are repealed.

33 Sec. 451. TRANSITION.

34 1. The expenditures submitted to the department of  
35 education and approved by the department for providing

1 programs for students residing in a shelter care home or  
2 juvenile detention home by an area education agency for the  
3 school year beginning July 1, 1986 and ending June 30, 1987  
4 shall be paid during the fiscal year beginning July 1, 1987  
5 and ending June 30, 1988 within sixty days after July 1, 1987.  
6 These payments shall be made to area education agencies  
7 pursuant to the payment method within section 282.31.

8 2. Notwithstanding section 282.28, the area education  
9 agency in which the state training school and the Iowa  
10 juvenile home are located and the department of human services  
11 shall submit the joint application for the special education  
12 program to the department of education by August 15, 1987 for  
13 the school year beginning July 1, 1987.

14 3. Notwithstanding section 282.30, a facility specified in  
15 section 282.30, subsection 1, paragraph "a" shall make a  
16 request to be served by an area education agency for the  
17 school year beginning July 1, 1987 by July 10, 1987.

18 Notwithstanding section 282.31, an area education agency or  
19 local school district shall submit a proposed program and  
20 budget for a program under section 282.31 by July 20, 1987 for  
21 the school year beginning July 1, 1987 and ending June 30,  
22 1988.

23 Sec. 452. Section 286A.8, Code 1987, is amended to read as  
24 follows:

25 286A.8 LIBRARY FUNCTION COST.

26 The library function cost for a base budget year for an  
27 area school is determined by the department of education by  
28 multiplying the total of the area school's support for the  
29 five instructional cost centers, for the general institutional  
30 support function, for the student services function, and for  
31 the physical plant function for that year by three and thirty-  
32 three hundredths percent, which is the average percent of the  
33 area schools' support expended for the library function cost.  
34 The department shall notify the department of management.

35 The foundation support level for the library services

1 function for an area school for a base year is sixty-five  
2 percent of the area school's library function cost for that  
3 year.

4 ~~For the budget year beginning July 1, 1986 and each~~  
5 ~~succeeding budget year, the foundation support level for the~~  
6 ~~library function for an area school is the foundation support~~  
7 ~~level for the base year plus a library allowable growth~~  
8 ~~amount. The allowable growth amount is determined by the~~  
9 ~~department of education by multiplying the state percent of~~  
10 ~~growth for the budget year by the state average library~~  
11 ~~function cost for the base year for each area school. The~~  
12 ~~department shall notify the department of management.~~

13 Sec. 453. Section 303.83, Code 1987, is amended to read as  
14 follows:

15 303.83 REVENUE FROM CONTRACTS.

16 The board shall retain for its use revenues generated  
17 through contracts with nonprofit organizations or their  
18 affiliated organizations from the use of the educational radio  
19 and television facility and other educational communications  
20 services, and interest earned on all funds credited to the  
21 division except funds appropriated to the division from the  
22 general fund of the state. The administrator may receive  
23 services from other divisions and state agencies.

24 Sec. 454. Section 422.9, subsection 2, Code 1987, is  
25 amended by adding the following new lettered paragraph:

26 NEW LETTERED PARAGRAPH. Add the amount the taxpayer has  
27 paid to others, not to exceed one thousand dollars for each  
28 dependent in grades kindergarten through twelve, for tuition  
29 and textbooks of each dependent in attending an elementary or  
30 secondary school situated in Iowa, which school is accredited  
31 or approved under section 256.11, which is not operated for  
32 profit, and which adheres to the provisions of the United  
33 States Civil Rights Act of 1964 and chapter 601A. As used in  
34 this paragraph, "textbooks" means books and other  
35 instructional materials and equipment used in elementary and

1 secondary schools in teaching only those subjects legally and  
2 commonly taught in public elementary and secondary schools in  
3 this state and does not include instructional books and  
4 materials used in the teaching of religious tenets, doctrines,  
5 or worship, the purpose of which is to inculcate those tenets,  
6 doctrines, or worship, and does not include books or materials  
7 for extracurricular activities including sporting events,  
8 musical or dramatic events, speech activities, driver's  
9 education, or programs of a similar nature.

10 Sec. 455. Section 422.12, Code 1987, is amended by adding  
11 the following new subsection:

12 NEW SUBSECTION. For those who do not itemize their  
13 deduction, a tuition credit equal to five percent of the first  
14 one thousand dollars which the taxpayer has paid to others for  
15 each dependent in grades kindergarten through twelve, for  
16 tuition and textbooks of each dependent in attending an  
17 elementary or secondary school situated in Iowa, which school  
18 is accredited or approved under section 256.11, which is not  
19 operated for profit, and which adheres to the provisions of  
20 the United States Civil Rights Act of 1964 and chapter 601A.  
21 As used in this paragraph, "textbooks" means books and other  
22 instructional materials and equipment used in elementary and  
23 secondary schools in teaching only those subjects legally and  
24 commonly taught in public elementary and secondary schools in  
25 this state and does not include instructional books and  
26 materials used in the teaching of religious tenets, doctrines,  
27 or worship, the purpose of which is to inculcate those tenets,  
28 doctrines, or worship, and does not include books or materials  
29 for extracurricular activities including sporting events,  
30 musical or dramatic events, speech activities, driver's  
31 education, or programs of a similar nature. Notwithstanding  
32 any other provision, all other credits allowed under section  
33 422.10 through 422.12 shall be deducted before the tuition  
34 credit under this subsection.

35 Sec. 456. Section 427.1, Code 1987, is amended by adding

1 the following new subsection:

2 NEW SUBSECTION. 40. PUBLIC TELEVISION STATION. All  
3 grounds and buildings used or under construction for a public  
4 television station and not leased or otherwise used or under  
5 construction for pecuniary profit.

6 Sec. 457. NEW SECTION. 442.55 PREKINDERGARTEN PROGRAMS.

7 A school district may include in its plans submitted under  
8 section 442.51 provision for the operation of prekindergarten  
9 programs under section 279.51. Following approval by the  
10 department under section 442.53, the school district may  
11 expend moneys from the budget of an approved plan for the  
12 matching money requirements for a prekindergarten program  
13 under section 279.51.

\* 14 Sec. 458. All federal grants to and the federal receipts  
15 of agencies appropriated funds under this division of this Act  
16 are appropriated for the purposes set forth in such federal  
17 grants or receipts.

18 Sec. 459. Moneys appropriated by this division of this Act  
19 shall not be used for capital improvements.

20 Sec. 460. Sections 207, 410, 411, and 424 of this Act,  
21 being deemed of immediate importance, take effect upon their  
22 enactment. Sections 454 and 455 of this Act are retroactive  
23 to January 1, 1987 and apply to tax years beginning on or  
24 after that date.

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SENATE FILE 511

H-4086

Amend Senate File 511 as amended, passed and  
reprinted by the Senate as follows:  
1. By striking page 82, line 24 through page 83,  
line 34.  
2. Page 84, by striking lines 22 through 24 and  
inserting the following: "enactment."

H-4086 FILED APRIL 30, 1987 BY OLLIE of Clinton  
*Placed on order 5/4 (y. 1919)*

SENATE FILE 511

H-4090

Amend Senate File 511 as amended, passed, and  
reprinted by the Senate as follows:  
1. Page 43, line 22, by striking the words "the  
state board of regents" and inserting the following:  
"institutions of higher education".

H-4090 FILED APRIL 30, 1987 BY OLLIE of Clinton  
*Adopted 5/4/87 (y. 1891)*

SENATE FILE 511

H-4093

Amend Senate File 511 as amended, passed, and  
reprinted by the Senate as follows:  
1. Page 56, by striking lines 8 through 10 and  
inserting the following: "discriminated against in  
having access to an on-campus self-supporting student  
operated book exchange."

H-4093 FILED APRIL 30, 1987 BY TEAFORD of Black Hawk  
*Adopted 5/4/87 (y. 1892)*

SENATE FILE 511

H-4141

1 Amend Senate File 511 as amended, passed and  
2 reprinted by the Senate as follows:

3 1. Page 82, by inserting after line 12 the  
4 following:

5 "Sec. NEW SECTION. 294A.26 COVERAGE OF  
6 CERTAIN TEACHERS.

7 For each fiscal year commencing with the fiscal  
8 year beginning July 1, 1987, there is appropriated  
9 from the general fund of the state to the department  
10 of education the following amounts:

11 1. The amount of ninety-four thousand six hundred  
12 (94,600) dollars to be paid to the state board of  
13 regents for distribution to certificated classroom  
14 teachers at the Iowa braille and sight-saving school  
15 and the Iowa school for the deaf for payments of  
16 minimum salary supplements for phase I and payments  
17 for phase II based upon the average yearly enrollment  
18 at each school as determined by the state board.

19 2. The amount of one hundred fifteen thousand five  
20 hundred (115,500) dollars to be paid to the department  
21 of human services for distribution to its certificated  
22 classroom teachers at institutions under the control  
23 of the department of human services for payments for  
24 phase II based upon the average student yearly  
25 enrollment at each institution as determined by the  
26 department of human services."

BY FULLER of Hardin

SVOBODA of Wama

H-4141 FILED MAY 1, 1987

*Adopted 5/4 (p. 1895)*

PAVICH of Pottawattamie

HUMMEL of Benton

SIEGRIST of Pottawattamie

SENATE FILE 511

H-4146

1 Amend Senate File 511 as amended, passed and  
2 reprinted by the Senate as follows:

3 1. Page 30, line 27, by striking the word  
4 "growing" and inserting the following: "production  
5 and distribution".

6 2. Page 30, line 31, by striking the words  
7 "growing of" and inserting the following: "production  
8 and distribution of the".

9 3. Page 30, line 34, by striking the word  
10 "growing" and inserting the following: "production  
11 and distribution".

BY PAULIN of Plymouth

PELLETT of Cass

BEAMAN of Clarke

METCALF of Polk

H-4146 FILED MAY 1, 1987

*Adopted 5/4/87 (p. 1889)*

SENATE FILE 511

4158

1 Amend Senate File 511, as amended, passed, and  
2 reprinted by the Senate, as follows:  
3 1. Page 1, line 14, by striking the figure  
4 "1,308,292" and inserting the following: "1,260,292".

H-4158 FILED MAY 4, 1987 BY CORBETT of Linn  
LOST (p. 1886)

SENATE FILE 511

H-4164

1 Amend Senate File 511 as amended, passed and  
2 reprinted by the Senate, as follows:  
3 1. Page 70, line 14, by striking the word  
4 "physical" and inserting the word "occupational".

H-4164 FILED MAY 4, 1987 BY CARPENTER of Polk  
ADOPTED (p. 1895)

SENATE FILE 511

H-4163

1 Amend Senate File 511, as amended, passed, and  
2 reprinted by the Senate, as follows:  
3 1. Page 1, line 14, by striking the figure  
4 "1,308,292" and inserting the following: "1,230,399".

BY HARBOR of Mills  
CARPENTER of Polk  
H-4163 FILED MAY 4, 1987 HUMMEL of Benton  
LOST (p. 1884)

SENATE FILE 511

H-4157

1 Amend Senate File 511, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 72, by inserting after line 5 the  
4 following:

5 "Sec. \_\_\_\_ . Section 262.61, Code 1987, is amended  
6 by adding the following new unnumbered paragraph:  
7 NEW UNNUMBERED PARAGRAPH. If the amount of bonds  
8 or notes issued under this chapter exceeds the actual  
9 costs of the projects for which the bonds or notes  
10 were issued, the amount of the difference shall be  
11 used to pay the principal and interest due on bonds or  
12 notes issued under this chapter."

13 2. Page 72, by inserting after line 5 the  
14 following:

15 "Sec. \_\_\_\_ . Section 262A.9, Code 1987, is amended  
16 by adding the following new unnumbered paragraph:  
17 NEW UNNUMBERED PARAGRAPH. If the amount of bonds  
18 issued under this chapter exceeds the actual costs of  
19 the projects for which bonds were issued, the amount  
20 of the difference shall be used to pay the principal  
21 and interest due on bonds issued under this chapter.

22 Sec. \_\_\_\_ . Section 263A.7, Code 1987, is amended by  
23 adding the following new unnumbered paragraph:

24 NEW UNNUMBERED PARAGRAPH. If the amount of bonds  
25 or notes issued under this chapter exceeds the actual  
26 costs of the projects for which the bonds or notes  
27 were issued, the amount of the difference shall be  
28 used to pay the principal and interest due on bonds or  
29 notes issued under this chapter."

BY HALVORSON of Clayton  
HARBOR of Mills  
JOCHUM of Dubuque

H-4157 FILED MAY 4, 1987  
ADOPTED (p 1844)

SENATE FILE 511

H-4162

1 Amend Senate File 511, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 5, line 3, by striking the figure  
4 "5,379,627" and inserting the following: "5,898,627".

5 2. Page 5, by inserting after line 13 the  
6 following:

7 " \_\_\_\_ . For capitol building  
8 restoration ..... \$ 1,000,000".

9 3. Page 5, line 19, by striking the figure  
10 "1,639,067" and inserting the following: "1,748,222".

BY HARBOR of Mills  
HALVORSON of Clayton  
HUMMEL of Benton

H-4162 FILED MAY 4, 1987  
LOST (p 1887)

SENATE FILE 511

H-4166

1 Amend Senate File 511 as amended, passed, and  
2 reprinted by the Senate as follows:

A 3 1. Page 1, line 35, by striking the figure  
4 "79,554" and inserting the following: "68,246".

5 2. Page 3, line 7, by striking the figure  
6 "122,518" and inserting the following: "113,518".

7 3. Page 4, lines 21 and 22, by striking the words  
8 "two hundred thirty-three point six" and inserting the  
9 following: "two hundred thirty point ten".

10 4. Page 4, line 24, by striking the figure  
11 "5,108,985" and inserting the following: "5,043,985".

B 12 5. Page 4, by striking lines 25 through 28.

13 6. Page 5, line 19, by striking the figure  
14 "1,639,067" and inserting the following: "1,583,067".

15 7. By striking page 9, line 15 through page 10,  
16 line 1 and inserting the following:

17 "For salaries and support for  
18 not more than six hundred thirteen  
19 point twenty-eight full-time equiv-  
20 alent positions, maintenance, and  
21 miscellaneous purposes ..... \$ 17,316,998".

22 8. Page 12, line 21, by striking the word "two"  
23 and inserting the following: "one".

C 24 9. Page 12, line 22, by striking the figure  
25 "2,475,000" and inserting the following: "1,475,000".

D 26 10. Page 12, line 24, by inserting after the  
27 figure "422.100." the following: "Notwithstanding  
28 section 422.100, the funds to be allocated to the  
29 counties from the moneys and credits replacement fund  
30 which are to be credited to the county general fund  
31 during the fiscal year beginning July 1, 1987 and  
32 ending June 30, 1988 shall not be distributed to the  
33 counties but shall remain in the moneys and credits  
34 replacement fund. The funds allocated to the counties  
35 from the moneys and credits replacement fund during  
36 the fiscal year beginning July 1, 1987 and ending June  
37 30, 1988, shall be allocated to cities as required by  
38 law by the county treasurer."

39 11. Page 13, by striking lines 15 through 22.

40 12. Page 13, by striking lines 24 through 31 and  
41 inserting the following:

42 "1. There is appropriated from the general fund of  
43 the state to the salary adjustment fund provided for  
44 in section 8.43, for the fiscal year beginning July 1,  
B 45 1987 and ending June 30, 1988, the following amounts,  
46 or so much thereof as is necessary, to be distributed  
47 to the designated political subdivisions or public  
48 agencies as follows:

49  
50

1987-1988  
Fiscal Year

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Page Two

1 a. To the various public  
 2 agencies and departments in-  
 3 cluding nonfaculty salary  
 4 increases for the state board  
 5 of regents, except those  
 6 agencies and departments  
 7 allocated funds under  
 8 paragraphs "b" and "c" of this  
 9 subsection ..... \$ 24,014,163

10 b. To the state board of  
 11 regents for faculty salary  
 12 increases ..... \$ 11,459,183

13 c. To the judicial dis-  
 14 trict department of correct-  
 15 ional services as defined in  
 16 section 905.1 ..... \$ 1,526,654

17 If the funds appropriated by this subsection are  
 18 insufficient to meet the obligations for the funds,  
 19 the allocation to each public agency or department may  
 20 be reduced."

21 13. Page 15, lines 8 through 11, by striking the  
 B 22 words "in the same proportion that the payroll for  
 23 each individual program for the fiscal year ending  
 24 June 30, 1987 is to the annual payroll for all  
 25 programs for that fiscal year".

26 14. Page 17, by inserting after line 34 the  
 27 following:  
 28 "Sec. \_\_\_\_ . Section 18.134, Code 1987, is amended  
 29 to read as follows:

30 18.134 LIMITATION OF COMMUNICATIONS.  
 I 31 The department of general services shall not  
 32 provide or resell communications services to entities  
 33 other than state agencies. A political subdivision  
 34 receiving communications services from the state as of  
 35 April 1, 1986 may continue to do so until ~~January 1,~~  
 36 ~~1988~~. The rates charged to the political subdivision  
 37 shall be the same as the rates charged to state  
 38 agencies."

39 15. Page 18, by striking lines 8 through 27.

40 16. Page 19, line 11, by striking the figure  
 41 "774,611" and inserting the following: "810,285".

42 17. Page 19, by striking lines 12 through 14.

43 18. Page 19, line 30, by striking the word  
 B 44 "thirty-two" and inserting the following: "thirty-  
 45 eight".

46 19. Page 19, line 35, by striking the word  
 47 "twenty-two" and inserting the following: "eighteen".

48 20. Page 20, line 2, by striking the figure  
 49 "955,842" and inserting the following: "705,842".

50 21. Page 20, by striking lines 10 through 14.

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Page Three

1 22. Page 20, by inserting after line 20 the  
2 following:

3 "Notwithstanding chapters 162, 163, 167, 192, 195,  
4 208A, 210, 212, 213, 215, and 215A, the secretary of  
5 agriculture may increase fees by rule relating to the  
6 licensing, inspection, and certification provisions of  
7 those chapters. The receipts resulting from any fee  
8 increases shall not exceed three hundred thousand  
9 (300,000) dollars. The department shall report any  
10 proposed fee increase to the legislative council prior  
11 to its adoption. The revenue collected as a result of  
B 12 any increase in the fees shall be deposited in a  
13 regulatory trust fund which is hereby created and  
14 appropriated to the department for use by the  
15 regulatory division. The department shall report the  
16 disposition of the fee receipts to the legislative  
17 fiscal bureau and the department of management  
18 monthly. The department of agriculture and land  
19 stewardship shall report to the agriculture and  
20 natural resources appropriations subcommittee by  
21 February 1, 1988 on the amounts of the fee increases  
22 and the projected expenses."

23 23. Page 20, line 24, by striking the figure  
24 "674,472" and inserting the following: "593,578".

25 24. Page 20, by inserting after line 34 the  
26 following:

27 "Notwithstanding chapters 198, 200, 201, and 206,  
28 the secretary of agriculture may increase fees and  
29 tonnage taxes by rule. The receipts from any fee or  
30 tonnage tax increases shall not exceed two hundred  
31 thousand (200,000) dollars. The department shall  
E 32 report any proposed fee or tonnage tax increase to the  
33 legislative council prior to its adoption. The  
34 department shall report to the legislative fiscal  
35 bureau and the department of management monthly as to  
36 the disposition of the fee and tonnage tax receipts.  
37 The department of agriculture and land stewardship  
38 shall report to the agriculture and natural resources  
39 appropriation subcommittee by February 1, 1988 on the  
40 amounts of the fee and tonnage tax increases and the  
41 projected expenses."

42 25. Page 21, line 3, by striking the words  
43 "eighty-six point seventy-four" and inserting the  
F 44 following: "eighty-two point zero five".

45 26. Page 21, line 7, by striking the figure  
46 "4,334,184" and inserting the following: "4,155,747".

47 27. Page 21, line 16, by striking the figure  
B 48 "6,616,519" and inserting the following: "6,546,519".

49 28. Page 22, by striking lines 12 through 15.

50 29. Page 22, by striking lines 23 through 29 and

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Page Four

1 inserting the following:

2 "Sec. \_\_\_\_.

3 1. There is appropriated to the department of  
4 agriculture and land stewardship for the fiscal year  
5 beginning July 1, 1987 and ending June 30, 1988, from  
6 the general fund of the state, the sum of one hundred  
7 twelve thousand (112,000) dollars, or so much thereof  
8 as is necessary, as an advance for volunteer  
9 assistance and not more than three full-time  
10 equivalent positions for the administration of section  
11 99D.22.

12 2. There is appropriated from the funds available  
13 under section 99D.13 to the general fund of the state  
14 an amount equal to that expended under subsection 1  
15 during the fiscal year beginning July 1, 1987 and  
16 ending June 30, 1988."

17 30. Page 29, by striking lines 8 through 16 and  
18 inserting the following:

19 "Sec. \_\_\_\_ . There is appropriated from the general  
20 fund of the state to the department of natural  
21 resources for the fiscal year beginning July 1, 1987  
22 and ending June 30, 1988, the sum of forty thousand  
23 (40,000) dollars, or so much thereof as is necessary,  
24 to conduct a feasibility study of constructing a dam  
25 at Pine Lake state park."

26 31. Page 31, by striking lines 14 through 23.

27 32. Page 32, line 28, by striking the figure  
28 "1,691,788" and inserting the following: "1,641,788".

29 33. Page 33, line 3, by striking the figure  
30 "319,533" and inserting the following: "269,533".

31 34. Page 33, by striking lines 4 through 6.

32 35. By striking page 33, line 12 through page 34,  
33 line 19 and inserting the following:

34 "5. For personal services,  
35 salaries and support for not  
36 more than sixteen point four  
37 full-time equivalent positions,  
38 travel and subsistence of all  
39 staff assigned to tourism promo-  
40 tion including main office,  
41 welcome center, and film office  
42 personnel, office supplies, other  
43 supplies, printing and binding,  
44 communications, rentals, utilities,  
45 outside services and repairs, and  
46 office equipment ..... \$ 580,000

47 6. For tourism and  
48 promotion programs including  
49 contracted advertising and pub-  
50 licity, promotion, and printing

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Page Five

1 services and for the state's  
2 share of a cooperative advertis-  
3 ing program ..... \$ 750,000

4 Of the funds appropriated by this subsection, fifty  
5 thousand (50,000) dollars, or so much thereof as is  
6 necessary, may be used to purchase or support the  
7 Grant Wood gothic house in Eldon, Iowa. The  
8 department shall cooperate with the historical  
9 division of the department of cultural affairs to  
10 acquire and maintain the Grant Wood gothic house and  
11 to promote the property as a tourist attraction. Of  
12 the funds allocated for the purchase of the house,  
13 unexpended funds shall be credited to the Grant Wood  
14 gothic house trust fund which is created in the office  
15 of the treasurer of state. The moneys in this fund  
16 shall be administered by the historical division of  
17 the department of cultural affairs and shall be used  
18 to provide for the maintenance of the house and to  
19 receive local public and private contributions for the  
20 promotion and maintenance of the house as a tourist  
21 site.

B

22 Of the funds appropriated by this subsection, fifty  
23 thousand (50,000) dollars, or so much thereof as is  
24 necessary, may be used for the evaluation of the  
25 feasibility of preserving the historical significance  
26 of and establishing tourism and recreation centers in  
27 existing Iowa railway passenger stations and depots.  
28 Local communities in which Iowa railway passenger  
29 stations and depots are located shall match, on an  
30 equal basis, state funds expended on evaluating the  
31 respective station or depot.

32 7. For state aid, distributed  
33 equally to three tourism  
34 regions for planning and  
35 operations of regional and  
36 local tourism development  
37 programs ..... \$ 100,000

38 8. For professional  
39 preparation of a state-  
40 wide tourism development,  
41 marketing, and information  
42 delivery plan covering needs  
43 and opportunities for the per-  
44 iod 1988 through 1992 and for  
45 implementation of the initial  
46 phases of the plan, including  
47 additional professional services,  
48 travel and expenses, office  
49 supplies, other supplies,  
50 printing and binding, communica-

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Page Six

1 tions, and other outside services ..... \$ 60,000

2 The director of the department of economic  
3 development shall establish and serve as chairperson  
4 of a council of representatives of state agencies  
5 having responsibilities for tourism development in  
6 Iowa. The primary purposes of the council are to  
7 improve the delivery of state tourism planning,  
8 marketing, development, and funding services to the  
9 private sector and to increase the efficiency and  
10 quality of programs conducted by state agencies.  
11 Council members shall include, but are not limited to,  
12 representatives from the departments of economic  
13 development, natural resources, cultural affairs, and  
14 transportation and representatives of the private  
15 sector.

16 Preparation of the statewide tourism development,  
17 marketing, and information delivery plan as described  
18 in subsection 8 shall involve, but is not limited to,  
19 representatives of the departments of economic  
20 development, natural resources, cultural affairs, and  
21 transportation and representatives of the private  
22 sector. The department may enter into contracts with  
23 professional service firms for the preparation of the  
24 plan. The plan shall be submitted to the Seventy-  
25 second General Assembly no later than January 15,  
26 1988, and shall have received the review and approval  
27 by representative organizations of the recreation and  
28 tourism industry before being submitted to the general  
29 assembly."

30 36. Page 40, line 22, by striking the figure  
31 "1,054,145" and inserting the following: "1,069,145".

32 37. Page 40, line 34, by striking the figure  
33 "151,367" and inserting the following: "146,931".

34 38. Page 41, line 1, by striking the figure  
35 "1,450,230" and inserting the following: "1,465,230".

36 39. Page 41, by striking lines 2 through 24.

37 40. Page 42, by inserting after line 8 the  
38 following:

39 "\_\_\_ . WORK STUDY PROGRAM  
40 For the work study program  
41 under sections 261.81 through  
42 261.84 ..... \$ 1,000,000".

43 41. Page 42, by striking lines 9 through 12.

44 42. Page 43, by striking lines 9 and 10 and  
45 inserting the following: "not more than one hundred  
46 twenty-one full-time equiva-".

47 43. Page 43, line 12, by striking the figure  
48 "5,300,708" and inserting the following: "5,250,708".

49 44. Page 43, by striking line 17 and inserting  
50 the following: "program established by law, four

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1 hundred thousand (400,000)".

2 45. Page 43, by striking lines 25 through 33.

3 46. Page 45, by striking lines 10 through 13.

4 47. Page 46, line 11, by striking the word

5 "seven" and inserting the following: "eight".

6 48. Page 46, by inserting after line 14 the

7 following:

8 " . EDUCATIONAL AID TO

9 INDIANS

10 For educational aid to

11 Indians under section 256.30 ..... \$ 100,000".

12 49. Page 46, by striking lines 15 through 17.

13 50. Page 49, line 20, by striking the figure

14 "131,142,205" and inserting the following:

15 "128,164,112".

16 51. Page 49, by striking lines 21 through 31.

17 52. Page 50, line 28, by striking the figure

18 "25,529,058" and inserting the following:

19 "24,460,018".

B 20 53. Page 50, by striking lines 29 through 33.

21 54. Page 53, line 18, by striking the figure

22 "5,770,862" and inserting the following: "5,769,709".

23 55. Page 53, line 32, by striking the figure

24 "4,317,764" and inserting the following: "4,315,783".

25 56. Page 54, line 3, by striking the figure

26 "2,422,797" and inserting the following: "2,413,191".

27 57. Page 54, line 12, by striking the figure

28 "108,217,792" and inserting the following:

29 "105,974,261".

30 58. Page 54, by striking lines 13 through 25.

31 59. Page 55, line 13, by striking the word

32 "eleven" and inserting the following: "five point

33 one".

34 60. Page 55, line 14, by striking the figure

35 "414,846" and inserting the following: "140,377".

36 61. Page 55, line 25, by inserting after the word

37 "for" the following: "not more than one thousand".

38 62. Page 55, line 29, by striking the figure

39 "42,474,679" and inserting the following:

40 "41,418,676".

41 63. By striking page 55, line 30, through page

42 56, line 10.

43 64. Page 56, line 16, by striking the figure

44 "4,669,620" and inserting the following: "4,666,715".

45 65. Page 56, line 23, by striking the figure

46 "2,632,055" and inserting the following: "2,630,963".

47 66. By striking page 56, line 32 through page 58,

48 line 21.

49 67. Page 58, by striking lines 22 through 29 and

50 inserting the following:

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1 "Sec. 410. 1986 Iowa Acts, chapter 1246, section  
2 111, subsection 7, unnumbered paragraph 2, is amended  
3 by striking the unnumbered paragraph."

4 58. Page 59, by striking lines 26 through 32.

5 69. By striking page 59, line 33, through page  
6 60, line 2.

7 70. Page 60, by striking lines 10 through 30.

8 71. Page 62, by inserting after line 33 the  
9 following:

10 "Sec. \_\_\_\_\_. Nothing in this Act is intended by the  
11 general assembly to be the provision of a fair and  
12 equitable funding formula specified in 1985 Iowa Acts,  
13 chapter 249, section 9. Nothing in this Act shall be  
14 construed, is intended, or shall imply a claim of  
15 entitlement to any programs or services specified in  
16 section 225C.28."

17 72. By striking page 63, line 31 through page 66,  
18 line 31.

19 73. Page 67, by inserting after line 31 the  
20 following:

21 "Sec. \_\_\_\_\_. NEW SECTION. 256.30 EDUCATIONAL  
22 EXPENSES FOR INDIANS.

23 The department of education shall provide moneys to  
24 pay the expense of educating Indian children residing  
25 in the Sac and Fox Indian settlement on land held in  
26 trust by the secretary of the interior of the United  
27 States in excess of federal moneys paid to the tribal  
28 council for educating the Indian children when moneys  
29 are appropriated for that purpose. The tribal council  
30 shall administer the moneys distributed to it by the  
31 department and shall submit an annual report to the  
32 department on the expenditure of the moneys."

33 74. Page 69, by striking lines 3 through 11 and  
34 inserting the following:

35 "Sec. \_\_\_\_\_. Section 261.25, subsection 1, Code  
36 1987, is amended to read as follows:

37 1. There is appropriated from the general fund of  
38 the state to the commission for each fiscal year the  
39 sum of twenty twenty-three million six-hundred eight  
40 hundred nineteen thousand eighty-four dollars for  
41 tuition grants."

42 75. Page 70, by inserting after line 22 the  
43 following:

44 "Sec. \_\_\_\_\_. Section 261.63, Code 1987, is amended  
45 to read as follows:

46 261.63 APPROPRIATION.

47 Commencing July 1, ~~1984~~ 1988, there is appropriated  
48 from the general fund of the state to the commission  
49 for each fiscal year the sum of one-million five  
50 hundred thousand dollars for supplemental grants."

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76. Page 70, by striking lines 23 through 33.  
77. By striking page 72, line 8 through page 73,  
3 line 8.  
4 78. Page 82, by inserting after line 12 the  
5 following:  
6 "Sec. \_\_\_\_ . NEW SECTION. 294A.25 APPROPRIATION.  
7 For each fiscal year commencing with the fiscal  
8 year beginning July 1, 1987, there is appropriated  
9 from the general fund of the state to the educational  
10 excellence fund to be allocated to school districts  
11 and area education agencies by the department of  
12 education the amount of ninety-two million five  
13 hundred thousand dollars, to be allocated in an amount  
14 to meet the minimum salary requirements of this  
15 chapter for phase I, in an amount of thirty-eight  
16 million five hundred thousand dollars for phase II,  
17 and the remainder of the appropriation for phase III.  
18 As a condition of the appropriation in this  
19 section, and notwithstanding section 8.31, if at any  
20 time between July 1, 1987 and February 1, 1988, the  
21 governor determines that the estimated budget  
22 resources of the state will be insufficient to pay all  
23 appropriations in full for the fiscal year beginning  
24 July 1, 1987 and ending June 30, 1988, in lieu of  
25 using section 8.31 to modify allotments on a uniform  
26 basis, the governor shall certify to the department of  
27 education the amount by which budget resources are  
28 insufficient. The department of education shall  
29 notify the governor of the amount of moneys allocated  
30 for phase III under this chapter and pursuant to the  
31 appropriation made in this section. The governor  
32 shall order that the allocation for phase III be  
33 reduced by an amount equal to the amount that the  
34 budget resources are insufficient or by the amount  
35 contained in the department of education's  
36 notification to the governor under this section,  
37 whichever is less and shall certify to the department  
38 of education the amount of money available for phase  
39 III."  
40 79. By striking page 82, line 24 through page 83,  
41 line 34.  
42 80. Page 84, by striking lines 6 through 13.  
43 81. Page 84, by striking lines 22 through 24 and  
44 inserting the following: "enactment."  
45 82. Title page, lines 6 and 7, by striking the  
46 words "providing effective dates, and making certain  
47 provisions retroactive" and inserting the following:  
48 "providing a property tax exemption for certain  
49 educational facilities, establishing an office of  
50 state-federal relations, providing for the education

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1 of Indian children, establishing an occupational  
 2 therapist loan program, providing for the sale of  
 B 3 certain property and the purchase of certain property,  
 4 providing tax exemption for certain property of a  
 5 public television station, and providing effective  
 6 dates".

7 83. Renumber as necessary.

H-4166 FILED MAY 4, 1987 BY JOCHUM of Dubuque

DIVISIONS A THROUGH I ADOPTED

A, C (p. 1908)

D, E (p. 1909)

F, G, H (p. 1910)

I (p. 1913)

Re-adopted as amended by 4176  
4195, 4197, 4198 (p. 1914)

## SENATE FILE 511

(H-417)

1 Amend Senate File 511, as amended, passed, and re-  
2 printed by the Senate, as follows:

3 1. Page 17, by inserting after line 22 the  
4 following:

5 "Sec. \_\_\_\_ . NEW SECTION. 12.40 TARGETED SMALL  
6 BUSINESS LINKED DEPOSIT PROGRAM.

7 The treasurer of state shall adopt rules to  
8 implement a targeted small business linked deposit  
9 program to increase the availability of lower cost  
10 funds to inject needed capital into small businesses  
11 owned and operated by women or minorities, which is  
12 the public policy of the state. The rules shall be in  
13 accordance with the following:

14 1. "Targeted small business" means a business as  
15 defined in section 220.111, subsection 1.

16 2. A linked deposit shall only be approved in  
17 connection with a loan application for a targeted  
18 small business which has been certified pursuant to  
19 section 15.108, subsection 7, paragraph "c",  
20 subparagraph (4).

21 3. Loan applications for a targeted small business  
22 shall be for the purchase of land, machinery,  
23 equipment, or licenses, or patent, trademark, or  
24 copyright fees and expenses, but not inventory.

25 4. The maximum size of a targeted small business  
26 loan is one hundred thousand dollars per borrower for  
27 intangible property and two hundred fifty thousand  
28 dollars per borrower for tangible personal or real  
29 property.

30 Sec. \_\_\_\_ . NEW SECTION. 12.41 IOWA SATISFACTION  
31 AND PERFORMANCE BOND PROGRAM.

32 The treasurer of state shall set aside up to one  
33 hundred fifty thousand dollars of the interest earned  
34 on the moneys in the Iowa plan fund to establish a  
35 state of Iowa satisfaction and performance bond  
36 program for targeted small businesses which are unable  
37 to obtain a satisfaction and performance bond required  
38 for a specific project or business because of a lack  
39 of experience. The bond program shall not provide a  
40 state-backed bond to a business with a record of  
41 repeated failure of substantial performance or  
42 material breach of prior contracts. The program is  
43 intended to enable targeted small businesses lacking  
44 sufficient experience or history for the commercial  
45 bond market to enter a business requiring bonding.  
46 The state aid will permit a business to obtain the  
47 necessary experience and establish a satisfactory  
48 history to later obtain bonding in the commercial bond  
49 market. The state bond program is not intended to  
50 perpetuate a business which has previously

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1 demonstrated in the commercial bond market or through  
2 breach of contracts that it is an unsatisfactorily  
3 high risk for bonding purposes. The treasurer of  
4 state shall administer the program pursuant to these  
5 goals and with reference to appropriate actuarial  
6 standards. The treasurer of state may adopt rules to  
7 implement this program."

8 2. Page 39, by inserting after line 26 the  
9 following:

10 "Sec. \_\_\_\_ . NEW SECTION. 15.110 TARGETED SMALL  
11 BUSINESS LOAN AND EQUITY GRANT PROGRAM.

12 A targeted small business loan and equity grant  
13 program is established within the Iowa department of  
14 economic development. The director shall adopt rules  
15 establishing the standards and procedures for  
16 distributing grants, providing loans, buying down the  
17 interest on loans, or buying down the principal on  
18 loans for newly created small businesses. The total  
19 amount of assistance to any one business shall not  
20 exceed five thousand dollars. Standards shall give  
21 top priority to applicants who establish targeted  
22 small businesses in industries or fields for which no  
23 targeted small business has been certified pursuant to  
24 section 15.108, subsection 7, paragraph "c",  
25 subparagraph (4).

26 Sec. \_\_\_\_ . Section 28.120, subsection 6, Code 1987,  
27 is amended to read as follows:

28 ~~6. If the Iowa department of economic development~~  
29 ~~determines that sufficient funds exist in the special~~  
30 ~~account provided in subsection 5 for the purposes~~  
31 ~~provided in subsection 6, up to twenty-five~~ Fifteen  
32 percent of the loan repayments for the fiscal year  
33 received by the Iowa department of economic  
34 development may shall be deposited in the revolving  
35 loan fund to operate the self-employment loan program  
36 ~~as both were established in section 15.241 under the~~  
37 ~~department of economic development and five percent of~~  
38 ~~the loan repayments for the fiscal year shall be~~  
39 ~~deposited in the revolving loan fund to operate the~~  
40 ~~targeted small business loan and equity grant program~~  
41 ~~established in section 15.110. Funds in this~~  
42 revolving loan fund shall not revert to the state  
43 general fund at the end of any fiscal year. Loan  
44 repayments from the self-employment loan program and  
45 the targeted small business loan and equity grant  
46 program shall be deposited in the revolving loan fund.  
47 Deposits of funds under this subsection may shall  
48 occur only for the fiscal years beginning July 1,  
49 1986, July 1, 1987, July 1, 1988, and July 1, 1989."

H-4171 FILED MAY 4, 1987

BY SWARTZ of Marshall

ADOPTED (p. 1789)

SENATE FILE 511

H-4170

1 Amend Senate File 511 as amended, passed, and re-  
2 printed by the Senate, as follows:

3 1. Page 39, by inserting after line 31 the fol-  
4 lowing:

5 "Sec. \_\_\_\_\_. The general assembly recognizes the  
6 numerous environmental hazards which pose a threat to  
7 human and animal life in Iowa and the world. The  
8 technology for the removal of these hazards from our  
9 environment will improve the quality of life for  
10 Iowans and will also be an important body of knowledge  
11 from which promising economic development oppor-  
12 tunities will evolve.

13 In the areas of human health and life, Iowa has  
14 been recognized as a leader in food production,  
15 medical research, and pharmaceutical technology. To  
16 protect the quality of life in Iowa and to enhance  
17 economic opportunities for Iowans it is the policy of  
18 this state that during the next twenty years the Iowa  
19 economic development board shall focus Iowa's  
20 resources and developmental strategies on the basic  
21 strengths of Iowa as they relate to human life and  
22 health. The Iowa economic development board shall use  
23 available resources to enhance the development of  
24 Iowa's industries and bodies of knowledge as they  
25 relate to food production, food processing, food  
26 preservation, nutrition, medicine, pharmacy, chemical-  
27 free water, clean air, and environmental safety.

28 It is the intent of the general assembly that the  
29 Iowa economic development board incorporate the goals  
30 specified in this section into the twenty-year  
31 comprehensive economic development plan to be  
32 developed by the board pursuant to section 15.104,  
33 subsection 1."

BY SWARTZ of Marshall  
JOHNSON of Winneshiek  
H-4170 FILED MAY 4, 1987  
ADOPTED (p. 1890)

OSTERBERG of Linn  
ROSENBERG of Story  
HATCH of Polk

## SENATE FILE 511

H-4169

1 Amend Senate File 511, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 72, by inserting after line 5 the  
4 following:

5 "Sec. \_\_\_\_ . Section 273.3, subsection 6, Code 1987,  
6 is amended to read as follows:

7 6. Area education agencies may co-operate and  
8 contract between themselves and with other public  
9 agencies to provide special education programs and  
10 services, media services, and educational services to  
11 schools and children residing within their respective  
12 areas. Area education agencies may provide print and  
13 nonprint materials to public and private colleges and  
14 universities that have teacher education programs  
15 approved by the state board of education."

H-4169 FILED MAY 4, 1987

BY SCHRADER of Marion

ADOPTED (p. 1894)

## SENATE FILE 511

H-4176

1 Amend the amendment, H-4166, to Senate File 511 as  
2 amended, passed, and reprinted by the Senate, as  
3 follows:

4 1. Page 8, line 31, by inserting after the word  
5 "report" the following: "and other reports as  
6 required by the department".

7 2. Page 8, by inserting after line 32 the  
8 following:

9 "The tribal council shall first use moneys  
10 distributed to it by the department of education for  
11 the purposes of this section to pay the additional  
12 costs of salaries for certificated instructional staff  
13 for educational attainment and full-time equivalent  
14 years of experience to equal the salaries listed on  
15 the proposed salary schedule for the school at the Sac  
16 and Fox Indian settlement for the school year  
17 beginning July 1, 1987 as that salary schedule existed  
18 on May 1, 1987, but the salary for a certificated  
19 instructional staff member employed on a full-time  
20 basis shall not be less than eighteen thousand  
21 dollars. The department of management shall approve  
22 allotments of moneys appropriated in this section when  
23 the department of education certifies to the  
24 department of management that the requirements of this  
25 section have been met."

BY JOCHUM of Dubuque

OLLIE of Clinton

H-4176 FILED MAY 4, 1987

ADOPTED (p. 1906)

SENATE FILE 511

H-4173

1 Amend Senate File 511, as amended, passed, and re-  
2 printed by the Senate, as follows:

3 1. Page 48, by striking line 22 and inserting the  
4 following:

5 "and miscellaneous purposes  
6 and for the establishment of  
7 a consortium consisting of  
8 representatives of Iowa State  
9 University, the University of  
10 Iowa, and the University of  
11 Northern Iowa as equal partic-  
12 ipants to establish and use a  
13 process for the exchange and  
14 integration of knowledge among  
15 the universities in the fields  
16 including but not limited to  
17 food production, food proces-  
18 sing, food preservation,  
19 nutrition, medicine, pharmacy,  
20 chemical-free water, clean air,  
21 and environmental safety. The  
22 consortium shall also establish  
23 a means for the integration of  
24 knowledge across disciplines  
25 in each of the universities.  
26 In the establishment of the  
27 process for integration and  
28 exchange of knowledge for these  
29 purposes, the consortium shall  
30 also develop a process for dis-  
31 seminating this knowledge to  
32 the public for personal and  
33 business use by Iowans .....S

483,370".

34 2. Page 48, by inserting after line 22 the  
35 following:

36 "The state of Iowa recognizes the numerous hazards  
37 which pose a threat to human health and the  
38 environment of Iowa and the world. The technology for  
39 the removal of these hazards from our environment will  
40 improve the quality of life for Iowans and will also  
41 be an important body of knowledge from which promising  
42 economic development opportunities will emerge.

43 Iowa has been recognized as a leader in food  
44 production, medical research, and pharmaceutical  
45 technology. To protect the quality of life in Iowa  
46 and to enhance economic opportunities for Iowans it is  
47 the policy of this state that during the next twenty  
48 years the state board of regents shall focus Iowa's  
49 resources and developmental strategies on the basic  
50 strengths of Iowa as they relate to human health and

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1 environmental protection. The state board of regents  
 2 shall enhance the development of Iowa's industries and  
 3 bodies of knowledge as they relate to food production,  
 4 food processing, food preservation, nutrition,  
 5 medicine, pharmacy, chemical-free water, clean air and  
 6 environmental safety."

BY SWARTZ of Marshall  
 JOHNSON of Winneshiek  
 H-4173 FILED MAY 4, 1987  
 ADOPTED (p. 1892)

OSTERBERG of Linn  
 ROSENBERG of Story  
 HATCH of Polk

## SENATE FILE 511

H-4168

1 Amend Senate File 511 as amended, passed, and  
 2 reprinted by the Senate as follows:

3 1. Page 32, by inserting after line 28 the  
 4 following:

5 "The department and the cooperative extension  
 6 service in agriculture and home economics of the Iowa  
 7 State University of science and technology shall enter  
 8 into an agreement under chapter 28E that provides a  
 9 procedure for coordinating the economic development  
 10 activities of the department with the economic  
 11 development activities of the cooperative extension  
 12 service in agriculture and home economics of the Iowa  
 13 State University of science and technology."

14 2. Page 55, by inserting after line 5 the  
 15 following:

16 "The cooperative extension service in agriculture  
 17 and home economics and the department of economic  
 18 development shall enter into an agreement under  
 19 chapter 28E that provides a procedure for coordinating  
 20 the economic development activities of the cooperative  
 21 extension service in agriculture and home economics  
 22 with the economic development activities of the  
 23 department of economic development."

H-4168 FILED MAY 4, 1987 BY SWARTZ of Marshall  
 ADOPTED (p. 1890)

## SENATE FILE 511

H-4172

1 Amend Senate File 511 as amended, passed and  
 2 reprinted by the Senate as follows:

3 1. By striking page 71, line 22 through page 72,  
 4 line 5.

H-4172 FILED MAY 4, 1987 BY VAN MAANEN of Mahaska  
 ADOPTED (p. 1893) HATCH of Polk

SENATE FILE 511

H-4182

1 Amend Senate File 511 as amended, passed and  
2 reprinted by the Senate as follows:  
3 1. Page 68, by striking lines 1 through 4 and  
4 inserting the following:  
5 "Sec. \_\_\_\_\_. Section 261.9, subsection 5, Code 1987,  
6 is amended by adding the following new paragraph:  
7 NEW PARAGRAPH. e. Which was eligible to  
8 participate in the tuition grant".  
9 2. Page 68, by striking line 7 and inserting the  
10 following: "will continue to be eligible during the".

H-4182 FILED MAY 4, 1987 BY PONCY of Wapello  
ADOPTED (p. 1292)

SENATE FILE 511

H-4183

1 Amend Senate File 511 as amended, passed, and  
2 reprinted by the Senate as follows:  
3 1. Page 72, by inserting after line 5 the  
4 following:  
5 "Sec. \_\_\_\_\_. Section 262A.4, Code 1987, is amended  
6 to read as follows:  
7 262A.4 AUTHORIZATION OF GENERAL ASSEMBLY AND  
8 GOVERNOR.  
9 Subject to and in accordance with the provisions of  
10 this chapter, the state board of regents after  
11 authorization by a constitutional majority of each  
12 house of the general assembly and approval by the  
13 governor may undertake and carry out any project as  
14 defined in this chapter at the institutions now or  
15 hereafter under the jurisdiction of the board. The  
16 state board of regents shall request authorization  
17 from the general assembly for a project only after the  
18 planning phase for the project, including the  
19 completion of architectural plans for the project if  
20 architectural plans are required, has been completed.  
21 The state board of regents is authorized to operate,  
22 control, maintain, and manage buildings and facilities  
23 and additions to such buildings and facilities at each  
24 of said institutions. All contracts for the  
25 construction, reconstruction, completion, equipment,  
26 improvement, repair or remodeling of any buildings,  
27 additions, or facilities shall be let in accordance  
28 with the provisions of section 262.34. The title to  
29 all real estate acquired under the provisions of this  
30 chapter and the improvements erected thereon shall be  
31 taken and held in the name of the state of Iowa."

H-4183 FILED MAY 4, 1987 BY HATCH of Polk  
ADOPTED (p. 1896)

SENATE FILE 511

H-4175

1 Amend Senate File 511 as amended, passed and  
2 reprinted by the Senate as follows:

3 1. Page 72, by inserting after line 5 the  
4 following:

5 "Sec. \_\_\_\_ . NEW SECTION. 269.3 CLASSROOM  
6 TEACHERS.

7 For purposes of chapter 20, classroom teachers  
8 employed by the Iowa braille and sight-saving school  
9 shall be accreted to the faculty employee organization  
10 at the University of Northern Iowa.

11 Sec. \_\_\_\_ . NEW SECTION. 270.11 CLASSROOM  
12 TEACHERS.

13 For purposes of chapter 20, classroom teachers  
14 employed by the school for the deaf shall be accreted  
15 to the faculty employee organization at the University  
16 of Northern Iowa."

BY JOCHUM of Dubuque

SIEGRIST of Pottawattamie

H-4175 FILED MAY 4, 1987  
ADOPTED (p. 1895)

SENATE FILE 511

H-4178

1 Amend amendment H-4166 to Senate File 511, as  
2 amended, passed and reprinted by the Senate, as  
3 follows:

4 1. Page 9, line 12, by striking the word "ninety-  
5 two" and inserting the following: "ninety-seven".

BY DAGGETT of Adams

SIEGRIST of Pottawattamie

HALVORSON of Clayton

H-4178 FILED MAY 4, 1987  
LOST (p. 1907)

## SENATE FILE 511

4185

1 Amend Senate File 511, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 11, line 10, by striking the word  
4 "thirty-two" and inserting the following: "thirty-  
5 five".

6 2. Page 11, line 19, by striking the figure  
7 "1,364,905" and inserting the following: "1,554,939".

8 3. Page 12, by striking lines 7 through 17.

9 4. By striking page 15, line 25 through page 17,  
10 line 22 and inserting the following:

11 "Sec. \_\_\_\_ . NEW SECTION. 8.10 PURPOSE.

12 The purpose of this Act is to create within the  
13 department of management an office for state-federal  
14 relations, and to establish general goals for the  
15 operation of this office. In doing so, it is the  
16 intent of the general assembly to develop a state-  
17 federal relations program which is nonpartisan and  
18 accessible to all three branches of state government.

19 Sec. \_\_\_\_ . NEW SECTION. 8.11 DEFINITIONS.

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

22 1. "Office" means the office for state-federal  
23 relations as authorized in this Act.

24 2. "Delegation" means the state's elected senators  
25 and representatives to the United States congress, and  
26 their respective staff members.

27 Sec. \_\_\_\_ . NEW SECTION. 8.12 GOALS.

28 The major goals of the office are:

29 1. To coordinate the development of the state's  
30 state-federal relations efforts which shall include an  
31 annual state-federal program to be presented to the  
32 Iowa delegation, program of regular training sessions  
33 for state government officials, and maintenance of a  
34 management information system.

35 2. To provide state government officials with  
36 greater access to current information on federal  
37 legislative and executive actions affecting state  
38 government.

39 3. To articulate positions or federal policies of  
40 importance to state government.

41 4. To monitor federal budget policies, assess  
42 their impact upon the state, and identify federal  
43 assistance programs which will benefit the state.

44 5. To strengthen the working relationships between  
45 state government officials and the congressional  
46 delegation and federal agencies.

47 6. To improve the state's ability to establish key  
48 contacts with other states, organizations, business  
groups, and professional associations to gain  
information and form cooperative agreements.

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1 Sec. \_\_\_\_ . NEW SECTION. 8.13 PERSONNEL.

2 1. The office shall be administered by a director  
3 who shall be appointed by the governor and shall serve  
4 at the pleasure of the governor. If the office of the  
5 director becomes vacant, the vacancy shall be filled  
6 in the same manner as provided for the original  
7 appointment.

8 2. All other personnel of the office shall be  
9 employed in a manner consistent with department of  
10 management policies.

11 3. All employees of the office shall be exempt  
12 from chapter 19A.

13 Sec. \_\_\_\_ . NEW SECTION. 8.14 ADVISORY COUNCIL.

14 The office shall have an advisory council  
15 consisting of the director of the department of  
16 management, the director of the legislative fiscal  
17 bureau and the administrator for the supreme court of  
18 Iowa. The function of the advisory council shall be  
19 to:

20 1. Promote cooperation among the agencies of the  
21 three branches of government in the development of an  
22 effective state-federal relations program.

23 2. Share appropriate information which will assist  
24 these agencies in the performance of their duties.

25 3. Review the plans and activities of the office,  
26 and make recommendations for improving the state-  
27 federal relations program.

28 Sec. \_\_\_\_ . NEW SECTION. 8.15 LOCATION.

29 The office shall be located in Washington, D.C.

30 Sec. \_\_\_\_ . NEW SECTION. 8.16 DEPARTMENT OF  
31 MANAGEMENT DUTIES.

32 The department of management shall provide  
33 administrative support services to the office. It  
34 shall also, to the extent possible, coordinate its  
35 planning, policy and fiscal responsibilities with the  
36 activities of the office.

37 Sec. \_\_\_\_ . NEW SECTION. 8.17 COOPERATION.

38 All agencies of state government shall cooperate  
39 fully with the office on matters related to the  
40 fulfillment of its goals. Agencies may enter into  
41 agreements with the office to contract where  
42 appropriate for special services.

43 Sec. \_\_\_\_ . NEW SECTION. 8.18 REPORTING.

44 By February 15, the office shall submit to the  
45 governor, the general assembly, and the supreme court  
46 an annual report detailing the activities and  
47 accomplishments of the office for the previous fiscal  
48 year."

49 5. Renumber sections and correct internal  
50 references as necessary.

## SENATE FILE 511

41-4190

Amend Senate File 511, as amended, passed, and re-  
printed by the Senate, as follows:

1. Page 22, by inserting after line 22 the  
following:

"6. It is the intent of the general assembly that  
the department of agriculture and land stewardship, in  
its operation of the agricultural marketing program,  
shall conform its activities to the mission, goals,  
and objectives provided in this subsection and collect  
information pertaining to performance measures  
developed by the legislative fiscal bureau. The  
department shall provide a report at least quarterly  
to the legislative fiscal bureau and the co-  
chairpersons and ranking members of the economic  
development appropriations subcommittee on the  
performance measures. The department shall be  
notified by the legislative fiscal bureau by July 1,  
1987 of the specific performance measures for which  
data shall be collected and reported.

The department shall operate an agricultural  
marketing program designed to lead to more  
advantageous marketing of Iowa agricultural products  
to accomplish the following objectives:

a. Investigate the subject of marketing  
agricultural products and recommend efficient and  
economical methods of marketing.

b. Promote the sales, distribution, and  
merchandising of agricultural products to be indicated  
by the number of trade or sales leads originated  
through the agricultural marketing programs, by the  
number of Iowa companies represented at trade shows,  
and by the number of out-of-state buyers contacted  
through trade shows and other promotional events.

c. Furnish information and assistance to the  
public concerning the marketing of agricultural  
products to be indicated by the number of Iowa  
companies that receive counseling or assistance.

d. Cooperate with the college of agriculture of  
Iowa State University of science and technology in  
farm marketing education and research and avoid  
unnecessary duplications to be indicated by the number  
of meetings with the university staff to discuss  
marketing research and education and number and type  
of recommendations generated from these meetings.

e. Gather and diffuse useful information  
concerning all phases of the marketing of Iowa farm  
products in cooperation with other public and private  
agencies.

f. Ascertain sources of supply of Iowa  
agricultural products and prepare and publish from

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Page Two

1 time to time lists of names and addresses of producers  
 2 and consignors and furnish lists to persons applying  
 3 for them to be indicated by the number of potential  
 4 out-of-state buyers that receive the list of Iowa  
 5 suppliers.  
 6 g. Aid in the promotion and development of the  
 7 agricultural processing industry in the state to be  
 8 indicated by the number of trade or sales leads  
 9 originated through the agricultural marketing  
 10 programs, the number of Iowa companies represented at  
 11 trade shows, the number of out-of-state buyers  
 12 contacted through trade shows and other promotional  
 13 events, and the number of Iowa companies meeting with  
 14 out-of-state buyers brought to Iowa as part of the  
 15 agricultural marketing programs."

H-4190 FILED MAY 4, 1987 BY HANSON of Delaware  
ADOPTED (p. 1917)

SENATE FILE 511

H-4186

1 Amend Senate File 511, as amended, passed and  
 2 reprinted by the Senate, as follows:  
 3 1. Page 32, by inserting after line 28 the  
 4 following:  
 5 "As a condition of the appropriation made in this  
 6 subsection, the department shall enter into a 28E  
 7 agreement with the state board of regents for purposes  
 8 of insuring, to the greatest extent possible, that  
 9 research conducted at institutions under the control  
 10 of the state board of regents may be developed and  
 11 marketed by Iowa businesses."  
 12 2. Page 48, by inserting after line 22 the  
 13 following:  
 14 "As a condition of the appropriation made in this  
 15 paragraph, the board of regents shall enter into a 28E  
 16 agreement with the department of economic development  
 17 for purposes of insuring, to the greatest extent  
 18 possible, that research conducted at institutions  
 19 under the control of the board of regents may be  
 20 developed and marketed by Iowa businesses."

BY HATCH of Polk  
SWARTZ of Marshall

H-4186 FILED MAY 4, 1997  
ADOPTED (p. ~~188~~ 1917)

## SENATE FILE 511

H-4195

1 Amend amendment, H-4166, to Senate File 511 as  
2 amended, passed and reprinted by the Senate as  
3 follows:

4 1. Page 7, by striking line 19 and inserting the  
A 5 following: ""24,043,611"."

6 2. Page 7, by inserting after line 46 the  
7 following:

8 "\_\_\_\_. Page 56, by inserting after line 31 the  
9 following:

10 "Sec. \_\_\_\_\_. There is appropriated from the general  
11 fund of the state to the Iowa department of public  
12 health for the fiscal year beginning July 1, 1987 the  
B 13 amount of four hundred sixteen thousand four hundred  
14 seven (416,407) dollars to be used for the  
15 decentralized indigent obstetrical program. The  
16 appropriation in this section is in addition to funds  
17 otherwise appropriated to the Iowa department of  
18 public health for the decentralized indigent  
19 obstetrical program.""

H-4195 FILED MAY 4, 1987 BY MULLINS of Kossuth  
DIVISIONS A & B ADOPTED (p. 1912)

## SENATE FILE 511

H-4198

1 Amend the Jochum amendment, H-4166, to Senate File  
2 511, as amended, passed, and reprinted by the Senate,  
3 as follows:

4 1. Page 5, by inserting after line 31 the  
5 following:

6 "Of the funds appropriated by this subsection, one  
7 hundred twenty-five thousand (125,000) dollars, or so  
8 much thereof as is necessary, shall be used by the  
9 historical division of the department of cultural  
10 affairs to acquire by negotiated sale part of the land  
11 encompassing the Blood Run national historic landmark  
12 in Lyon county, Iowa.

13 Of the funds appropriated by this subsection, one  
14 hundred twenty-five thousand (125,000) dollars, or so  
15 much thereof as is necessary, to be used by the state  
16 department of transportation for the planning and  
17 acquisition of recreation trails as provided in House  
18 File 575. Not more than seventy-five thousand  
19 (75,000) dollars of the funds provided in this  
20 unnumbered paragraph shall be used for planning. Not  
21 more than fifty thousand (50,000) dollars shall be  
22 used for acquisition of land for recreation trails."

BY BLACK of Jasper  
BRANSTAD of Winnebago  
DEGROOT of Lyon  
DIEMER of Black Hawk

H-4198 FILED MAY 4, 1987  
ADOPTED (p. 1912)

## SENATE FILE 511

H-4197

1 Amend amendment, H-4166 to Senate File 511 as  
2 amended, passed and reprinted by the Senate as  
3 follows:

4 1. Page 5, by inserting after line 21 the  
5 following:

6 "Of the funds appropriated by this subsection,  
7 fifteen thousand (15,000) dollars, or so much thereof  
8 as is necessary, shall be used for the construction of  
9 a storage and multi-use facility in Stone City, Iowa  
10 for the storage of replicas of Grant Wood ice wagons  
11 in which artists lived in Stone City, Iowa. The funds  
12 available under this unnumbered paragraph shall be  
13 matched on a dollar-for-dollar basis with moneys or  
14 in-kind contributions from other sources.

15 Of the funds appropriated by this subsection,  
16 twenty-five thousand (25,000) dollars, or so much  
17 thereof as is necessary, shall be used for providing a  
18 permanent Grant Wood information center and art  
19 gallery in Anamosa, Iowa. The funds available under  
20 this unnumbered paragraph shall be matched on a  
21 dollar-for-dollar basis with moneys or in-kind  
22 contributions from other sources."

H-4197 FILED MAY 4, 1987

BY MCKEAN of Jones

ADOPTED (p. 1911)

## SENATE FILE 511

H-4194

1 Amend Senate File 511, as amended, passed, and re-  
2 printed by the Senate, as follows:

3 1. Page 81, by inserting after line 22 the  
4 following:

5 "Sec. \_\_\_\_ Section 286A.2, subsection 2, Code  
6 1987, is amended to read as follows:

7 2. "Contact hour eligible for general aid" is a  
8 contact hour as provided in subsection 1 except for  
9 the contact hours of nonresident students; contact  
10 hours of students in avocational or recreational  
11 programs; contact hours of a course offered at a  
12 location other than an area school campus if the  
13 course is primarily sponsored by a state or federal  
14 agency; contact hours of courses that duplicate  
15 programs offered by the cooperative extension service  
16 in agriculture and home economics at Iowa State  
17 University; and contact hours of students in courses  
18 or programs the direct operational costs of which are  
19 entirely paid by federal, state, or other governmental  
20 agencies, or private subsidy, or both."

H-4194 FILED MAY 4, 1987

BY MULLINS of Kossuth

LOST (p. 1919)

SENATE FILE 511

H-4196

1 Amend the Jochum amendment, H-4166, to Senate File  
2 511, as amended, passed, and reprinted by the Senate,  
3 as follows:

4 1. Page 1, by striking lines 7 through 12.

H-4196 FILED MAY 4, 1987  
LOST (p. 1711)

BY METCALF of Polk  
CLARK of Cerro Gordo

SENATE FILE 511

H-4202

1 Amend Senate File 511, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. By striking page 82, line 24, through page 83,  
4 line 9.

5 2. Page 83, by striking lines 12 and 13 and  
6 inserting the following:

7 "NEW SUBSECTION. For any taxpayer, a tuition  
8 credit equal to seven and three-fourths percent of  
9 the first".

H-4202 FILED MAY 4, 1987  
LOST (p. 1719)

BY HANSON of Delaware

SENATE FILE 511

H-4203

1 Amend Senate File 511, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. By striking page 46, line 23, through page 47,  
4 line 5, and inserting the following: "struction in  
5 such schools, the amount of fifty-seven million three  
6 hundred seventeen thousand four hundred fifty-two  
7 (57,317,452) dollars to be allocated as follows:

8	a.	Merged Area I .....	\$ 2,686,416
9	b.	Merged Area II .....	\$ 3,221,222
10	c.	Merged Area III .....	\$ 3,064,341
11	d.	Merged Area IV .....	\$ 1,484,411
12	e.	Merged Area V .....	\$ 3,503,596
13	f.	Merged Area VI .....	\$ 3,397,203
14	g.	Merged Area VII .....	\$ 4,541,102
15	h.	Merged Area IX .....	\$ 4,697,445
16	i.	Merged Area X .....	\$ 7,661,994
17	j.	Merged Area XI .....	\$ 7,502,146
18	k.	Merged Area XII .....	\$ 3,380,999
19	l.	Merged Area XIII .....	\$ 3,626,244
20	m.	Merged Area XIV .....	\$ 1,476,463
21	n.	Merged Area XV .....	\$ 4,370,086
22	o.	Merged Area XVI .....	\$ 2,703,784".

23 2. Page 47, by striking lines 9 through 11 and  
24 inserting the following: "state financial aid to  
25 merged areas the amount of nineteen million one  
26 hundred five thousand eight hundred seventeen  
27 (19,105,817) dollars, to be accrued as income and used  
28 for".

29 3. Page 47, by striking lines 15 through 29 and  
30 inserting the following:

31	1.	Merged Area I .....	\$ 895,472
32	2.	Merged Area II .....	\$ 1,073,740
33	3.	Merged Area III .....	\$ 1,021,447
34	4.	Merged Area IV .....	\$ 494,804
35	5.	Merged Area V .....	\$ 1,167,865
36	6.	Merged Area VI .....	\$ 1,132,401
37	7.	Merged Area VII .....	\$ 1,513,700
38	8.	Merged Area IX .....	\$ 1,565,815
39	9.	Merged Area X .....	\$ 2,553,998
40	10.	Merged Area XI .....	\$ 2,500,716
41	11.	Merged Area XII .....	\$ 1,127,000
42	12.	Merged Area XIII .....	\$ 1,208,748
43	13.	Merged Area XIV .....	\$ 492,154
44	14.	Merged Area XV .....	\$ 1,456,695
45	15.	Merged Area XVI .....	\$ 901,262".

H-4203 FILED MAY 4, 1987  
LOST (p. 1918)

BY STROMER of Hancock

HOUSE AMENDMENT TO  
SENATE FILE 511

S-4005

1 Amend Senate File 511 as amended, passed, and  
2 reprinted by the Senate as follows:  
3 1. Page 1, line 35, by striking the figure  
4 "79,554" and inserting the following: "68,246".  
5 2. Page 3, line 7, by striking the figure  
6 "122,518" and inserting the following: "113,518".  
7 3. Page 4, lines 21 and 22, by striking the words  
8 "two hundred thirty-three point six" and inserting the  
9 following: "two hundred thirty point ten".  
10 4. Page 4, line 24, by striking the figure  
11 "5,108,985" and inserting the following: "5,043,985".  
12 5. Page 4, by striking lines 25 through 28.  
13 6. Page 5, line 19, by striking the figure  
14 "1,639,067" and inserting the following: "1,583,067".  
15 7. By striking page 9, line 15 through page 10,  
16 line 1 and inserting the following:  
17 "For salaries and support for  
18 not more than six hundred thirteen  
19 point twenty-eight full-time equiv-  
20 alent positions, maintenance, and  
21 miscellaneous purposes ..... \$ 17,316,998".  
22 8. Page 12, line 21, by striking the word "two"  
23 and inserting the following: "one".  
24 9. Page 12, line 22, by striking the figure  
25 "2,475,000" and inserting the following: "1,475,000".  
26 10. Page 12, line 24, by inserting after the  
27 figure "422.100." the following: "Notwithstanding  
28 section 422.100, the funds to be allocated to the  
29 counties from the moneys and credits replacement fund  
30 which are to be credited to the county general fund  
31 during the fiscal year beginning July 1, 1987 and  
32 ending June 30, 1988 shall not be distributed to the  
33 counties but shall remain in the moneys and credits  
34 replacement fund. The funds allocated to the counties  
35 from the moneys and credits replacement fund during  
36 the fiscal year beginning July 1, 1987 and ending June  
37 30, 1988, shall be allocated to cities as required by  
38 law by the county treasurer."  
39 11. Page 13, by striking lines 15 through 22.  
40 12. Page 13, by striking lines 24 through 31 and  
41 inserting the following:  
42 "1. There is appropriated from the general fund of  
43 the state to the salary adjustment fund provided for  
44 in section 8.43, for the fiscal year beginning July 1,  
45 1987 and ending June 30, 1988, the following amounts,  
46 or so much thereof as is necessary, to be distributed  
47 to the designated political subdivisions or public  
48 agencies as follows:

49  
50

1987-1988  
Fiscal Year

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1 a. To the various public  
2 agencies and departments in-  
3 cluding nonfaculty salary  
4 increases for the state board  
5 of regents, except those  
6 agencies and departments  
7 allocated funds under  
8 paragraphs "b" and "c" of this  
9 subsection ..... \$ 24,014,163

10 b. To the state board of  
11 regents for faculty salary  
12 increases ..... \$ 11,459,183

13 c. To the judicial dis-  
14 trict department of correct-  
15 ional services as defined in  
16 section 905.1 ..... \$ 1,526,654

17 If the funds appropriated by this subsection are  
18 insufficient to meet the obligations for the funds,  
19 the allocation to each public agency or department may  
20 be reduced."

21 13. Page 15, lines 8 through 11, by striking the  
22 words "in the same proportion that the payroll for  
23 each individual program for the fiscal year ending  
24 June 30, 1987 is to the annual payroll for all  
25 programs for that fiscal year".

26 14. Page 17, by inserting after line 22 the  
27 following:

28 "Sec. \_\_\_\_ . NEW SECTION. 12.40 TARGETED SMALL  
29 BUSINESS LINKED DEPOSIT PROGRAM.

30 The treasurer of state shall adopt rules to  
31 implement a targeted small business linked deposit  
32 program to increase the availability of lower cost  
33 funds to inject needed capital into small businesses  
34 owned and operated by women or minorities, which is  
35 the public policy of the state. The rules shall be in  
36 accordance with the following:

37 1. "Targeted small business" means a business as  
38 defined in section 220.111, subsection 1.

39 2. A linked deposit shall only be approved in  
40 connection with a loan application for a targeted  
41 small business which has been certified pursuant to  
42 section 15.108, subsection 7, paragraph "c",  
43 subparagraph (4).

44 3. Loan applications for a targeted small business  
45 shall be for the purchase of land, machinery,  
46 equipment, or licenses, or patent, trademark, or  
47 copyright fees and expenses, but not inventory.

48 4. The maximum size of a targeted small business  
49 loan is one hundred thousand dollars per borrower for  
50 intangible property and two hundred fifty thousand

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1 dollars per borrower for tangible personal or real  
2 property.

3 Sec. \_\_\_\_ . NEW SECTION. 12.41 IOWA SATISFACTION  
4 AND PERFORMANCE BOND PROGRAM.

5 The treasurer of state shall set aside up to one  
6 hundred fifty thousand dollars of the interest earned  
7 on the moneys in the Iowa plan fund to establish a  
8 state of Iowa satisfaction and performance bond  
9 program for targeted small businesses which are unable  
10 to obtain a satisfaction and performance bond required  
11 for a specific project or business because of a lack  
12 of experience. The bond program shall not provide a  
13 state-backed bond to a business with a record of  
14 repeated failure of substantial performance or  
15 material breach of prior contracts. The program is  
16 intended to enable targeted small businesses lacking  
17 sufficient experience or history for the commercial  
18 bond market to enter a business requiring bonding.  
19 The state aid will permit a business to obtain the  
20 necessary experience and establish a satisfactory  
21 history to later obtain bonding in the commercial bond  
22 market. The state bond program is not intended to  
23 perpetuate a business which has previously  
24 demonstrated in the commercial bond market or through  
25 breach of contracts that it is an unsatisfactorily  
26 high risk for bonding purposes. The treasurer of  
27 state shall administer the program pursuant to these  
28 goals and with reference to appropriate actuarial  
29 standards. The treasurer of state may adopt rules to  
30 implement this program."

31 15. Page 17, by inserting after line 34 the  
32 following:

33 "Sec. \_\_\_\_ . Section 18.134, Code 1987, is amended  
34 to read as follows:

35 18.134 LIMITATION OF COMMUNICATIONS.

36 The department of general services shall not  
37 provide or resell communications services to entities  
38 other than state agencies. A political subdivision  
39 receiving communications services from the state as of  
40 April 1, 1986 may continue to do so until ~~January 17~~  
41 ~~1988~~. The rates charged to the political subdivision  
42 shall be the same as the rates charged to state  
43 agencies."

44 16. Page 18, by striking lines 8 through 27.

45 17. Page 19, line 11, by striking the figure  
46 "774,611" and inserting the following: "810,285".

47 18. Page 19, by striking lines 12 through 14.

48 19. Page 19, line 30, by striking the word  
49 "thirty-two" and inserting the following: "thirty-  
50 eight".

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1 20. Page 19, line 35, by striking the word  
2 "twenty-two" and inserting the following: "eighteen".

3 21. Page 20, line 2, by striking the figure  
4 "955,842" and inserting the following: "705,842".

5 22. Page 20, by striking lines 10 through 14.

6 23. Page 20, by inserting after line 20 the  
7 following:

8 "Notwithstanding chapters 162, 163, 167, 192, 195,  
9 208A, 210, 212, 213, 215, and 215A, the secretary of  
10 agriculture may increase fees by rule relating to the  
11 licensing, inspection, and certification provisions of  
12 those chapters. The receipts resulting from any fee  
13 increases shall not exceed three hundred thousand  
14 (300,000) dollars. The department shall report any  
15 proposed fee increase to the legislative council prior  
16 to its adoption. The revenue collected as a result of  
17 any increase in the fees shall be deposited in a  
18 regulatory trust fund which is hereby created and  
19 appropriated to the department for use by the  
20 regulatory division. The department shall report the  
21 disposition of the fee receipts to the legislative  
22 fiscal bureau and the department of management  
23 monthly. The department of agriculture and land  
24 stewardship shall report to the agriculture and  
25 natural resources appropriations subcommittee by  
26 February 1, 1988 on the amounts of the fee increases  
27 and the projected expenses."

28 24. Page 20, line 24, by striking the figure  
29 "674,472" and inserting the following: "593,578".

30 25. Page 20, by inserting after line 34 the  
31 following:

32 "Notwithstanding chapters 198, 200, 201, and 206,  
33 the secretary of agriculture may increase fees and  
34 tonnage taxes by rule. The receipts from any fee or  
35 tonnage tax increases shall not exceed two hundred  
36 thousand (200,000) dollars. The department shall  
37 report any proposed fee or tonnage tax increase to the  
38 legislative council prior to its adoption. The  
39 department shall report to the legislative fiscal  
40 bureau and the department of management monthly as to  
41 the disposition of the fee and tonnage tax receipts.  
42 The department of agriculture and land stewardship  
43 shall report to the agriculture and natural resources  
44 appropriation subcommittee by February 1, 1988 on the  
45 amounts of the fee and tonnage tax increases and the  
46 projected expenses."

47 26. Page 21, line 3, by striking the words  
48 "eighty-six point seventy-four" and inserting the  
49 following: "eighty-two point zero five".

50 27. Page 21, line 7, by striking the figure

1 "4,334,184" and inserting the following: "4,155,747".  
2 28. Page 21, line 16, by striking the figure  
3 "6,616,519" and inserting the following: "6,546,519".  
4 29. Page 22, by striking lines 12 through 15.  
5 30. Page 22, by inserting after line 22 the

6 following:

7 "6. It is the intent of the general assembly that  
8 the department of agriculture and land stewardship, in  
9 its operation of the agricultural marketing program,  
10 shall conform its activities to the mission, goals,  
11 and objectives provided in this subsection and collect  
12 information pertaining to performance measures  
13 developed by the legislative fiscal bureau. The  
14 department shall provide a report at least quarterly  
15 to the legislative fiscal bureau and the co-  
16 chairpersons and ranking members of the economic  
17 development appropriations subcommittee on the  
18 performance measures. The department shall be  
19 notified by the legislative fiscal bureau by July 1,  
20 1987 of the specific performance measures for which  
21 data shall be collected and reported.

22 The department shall operate an agricultural  
23 marketing program designed to lead to more  
24 advantageous marketing of Iowa agricultural products  
25 to accomplish the following objectives:

26 a. Investigate the subject of marketing  
27 agricultural products and recommend efficient and  
28 economical methods of marketing.

29 b. Promote the sales, distribution, and  
30 merchandising of agricultural products to be indicated  
31 by the number of trade or sales leads originated  
32 through the agricultural marketing programs, by the  
33 number of Iowa companies represented at trade shows,  
34 and by the number of out-of-state buyers contacted  
35 through trade shows and other promotional events.

36 c. Furnish information and assistance to the  
37 public concerning the marketing of agricultural  
38 products to be indicated by the number of Iowa  
39 companies that receive counseling or assistance.

40 d. Cooperate with the college of agriculture of  
41 Iowa State University of science and technology in  
42 farm marketing education and research and avoid  
43 unnecessary duplications to be indicated by the number  
44 of meetings with the university staff to discuss  
45 marketing research and education and number and type  
46 of recommendations generated from these meetings.

47 e. Gather and diffuse useful information  
48 concerning all phases of the marketing of Iowa farm  
49 products in cooperation with other public and private  
50 agencies.

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1 f. Ascertain sources of supply of Iowa  
2 agricultural products and prepare and publish from  
3 time to time lists of names and addresses of producers  
4 and consignors and furnish lists to persons applying  
5 for them to be indicated by the number of potential  
6 out-of-state buyers that receive the list of Iowa  
7 suppliers.

8 g. Aid in the promotion and development of the  
9 agricultural processing industry in the state to be  
10 indicated by the number of trade or sales leads  
11 originated through the agricultural marketing  
12 programs, the number of Iowa companies represented at  
13 trade shows, the number of out-of-state buyers  
14 contacted through trade shows and other promotional  
15 events, and the number of Iowa companies meeting with  
16 out-of-state buyers brought to Iowa as part of the  
17 agricultural marketing programs."

18 31. Page 22, by striking lines 23 through 29 and  
19 inserting the following:

20 "Sec. \_\_\_\_.

21 1. There is appropriated to the department of  
22 agriculture and land stewardship for the fiscal year  
23 beginning July 1, 1987 and ending June 30, 1988, from  
24 the general fund of the state, the sum of one hundred  
25 twelve thousand (112,000) dollars, or so much thereof  
26 as is necessary, as an advance for volunteer  
27 assistance and not more than three full-time  
28 equivalent positions for the administration of section  
29 99D.22.

30 2. There is appropriated from the funds available  
31 under section 99D.13 to the general fund of the state  
32 an amount equal to that expended under subsection 1  
33 during the fiscal year beginning July 1, 1987 and  
34 ending June 30, 1988."

35 32. Page 29, by striking lines 8 through 16 and  
36 inserting the following:

37 "Sec. \_\_\_\_ . There is appropriated from the general  
38 fund of the state to the department of natural  
39 resources for the fiscal year beginning July 1, 1987  
40 and ending June 30, 1988, the sum of forty thousand  
41 (40,000) dollars, or so much thereof as is necessary,  
42 to conduct a feasibility study of constructing a dam  
43 at Pine Lake state park."

44 33. Page 30, line 27, by striking the word  
45 "growing" and inserting the following: "production  
46 and distribution".

47 34. Page 30, line 31, by striking the words  
48 "growing of" and inserting the following: "production  
49 and distribution of the".

50 35. Page 30, line 34, by striking the word

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1 "growing" and inserting the following: "production  
2 and distribution".

3 36. Page 31, by striking lines 14 through 23.

4 37. Page 32, line 28, by striking the figure  
5 "1,691,788" and inserting the following: "1,641,788".

6 38. Page 32, by inserting after line 28 the  
7 following:

8 "As a condition of the appropriation made in this  
9 subsection, the department shall enter into a 28E  
10 agreement with the state board of regents for purposes  
11 of insuring, to the greatest extent possible, that  
12 research conducted at institutions under the control  
13 of the state board of regents may be developed and  
14 marketed by Iowa businesses."

15 39. Page 32, by inserting after line 28 the  
16 following:

17 "The department and the cooperative extension  
18 service in agriculture and home economics of the Iowa  
19 State University of science and technology shall enter  
20 into an agreement under chapter 28E that provides a  
21 procedure for coordinating the economic development  
22 activities of the department with the economic  
23 development activities of the cooperative extension  
24 service in agriculture and home economics of the Iowa  
25 State University of science and technology."

26 40. Page 33, line 3, by striking the figure  
27 "319,533" and inserting the following: "269,533".

28 41. Page 33, by striking lines 4 through 6.

29 42. By striking page 33, line 12 through page 34,  
30 line 19 and inserting the following:

31	"5. For personal services,	
32	salaries and support for not	
33	more than sixteen point four	
34	full-time equivalent positions,	
35	travel and subsistence of all	
36	staff assigned to tourism promo-	
37	tion including main office,	
38	welcome center, and film office	
39	personnel, office supplies, other	
40	supplies, printing and binding,	
41	communications, rentals, utilities,	
42	outside services and repairs, and	
43	office equipment .....	\$ 580,000

44	6. For tourism and	
45	promotion programs including	
46	contracted advertising and pub-	
47	licity, promotion, and printing	
48	services and for the state's	
49	share of a cooperative advertis-	
50	ing program .....	\$ 750,000

1 Of the funds appropriated by this subsection, fifty  
2 thousand (50,000) dollars, or so much thereof as is  
3 necessary, may be used to purchase or support the  
4 Grant Wood gothic house in Eldon, Iowa. The  
5 department shall cooperate with the historical  
6 division of the department of cultural affairs to  
7 acquire and maintain the Grant Wood gothic house and  
8 to promote the property as a tourist attraction. Of  
9 the funds allocated for the purchase of the house,  
10 unexpended funds shall be credited to the Grant Wood  
11 gothic house trust fund which is created in the office  
12 of the treasurer of state. The moneys in this fund  
13 shall be administered by the historical division of  
14 the department of cultural affairs and shall be used  
15 to provide for the maintenance of the house and to  
16 receive local public and private contributions for the  
17 promotion and maintenance of the house as a tourist  
18 site.

19 Of the funds appropriated by this subsection,  
20 fifteen thousand (15,000) dollars, or so much thereof  
21 as is necessary, shall be used for the construction of  
22 a storage and multi-use facility in Stone City, Iowa  
23 for the storage of replicas of Grant Wood ice wagons  
24 in which artists lived in Stone City, Iowa. The funds  
25 available under this unnumbered paragraph shall be  
26 matched on a dollar-for-dollar basis with moneys or  
27 in-kind contributions from other sources.

28 Of the funds appropriated by this subsection,  
29 twenty-five thousand (25,000) dollars, or so much  
30 thereof as is necessary, shall be used for providing a  
31 permanent Grant Wood information center and art  
32 gallery in Anamosa, Iowa. The funds available under  
33 this unnumbered paragraph shall be matched on a  
34 dollar-for-dollar basis with moneys or in-kind  
35 contributions from other sources.

36 Of the funds appropriated by this subsection, fifty  
37 thousand (50,000) dollars, or so much thereof as is  
38 necessary, may be used for the evaluation of the  
39 feasibility of preserving the historical significance  
40 of and establishing tourism and recreation centers in  
41 existing Iowa railway passenger stations and depots.  
42 Local communities in which Iowa railway passenger  
43 stations and depots are located shall match, on an  
44 equal basis, state funds expended on evaluating the  
45 respective station or depot.

46 Of the funds appropriated by this subsection, one  
47 hundred twenty-five thousand (125,000) dollars, or so  
48 much thereof as is necessary, shall be used by the  
49 historical division of the department of cultural  
50 affairs to acquire by negotiated sale part of the land

1 encompassing the Blood Run national historic landmark  
2 in Lyon county, Iowa.

3 Of the funds appropriated by this subsection, one  
4 hundred twenty-five thousand (125,000) dollars, or so  
5 much thereof as is necessary, to be used by the state  
6 department of transportation for the planning and  
7 acquisition of recreation trails as provided in House  
8 File 575. Not more than seventy-five thousand  
9 (75,000) dollars of the funds provided in this  
10 unnumbered paragraph shall be used for planning. Not  
11 more than fifty thousand (50,000) dollars shall be  
12 used for acquisition of land for recreation trails.

13 7. For state aid, distributed  
14 equally to three tourism  
15 regions for planning and  
16 operations of regional and  
17 local tourism development  
18 programs ..... \$ 100,000

19 8. For professional  
20 preparation of a state-  
21 wide tourism development,  
22 marketing, and information  
23 delivery plan covering needs  
24 and opportunities for the per-  
25 iod 1988 through 1992 and for  
26 implementation of the initial  
27 phases of the plan, including  
28 additional professional services,  
29 travel and expenses, office  
30 supplies, other supplies,  
31 printing and binding, communica-  
32 tions, and other outside services ..... \$ 60,000

33 The director of the department of economic  
34 development shall establish and serve as chairperson  
35 of a council of representatives of state agencies  
36 having responsibilities for tourism development in  
37 Iowa. The primary purposes of the council are to  
38 improve the delivery of state tourism planning,  
39 marketing, development, and funding services to the  
40 private sector and to increase the efficiency and  
41 quality of programs conducted by state agencies.  
42 Council members shall include, but are not limited to,  
43 representatives from the departments of economic  
44 development, natural resources, cultural affairs, and  
45 transportation and representatives of the private  
46 sector.

47 Preparation of the statewide tourism development,  
48 marketing, and information delivery plan as described  
49 in subsection 8 shall involve, but is not limited to,  
50 representatives of the departments of economic

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1 development, natural resources, cultural affairs, and  
2 transportation and representatives of the private  
3 sector. The department may enter into contracts with  
4 professional service firms for the preparation of the  
5 plan. The plan shall be submitted to the Seventy-  
6 second General Assembly no later than January 15,  
7 1988, and shall have received the review and approval  
8 by representative organizations of the recreation and  
9 tourism industry before being submitted to the general  
10 assembly."

11 43. Page 39, by inserting after line 26 the  
12 following:

13 "Sec. \_\_\_\_ . NEW SECTION. 15.110 TARGETED SMALL  
14 BUSINESS LOAN AND EQUITY GRANT PROGRAM.

15 A targeted small business loan and equity grant  
16 program is established within the Iowa department of  
17 economic development. The director shall adopt rules  
18 establishing the standards and procedures for  
19 distributing grants, providing loans, buying down the  
20 interest on loans, or buying down the principal on  
21 loans for newly created small businesses. The total  
22 amount of assistance to any one business shall not  
23 exceed five thousand dollars. Standards shall give  
24 top priority to applicants who establish targeted  
25 small businesses in industries or fields for which no  
26 targeted small business has been certified pursuant to  
27 section 15.108, subsection 7, paragraph "c",  
28 subparagraph (4).

29 Sec. \_\_\_\_ . Section 28.120, subsection 6, Code 1987,  
30 is amended to read as follows:

31 ~~6. If the Iowa department of economic development~~  
32 ~~determines that sufficient funds exist in the special~~  
33 ~~account provided in subsection 5 for the purposes~~  
34 ~~provided in subsection 5, up to twenty-five~~ fifteen  
35 percent of the loan repayments for the fiscal year  
36 received by the Iowa department of economic  
37 development may shall be deposited in the revolving  
38 loan fund to operate the self-employment loan program  
39 as ~~both were~~ established in section 15.241 ~~under the~~  
40 ~~department of economic development and five percent of~~  
41 ~~the loan repayments for the fiscal year shall be~~  
42 deposited in the revolving loan fund to operate the  
43 targeted small business loan and equity grant program  
44 established in section 15.110. Funds in this  
45 revolving loan fund shall not revert to the state  
46 general fund at the end of any fiscal year. Loan  
47 repayments from the self-employment loan program and  
48 the targeted small business loan and equity grant  
49 program shall be deposited in the revolving loan fund.  
50 Deposits of funds under this subsection may shall

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1 occur only for the fiscal years beginning July 1,  
2 1986, July 1, 1987, July 1, 1988, and July 1, 1989."

3 44. Page 39, by inserting after line 31 the fol-  
4 lowing:

5 "Sec. \_\_\_\_\_. The general assembly recognizes the  
6 numerous environmental hazards which pose a threat to  
7 human and animal life in Iowa and the world. The  
8 technology for the removal of these hazards from our  
9 environment will improve the quality of life for  
10 Iowans and will also be an important body of knowledge  
11 from which promising economic development oppor-  
12 tunities will evolve.

13 In the areas of human health and life, Iowa has  
14 been recognized as a leader in food production,  
15 medical research, and pharmaceutical technology. To  
16 protect the quality of life in Iowa and to enhance  
17 economic opportunities for Iowans it is the policy of  
18 this state that during the next twenty years the Iowa  
19 economic development board shall focus Iowa's  
20 resources and developmental strategies on the basic  
21 strengths of Iowa as they relate to human life and  
22 health. The Iowa economic development board shall use  
23 available resources to enhance the development of  
24 Iowa's industries and bodies of knowledge as they  
25 relate to food production, food processing, food  
26 preservation, nutrition, medicine, pharmacy, chemical-  
27 free water, clean air, and environmental safety.

28 It is the intent of the general assembly that the  
29 Iowa economic development board incorporate the goals  
30 specified in this section into the twenty-year  
31 comprehensive economic development plan to be  
32 developed by the board pursuant to section 15.104,  
33 subsection 1."

34 45. Page 40, line 22, by striking the figure  
35 "1,054,145" and inserting the following: "1,069,145".

36 46. Page 40, line 34, by striking the figure  
37 "151,367" and inserting the following: "146,931".

38 47. Page 41, line 1, by striking the figure  
39 "1,450,230" and inserting the following: "1,465,230".

40 48. Page 41, by striking lines 2 through 24.

41 49. Page 42, by inserting after line 8 the  
42 following:

43 "\_\_\_\_\_. WORK STUDY PROGRAM

44 For the work study program  
45 under sections 261.81 through

46 261.84 ..... \$ 1,000,000".

47 50. Page 42, by striking lines 9 through 12.

48 51. Page 43, by striking lines 9 and 10 and  
49 inserting the following: "not more than one hundred  
50 twenty-one full-time equiva-".

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- 1 52. Page 43, line 12, by striking the figure  
2 "5,300,708" and inserting the following: "5,250,708".
- 3 53. Page 43, by striking line 17 and inserting  
4 the following: "program established by law, four  
5 hundred thousand (400,000)".
- 6 54. Page 43, line 22, by striking the words "the  
7 state board of regents" and inserting the following:  
8 "institutions of higher education".
- 9 55. Page 43, by striking lines 25 through 33.
- 10 56. Page 45, by striking lines 10 through 13.
- 11 57. Page 46, line 11, by striking the word  
12 "seven" and inserting the following: "eight".
- 13 58. Page 46, by inserting after line 14 the  
14 following:  
15 " . EDUCATIONAL AID TO  
16 INDIANS  
17 For educational aid to  
18 Indians under section 256.30 ..... \$ 100,000".
- 19 59. Page 46, by striking lines 15 through 17.
- 20 60. Page 48, by striking line 22 and inserting  
21 the following:  
22 "and miscellaneous purposes  
23 and for the establishment of  
24 a consortium consisting of  
25 representatives of Iowa State  
26 University, the University of  
27 Iowa, and the University of  
28 Northern Iowa as equal partic-  
29 ipants to establish and use a  
30 process for the exchange and  
31 integration of knowledge among  
32 the universities in the fields  
33 including but not limited to  
34 food production, food proces-  
35 sing, food preservation,  
36 nutrition, medicine, pharmacy,  
37 chemical-free water, clean air,  
38 and environmental safety. The  
39 consortium shall also establish  
40 a means for the integration of  
41 knowledge across disciplines  
42 in each of the universities.  
43 In the establishment of the  
44 process for integration and  
45 exchange of knowledge for these  
46 purposes, the consortium shall  
47 also develop a process for dis-  
48 seminating this knowledge to  
49 the public for personal and  
50 business use by iowans .....\$ 483,370".

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1 61. Page 48, by inserting after line 22 the  
2 following:

3 "The state of Iowa recognizes the numerous hazards  
4 which pose a threat to human health and the  
5 environment of Iowa and the world. The technology for  
6 the removal of these hazards from our environment will  
7 improve the quality of life for Iowans and will also  
8 be an important body of knowledge from which promising  
9 economic development opportunities will emerge.

10 Iowa has been recognized as a leader in food  
11 production, medical research, and pharmaceutical  
12 technology. To protect the quality of life in Iowa  
13 and to enhance economic opportunities for Iowans it is  
14 the policy of this state that during the next twenty  
15 years the state board of regents shall focus Iowa's  
16 resources and developmental strategies on the basic  
17 strengths of Iowa as they relate to human health and  
18 environmental protection. The state board of regents  
19 shall enhance the development of Iowa's industries and  
20 bodies of knowledge as they relate to food production,  
21 food processing, food preservation, nutrition,  
22 medicine, pharmacy, chemical-free water, clean air and  
23 environmental safety."

24 62. Page 48, by inserting after line 22 the  
25 following:

26 "As a condition of the appropriation made in this  
27 paragraph, the board of regents shall enter into a 28E  
28 agreement with the department of economic development  
29 for purposes of insuring, to the greatest extent  
30 possible, that research conducted at institutions  
31 under the control of the board of regents may be  
32 developed and marketed by Iowa businesses."

33 63. Page 49, line 20, by striking the figure  
34 "131,142,205" and inserting the following:  
35 "128,164,112".

36 64. Page 49, by striking lines 21 through 31.

37 65. Page 50, line 28, by striking the figure  
38 "25,529,058" and inserting the following:  
39 "24,043,611".

40 66. Page 50, by striking lines 29 through 33.

41 67. Page 53, line 18, by striking the figure  
42 "5,770,862" and inserting the following: "5,769,709".

43 68. Page 53, line 32, by striking the figure  
44 "4,317,764" and inserting the following: "4,315,783".

45 69. Page 54, line 3, by striking the figure  
46 "2,422,797" and inserting the following: "2,413,191".

47 70. Page 54, line 12, by striking the figure  
48 "108,217,792" and inserting the following:

49 "105,974,261".

50 71. Page 54, by striking lines 13 through 25.

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- 1 72. Page 55, by inserting after line 5 the
- 2 following:
- 3 "The cooperative extension service in agriculture
- 4 and home economics and the department of economic
- 5 development shall enter into an agreement under
- 6 chapter 28E that provides a procedure for coordinating
- 7 the economic development activities of the cooperative
- 8 extension service in agriculture and home economics
- 9 with the economic development activities of the
- 10 department of economic development."
- 11 73. Page 55, line 13, by striking the word
- 12 "eleven" and inserting the following: "five point
- 13 one".
- 14 74. Page 55, line 14, by striking the figure
- 15 "414,846" and inserting the following: "140,377".
- 16 75. Page 55, line 25, by inserting after the word
- 17 "for" the following: "not more than one thousand".
- 18 76. Page 55, line 29, by striking the figure
- 19 "42,474,679" and inserting the following:
- 20 "41,418,676".
- 21 77. By striking page 55, line 30, through page
- 22 56, line 10.
- 23 78. Page 56, line 16, by striking the figure
- 24 "4,669,620" and inserting the following: "4,666,715".
- 25 79. Page 56, line 23, by striking the figure
- 26 "2,632,055" and inserting the following: "2,630,963".
- 27 80. Page 56, by inserting after line 31 the
- 28 following:
- 29 "Sec. \_\_\_\_\_. There is appropriated from the general
- 30 fund of the state to the Iowa department of public
- 31 health for the fiscal year beginning July 1, 1987 the
- 32 amount of four hundred sixteen thousand four hundred
- 33 seven (416,407) dollars to be used for the
- 34 decentralized indigent obstetrical program. The
- 35 appropriation in this section is in addition to funds
- 36 otherwise appropriated to the Iowa department of
- 37 public health for the decentralized indigent
- 38 obstetrical program."
- 39 81. By striking page 56, line 32 through page 58,
- 40 line 21.
- 41 82. Page 58, by striking lines 22 through 29 and
- 42 inserting the following:
- 43 "Sec. 410. 1986 Iowa Acts, chapter 1246, section
- 44 111, subsection 7, unnumbered paragraph 2, is amended
- 45 by striking the unnumbered paragraph."
- 46 83. Page 59, by striking lines 26 through 32.
- 47 84. By striking page 59, line 33, through page
- 48 60, line 2.
- 49 85. Page 60, by striking lines 10 through 30.
- 50 86. Page 62, by inserting after line 33 the

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1 following:

2 "Sec. \_\_\_\_\_. Nothing in this Act is intended by the  
3 general assembly to be the provision of a fair and  
4 equitable funding formula specified in 1985 Iowa Acts,  
5 chapter 249, section 9. Nothing in this Act shall be  
6 construed, is intended, or shall imply a claim of  
7 entitlement to any programs or services specified in  
8 section 225C.28."

9 87. By striking page 63, line 31 through page 66,  
10 line 31.

11 88. Page 67, by inserting after line 31 the  
12 following:

13 "Sec. \_\_\_\_\_. NEW SECTION. 256.30 EDUCATIONAL  
14 EXPENSES FOR INDIANS.

15 The department of education shall provide moneys to  
16 pay the expense of educating Indian children residing  
17 in the Sac and Fox Indian settlement on land held in  
18 trust by the secretary of the interior of the United  
19 States in excess of federal moneys paid to the tribal  
20 council for educating the Indian children when moneys  
21 are appropriated for that purpose. The tribal council  
22 shall administer the moneys distributed to it by the  
23 department and shall submit an annual report and other  
24 reports as required by the department to the  
25 department on the expenditure of the moneys.

26 The tribal council shall first use moneys  
27 distributed to it by the department of education for  
28 the purposes of this section to pay the additional  
29 costs of salaries for certificated instructional staff  
30 for educational attainment and full-time equivalent  
31 years of experience to equal the salaries listed on  
32 the proposed salary schedule for the school at the Sac  
33 and Fox Indian settlement for the school year  
34 beginning July 1, 1987 as that salary schedule existed  
35 on May 1, 1987, but the salary for a certificated  
36 instructional staff member employed on a full-time  
37 basis shall not be less than eighteen thousand  
38 dollars. The department of management shall approve  
39 allotments of moneys appropriated in this section when  
40 the department of education certifies to the  
41 department of management that the requirements of this  
42 section have been met."

43 89. Page 68, by striking lines 1 through 4 and  
44 inserting the following:

45 "Sec. \_\_\_\_\_. Section 261.9, subsection 5, Code 1987,  
46 is amended by adding the following new paragraph:

47 NEW PARAGRAPH. e. Which was eligible to  
48 participate in the tuition grant".

49 90. Page 68, by striking line 7 and inserting the  
50 following: "will continue to be eligible during the".

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1 91. Page 69, by striking lines 3 through 11 and  
2 inserting the following:

3 "Sec. \_\_\_\_\_. Section 261.25, subsection 1, Code  
4 1987, is amended to read as follows:

5 1. There is appropriated from the general fund of  
6 the state to the commission for each fiscal year the  
7 sum of twenty twenty-three million six-hundred eight  
8 hundred nineteen thousand eighty-four dollars for  
9 tuition grants."

10 92. Page 70, line 14, by striking the word  
11 "physical" and inserting the word "occupational".

12 93. Page 70, by inserting after line 22 the  
13 following:

14 "Sec. \_\_\_\_\_. Section 261.63, Code 1987, is amended  
15 to read as follows:

16 261.63 APPROPRIATION.

17 Commencing July 1, ~~1984~~ 1988, there is appropriated  
18 from the general fund of the state to the commission  
19 for each fiscal year the sum of one-million five  
20 hundred thousand dollars for supplemental grants."

21 94. Page 70, by striking lines 23 through 33.

22 95. By striking page 71, line 22 through page 72,  
23 line 5.

24 96. Page 72, by inserting after line 5 the  
25 following:

26 "Sec. \_\_\_\_\_. Section 262.61, Code 1987, is amended  
27 by adding the following new unnumbered paragraph:

28 NEW UNNUMBERED PARAGRAPH. If the amount of bonds  
29 or notes issued under this chapter exceeds the actual  
30 costs of the projects for which the bonds or notes  
31 were issued, the amount of the difference shall be  
32 used to pay the principal and interest due on bonds or  
33 notes issued under this chapter."

34 97. Page 72, by inserting after line 5 the  
35 following:

36 "Sec. \_\_\_\_\_. Section 262A.9, Code 1987, is amended  
37 by adding the following new unnumbered paragraph:

38 NEW UNNUMBERED PARAGRAPH. If the amount of bonds  
39 issued under this chapter exceeds the actual costs of  
40 the projects for which bonds were issued, the amount  
41 of the difference shall be used to pay the principal  
42 and interest due on bonds issued under this chapter.

43 Sec. \_\_\_\_\_. Section 263A.7, Code 1987, is amended by  
44 adding the following new unnumbered paragraph:

45 NEW UNNUMBERED PARAGRAPH. If the amount of bonds  
46 or notes issued under this chapter exceeds the actual  
47 costs of the projects for which the bonds or notes  
48 were issued, the amount of the difference shall be  
49 used to pay the principal and interest due on bonds or  
50 notes issued under this chapter."

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1 98. Page 72, by inserting after line 5 the  
2 following:

3 "Sec. \_\_\_\_ . NEW SECTION. 269.3 CLASSROOM  
4 TEACHERS.

5 For purposes of chapter 20, classroom teachers  
6 employed by the Iowa braille and sight-saving school  
7 shall be accreted to the faculty employee organization  
8 at the University of Northern Iowa.

9 Sec. \_\_\_\_ . NEW SECTION. 270.11 CLASSROOM  
10 TEACHERS.

11 For purposes of chapter 20, classroom teachers  
12 employed by the school for the deaf shall be accreted  
13 to the faculty employee organization at the University  
14 of Northern Iowa."

15 99. Page 72, by inserting after line 5 the  
16 following:

17 "Sec. \_\_\_\_ . Section 273.3, subsection 6, Code 1987,  
18 is amended to read as follows:

19 6. Area education agencies may co-operate and  
20 contract between themselves and with other public  
21 agencies to provide special education programs and  
22 services, media services, and educational services to  
23 schools and children residing within their respective  
24 areas. Area education agencies may provide print and  
25 nonprint materials to public and private colleges and  
26 universities that have teacher education programs  
27 approved by the state board of education."

28 100. By striking page 72, line 8 through page 73,  
29 line 8.

30 101. Page 82, by inserting after line 12 the  
31 following:

32 "Sec. \_\_\_\_ . NEW SECTION. 294A.25 APPROPRIATION.

33 For each fiscal year commencing with the fiscal  
34 year beginning July 1, 1987, there is appropriated  
35 from the general fund of the state to the educational  
36 excellence fund to be allocated to school districts  
37 and area education agencies by the department of  
38 education the amount of ninety-two million five  
39 hundred thousand dollars, to be allocated in an amount  
40 to meet the minimum salary requirements of this  
41 chapter for phase I, in an amount of thirty-eight  
42 million five hundred thousand dollars for phase II,  
43 and the remainder of the appropriation for phase III.

44 As a condition of the appropriation in this  
45 section, and notwithstanding section 8.31, if at any  
46 time between July 1, 1987 and February 1, 1988, the  
47 governor determines that the estimated budget  
48 resources of the state will be insufficient to pay all  
49 appropriations in full for the fiscal year beginning  
50 July 1, 1987 and ending June 30, 1988, in lieu of

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1 using section 8.31 to modify allotments on a uniform  
2 basis, the governor shall certify to the department of  
3 education the amount by which budget resources are  
4 insufficient. The department of education shall  
5 notify the governor of the amount of moneys allocated  
6 for phase III under this chapter and pursuant to the  
7 appropriation made in this section. The governor  
8 shall order that the allocation for phase III be  
9 reduced by an amount equal to the amount that the  
10 budget resources are insufficient or by the amount  
11 contained in the department of education's  
12 notification to the governor under this section,  
13 whichever is less and shall certify to the department  
14 of education the amount of money available for phase  
15 III."

16 102. By striking page 82, line 24 through page  
17 83, line 34.

18 103. Page 84, by striking lines 6 through 13.

19 104. Page 84, by striking lines 22 through 24 and  
20 inserting the following: "enactment."

21 105. Title page, lines 6 and 7, by striking the  
22 words "providing effective dates, and making certain  
23 provisions retroactive" and inserting the following:  
24 "providing a property tax exemption for certain  
25 educational facilities, establishing an office of  
26 state-federal relations, providing for the education  
27 of Indian children, establishing an occupational  
28 therapist loan program, providing for the sale of  
29 certain property and the purchase of certain property,  
30 providing tax exemption for certain property of a  
31 public television station, and providing effective  
32 dates".

33 106. By renumbering, relettering, or  
34 redesignating and correcting internal references as  
35 necessary.

S-4005  
Filed May 5, 1987

RECEIVED FROM THE HOUSE

*Senate refused to concur 5/6/87 (p. 1719)  
House insisted 5/6 (p. 2331)*

REPORT OF THE CONFERENCE COMMITTEE  
ON SENATE FILE 511

To the President of the Senate and the Speaker of the House of Representatives:

We, the undersigned members of the conference committee appointed to resolve the differences between the Senate and the House of Representatives on Senate File 511, a bill for An Act relating to and making appropriations to agencies, boards, commissions, departments and programs of state government relating to elected officials, the executive council, management, revenue and finance, personnel, general services, economic development, agriculture, natural resources, and education, providing effective dates, and making certain provisions retroactive, respectfully make the following report:

1. That the House recede from its amendment, S-4005, to Senate File 511, as amended, passed, and reprinted by the Senate.
2. That Senate File 511, as amended, passed, and reprinted by the Senate, be amended as follows:
  1. Page 1, line 3, by striking the word "Sec." and inserting the following: "Section".
  2. Page 1, line 14, by striking the figure "1,308,292" and inserting the following: "1,295,192".
  3. Page 4, line 24, by striking the figure "5,108,985" and inserting the following: "4,963,985".
  4. Page 5, line 19, by striking the figure "1,639,067" and inserting the following: "1,583,067".

5. Page 7, by inserting after line 22 the following:

"Sec. \_\_\_\_ . There is appropriated from the general fund of the state to the department of general services for each fiscal year in the fiscal period beginning July 1, 1988 and ending June 30, 1990, the sum of three million (3,000,000) dollars, or so much thereof as is necessary, to be used for capitol complex construction and renovation."

6. Page 7, line 35, by striking the figure "3,076,213" and inserting the following: "3,045,213".

7. By striking page 9, line 15 through page 10, line 1 and inserting the following:

"For salaries and support for not more than six hundred thirteen point twenty-eight full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 17,316,998".

8. Page 11, line 13, by inserting before the word "provided" the following:

"and for program administration of justice assistance funds, the statistical analysis center, and highway safety grant funds,".

9. Page 11, line 19, by striking the figure "1,364,905" and inserting the following: "1,354,464".

10. By striking page 11, line 23 through page 12, line 6.

11. Page 12, line 21, by striking the word "two" and inserting the following: "one".

12. Page 12, line 22, by striking the figure "2,475,000" and inserting the following: "1,475,000".

13. Page 12, line 24, by inserting after the figure "422.100." the following: "Notwithstanding section 422.100, all of the funds allocated to the counties from the moneys and credits replacement fund during the fiscal year beginning July 1, 1987 and ending June 30, 1988, shall be allocated to cities

as required by law by the county treasurer."

14. Page 13, by striking lines 15 through 22.

15. Page 13, by striking lines 27 and 28 and inserting the following: "thirty-four million seven hundred sixty-three thousand six hundred fifty-seven (34,763,657) dollars, or so much thereof as".

16. Page 14, by inserting after line 20 the following:

"\_\_\_\_. The funds allocated to the state board of regents for faculty salary adjustments at the three state universities shall be distributed based on an amount necessary to fund an eleven percent increase in the faculty salaries after funds received from increased tuition, less the amount committed to student aid, have been allocated for that purpose."

17. Page 15, lines 8 through 11, by striking the words "in the same proportion that the payroll for each individual program for the fiscal year ending June 30, 1987 is to the annual payroll for all programs for that fiscal year".

18. Page 15, by inserting after line 13 the following:

"Sec. 121A. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1986 and ending June 30, 1987 to the department of general services the sum of four million two hundred fifty thousand (4,250,000) dollars, or so much thereof as is necessary, of which seven hundred fifty thousand (750,000) dollars shall be allocated to the historical division of the department of cultural affairs to equip the new historical building with the remainder to be used for capitol complex construction and renovation.

Notwithstanding section 8.33, funds appropriated by this section which are unexpended or unencumbered shall carry forward to the fiscal year beginning July 1, 1987 for the same purpose as originally appropriated."

19. Page 15, by inserting after line 24 the following:

"Sec. \_\_\_\_ . CRIMINAL AND JUVENILE JUSTICE PLANNING AGENCY -  
- STUDY.

The legislative fiscal bureau shall conduct a study and

evaluation of the criminal and juvenile justice planning agency within the department of management and shall report its findings to the general assembly. The study and evaluation shall include a review of the following:

1. The appropriate organization and location of the agency.
2. The agency's progress in meeting the requirements of chapter 80C.
3. The coordination and expenditure of federal justice-related grant moneys.
4. The activity of the criminal and juvenile justice advisory council.
5. The staffing pattern and needs of the agency.
6. Assistance provided by the agency to state and local units of government.
7. Other relevant issues identified by the legislative council or the legislative fiscal bureau."

20. Page 17, by inserting after line 22 the following:

"Sec. \_\_\_\_ . Section 8.21, Code 1987, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The governor shall transmit to the general assembly not later than seven days following delivery of the budget message to the general assembly the final bill drafts of the governor's proposed budget expenditures. The bill drafts shall be written in the bill drafting form adopted by the legislative council.

Sec. \_\_\_\_ . NEW SECTION. 12.40 TARGETED SMALL BUSINESS LINKED DEPOSIT PROGRAM.

The treasurer of state shall adopt rules to implement a targeted small business linked deposit program to increase the availability of lower cost funds to inject needed capital into small businesses owned and operated by women or minorities, which is the public policy of the state. The rules shall be in accordance with the following:

1. "Targeted small business" means a business as defined

in section 220.111, subsection 1.

2. A linked deposit shall only be approved in connection with a loan application for a targeted small business which has been certified pursuant to section 15.108, subsection 7, paragraph "c", subparagraph (4).

3. Loan applications for a targeted small business shall be for the purchase of land, machinery, equipment, or licenses, or patent, trademark, or copyright fees and expenses, but not inventory.

4. The maximum size of a targeted small business loan is one hundred thousand dollars per borrower for intangible property and two hundred fifty thousand dollars per borrower for tangible personal or real property.

Sec. \_\_\_\_ . NEW SECTION. 12.41 IOWA SATISFACTION AND PERFORMANCE BOND PROGRAM.

Agencies of state government shall be required to waive the requirement of satisfaction or performance bonds for targeted small businesses which are able to demonstrate the inability of securing such a bond because of a lack of experience. This waiver shall not apply to businesses with a record of repeated failure of substantial performance or material breach of contract in prior circumstances. The waiver shall be applied only to a project or individual transaction amounting to fifty thousand dollars or less, notwithstanding section 573.2. In order to qualify, the targeted small business shall provide written evidence to the department of economic development that the bond would otherwise be denied the business. The granting of the waiver shall in no way relieve the business from its contractual obligations and shall not preclude the state agency from pursuing any remedies under law upon default or breach of contract.

The department of economic development shall certify targeted small businesses for eligibility and participation in this program and shall make this information available to other state agencies.

Subdivisions of state government may also grant such a waiver under similar circumstances."

21. Page 17, by inserting after line 34 the following:

"Sec. \_\_\_\_ . Section 18.134, Code 1987, is amended to read as follows:

18.134 LIMITATION OF COMMUNICATIONS.

The department of general services shall not provide or resell communications services to entities other than state agencies. A political subdivision receiving communications services from the state as of April 1, 1986 may continue to do so ~~until January 17, 1988~~ but communications services shall not be provided or resold to additional political subdivisions. The rates charged to the political subdivision shall be the same as the rates charged to state agencies."

22. Page 18, by inserting after line 27 the following:

"Sec. \_\_\_\_ . Section 422.45, Code 1987, is amended by adding the following new subsection:

NEW SUBSECTION. The gross receipts from the sale of tangible personal property which will be given as prizes to players in games of skill, games of chance, raffles, and bingo games as defined in chapter 99B."

23. Page 19, line 11, by striking the figure "774,611" and inserting the following: "944,285".

24. Page 19, by striking lines 12 through 14.

25. Page 19, line 30, by striking the word "thirty-two" and inserting the following: "forty-one".

26. Page 19, line 35, by striking the word "twenty-two" and inserting the following: "twenty-three".

27. Page 20, line 2, by striking the figure "955,842" and inserting the following: "705,842".

28. Page 20, by striking lines 10 through 14.

29. Page 20, line 24, by striking the figure "674,472" and inserting the following: "593,578".

30. Page 21, line 3, by striking the words "eighty-six point seventy-four" and inserting the following: "eighty-

eight point zero five".

31. Page 21, line 7, by striking the figure "4,334,184" and inserting the following: "4,269,334".

32. Page 21, by inserting after line 7 the following:  
"The full-time equivalent positions authorized in this paragraph include four full-time equivalent positions for projects authorized in House File 631 regarding agricultural drainage wells and sinkholes."

33. Page 21, line 16, by striking the figure "6,616,519" and inserting the following: "6,546,519".

34. Page 22, by striking lines 12 through 15.

35. Page 22, by inserting after line 22 the following:  
"6. It is the intent of the general assembly that the department of agriculture and land stewardship, in its operation of the agricultural marketing program, shall conform its activities to the mission, goals, and objectives provided in this subsection and collect information pertaining to performance measures developed by the legislative fiscal bureau. The department shall provide a report at least quarterly to the legislative fiscal bureau and the co-chairpersons and ranking members of the agriculture and natural resources appropriations subcommittee on the performance measures. The department shall be notified by the legislative fiscal bureau by July 1, 1987 of the specific performance measures for which data shall be collected and reported.

The department shall operate an agricultural marketing program designed to lead to more advantageous marketing of Iowa agricultural products to accomplish the following objectives:

a. Investigate the subject of marketing agricultural products and recommend efficient and economical methods of marketing.

b. Promote the sales, distribution, and merchandising of agricultural products to be indicated by the number of trade

or sales leads originated through the agricultural marketing programs, by the number of Iowa companies represented at trade shows, and by the number of out-of-state buyers contacted through trade shows and other promotional events.

c. Furnish information and assistance to the public concerning the marketing of agricultural products to be indicated by the number of Iowa companies that receive counseling or assistance.

d. Cooperate with the college of agriculture of Iowa State University of science and technology in farm marketing education and research and avoid unnecessary duplications to be indicated by the number of meetings with the university staff to discuss marketing research and education and number and type of recommendations generated from these meetings.

e. Gather and diffuse useful information concerning all phases of the marketing of Iowa farm products in cooperation with other public and private agencies.

f. Ascertain sources of supply of Iowa agricultural products and prepare and publish from time to time lists of names and addresses of producers and consignors and furnish lists to persons applying for them to be indicated by the number of potential out-of-state buyers that receive the list of Iowa suppliers.

g. Aid in the promotion and development of the agricultural processing industry in the state to be indicated by the number of trade or sales leads originated through the agricultural marketing programs, the number of Iowa companies represented at trade shows, the number of out-of-state buyers contacted through trade shows and other promotional events, and the number of Iowa companies meeting with out-of-state buyers brought to Iowa as part of the agricultural marketing programs."

36. Page 29, line 9, by inserting after the word "resources" the following: "for the fiscal year beginning July 1, 1986 and ending June 30, 1987,".

37. Page 29, by inserting after line 16 the following:

"Notwithstanding section 8.33, funds appropriated by this section which remain unexpended or unencumbered on June 30, 1987 shall not revert to the general fund of the state.

Sec. \_\_\_\_\_. There is appropriated from the general fund of the state to the department of natural resources for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the sum of forty thousand (40,000) dollars, or so much thereof as is necessary, to conduct a feasibility study of constructing a dam at Pine Lake state park.

Sec. 207A. Notwithstanding section 8.33, of the funds appropriated to the horticultural division of the department of agriculture and land stewardship by 1986 Iowa Acts, chapter 1246, section 501, subsection 1, paragraph "e", which would otherwise revert to the general fund, fifteen thousand (15,000) dollars, or so much thereof as necessary, shall carry over and be used by the department to conduct a pilot project providing federal special supplemental food program recipients with coupons redeemable at farmers markets. The department shall adopt rules governing the project.

Sec. 207B. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 1986 and ending June 30, 1987, the sum of two hundred fifty thousand (250,000) dollars, or so much thereof as may be necessary, for the farm commodity division to be used to pay initial costs of establishing the Iowa agricultural export trading company. Moneys appropriated under this section may be used for salaries and support for not more than four full-time equivalent positions. These full-time equivalent positions are included in the farm commodity division total in section 201, subsection 2, paragraph "a", of this Act.

Notwithstanding section 8.33, moneys which remain unobligated or unencumbered for the purposes provided in this section for the fiscal year beginning July 1, 1986 and ending

June 30, 1987 shall remain available for expenditure by the department of agriculture and land stewardship for the purposes specified for the fiscal year beginning July 1, 1987 and ending June 30, 1988.

The moneys appropriated in this section shall revert to the general fund of the state upon successful completion of the public stock offering of the Iowa agricultural export trading company as required by Senate File 274.

Sec. 207C. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1986 and ending June 30, 1987, to the department of agriculture and land stewardship the sum of one hundred twenty-five thousand (125,000) dollars for startup funding for the Iowa grain quality program. Moneys appropriated in this section may be used for salaries and support for one full-time equivalent position.

Notwithstanding section 8.33, the funds which remain unobligated or unencumbered for the purposes provided in this section for the fiscal year beginning July 1, 1986 and ending June 30, 1987 shall remain available for expenditure by the department of agriculture and land stewardship for the purposes specified in the fiscal year beginning July 1, 1987 and ending June 30, 1988."

38. Page 31, by inserting after line 8 the following:

"Sec. \_\_\_\_\_. The natural resources commission shall not authorize the reconstruction of the bridge over the canal at Black Hawk state park.

Sec. \_\_\_\_\_. Of the appropriations made from the jobs now account of the Iowa plan fund, under section 99E.32, subsection 3, paragraph "a", to the department of natural resources for the fiscal year beginning July 1, 1987, at least two hundred fifty thousand dollars shall be used for grants-in-aid to county conservation boards; two hundred fifty thousand dollars shall be used, only if federal funds are available, for acquisition and development of facilities under

the western trails historical project; two hundred fifty thousand dollars for the Union Grove lake restoration development project; forty thousand dollars for the A. A. Call state park restoration project; fifteen thousand dollars for bike and recreational trail development projects in the greenbelt area located in or near the Iowa river corridor; one hundred sixty-five thousand dollars to Marshall county conservation board for restoration work including dam repair at Green Castle lake; one hundred thousand dollars for the civilian conservation corps museum and memorial at Backbone state park; and thirty-five thousand dollars for additional acquisition at Maquoketa caves park.

Sec. 231A. There is appropriated from the general fund of the state to the Iowa agricultural development authority for the fiscal year beginning July 1, 1986 and ending June 30, 1987, the amount of five million (5,000,000) dollars, or so much thereof as is necessary, to be used for providing assistance to Iowa farmers under and through the agricultural loan assistance programs. Not more than one hundred fifty thousand (150,000) dollars, or so much thereof as is necessary, shall be used for general administration, including salaries, support, maintenance, and miscellaneous purposes.

Not more than one-half of the funds appropriated shall be committed for grants pursuant to agreements under section 175.35 entered into on or after April 1, 1987 but before October 1, 1987. Notwithstanding section 8.33, moneys appropriated by this section which are committed for grants pursuant to agreements under section 175.35 entered into on or after April 1, 1987 but before October 1, 1987, shall not revert to the general fund of the state.

Not more than one-half of the funds appropriated shall be committed for assistance, training, and management programs for agricultural producers under the program established in House File 626, enacted by the Seventy-second General Assembly, 1987 Session. Notwithstanding section 8.33, the

moneys appropriated for assistance, training, and management programs for agricultural producers under this section which are committed pursuant to agreements under House File 626 and entered into between April 1, 1987 and June 30, 1989 shall not revert to the general fund of the state.

If House File 626 does not become law, the moneys allocated for that program under this section shall be used for grants pursuant to agreements under section 175.35."

39. Page 32, by inserting after line 13 the following:

"Sec. \_\_\_\_ . Section 173.1, Code 1987, is amended by striking the section and inserting in lieu thereof the following:

173.1 STATE FAIR AUTHORITY.

The Iowa state fair authority is established as a public instrumentality of the state. The authority is not an agency of state government. However, the authority is considered a state agency and its employees state employees for the purposes of chapter 17A, the merit system provisions of chapter 19A, and chapters 20, 25A, 91B, 97B, and 509A. The authority is established to conduct an annual state fair and exposition on the Iowa state fairgrounds and to conduct other interim events consistent with its rules. The powers of the authority are vested in the Iowa state fair board. The Iowa state fair board consists of the following:

1. The governor of the state, the secretary of agriculture, and the president of the Iowa State University of science and technology or their qualified representatives.
2. One director from each congressional district and three directors at large, to be elected at a convention as provided in section 173.2.
3. A president and vice president to be elected by the state fair board from the nine elected directors.
4. A secretary and a treasurer to be elected by the board, and who shall be nonvoting members.

Sec. \_\_\_\_ . Section 173.9, Code 1987, is amended by striking

the section and inserting in lieu thereof the following:

173.9 SECRETARY.

The board shall appoint a secretary who shall hold office for one year. The secretary shall:

1. Administer the policies set by the board.
2. Employ other employees and agents as the secretary deems necessary for carrying out the policies of the board and to conduct the affairs of the state fair. The secretary may fix the duties and compensation of any employees or agents with the approval of the board.
3. Keep a complete record of the annual convention and of all meetings of the board.
4. Draw all warrants on the treasurer of the board and keep a correct account of them.
5. Perform other duties as the board directs.

Sec. \_\_\_\_ . Section 173.10, Code 1987, is amended to read as follows:

173.10 SALARY OF SECRETARY.

The secretary shall receive ~~such~~ the salary as fixed by the ~~general-assembly~~ board.

Sec. \_\_\_\_ . Section 173.14, Code 1987, is amended by striking the section and inserting in lieu thereof the following:

173.14 FUNCTIONS OF THE BOARD.

The state fair board has the custody and control of the state fairgrounds, including the buildings and equipment on it belonging to the state, and may:

1. Hold an annual fair and exposition on those grounds. All revenue generated by the fair and any interim uses shall be retained solely by the board.
2. Prepare premium lists and establish rules of exhibitors for the fair which shall be published by the board not later than sixty days prior to the opening of the fair.
3. Grant a written permit to persons as it deems proper to sell fruit, provisions, and other lawful articles under rules

the board prescribes.

4. Appoint security personnel as the president deems necessary.

5. Take and hold property by gift, devise, or bequest for fair purposes. The president, secretary, and treasurer of the board shall have custody and control of the property, subject to the action of the board. Those officers shall give bonds as required in the case of executors, to be approved by the board and filed with the secretary of state.

6. Erect and repair buildings on the grounds and make other necessary improvements.

7. Grant written permission to persons to use the fair-grounds when the fair is not in progress.

8. Take, acquire, hold, and dispose of property by deed, gift, devise, bequest, lease, or eminent domain. The title to real estate acquired under this subsection and improvements erected on the real estate shall be taken and held in the name of the state of Iowa and shall be under the custody and control of the board. In the exercise of the power of eminent domain the board shall proceed in the manner provided in chapters 471 and 472.

9. Solicit and accept contributions from private sources for the purpose of financing and supporting the fair.

10. Make an agreement with the Iowa highway safety patrol to provide for security during the annual fair and exposition and interim events.

Sec. \_\_\_\_ . NEW SECTION. 173.14A GENERAL CORPORATE POWERS OF THE AUTHORITY.

The authority has all of the general corporate powers needed to carry out its purposes and duties, and to exercise its specific powers including, but not limited to, the power to:

1. Issue its negotiable bonds and notes as provided in this chapter.

2. Sue and be sued in its own name.

3. Have and alter a corporate seal.

4. Make and alter bylaws for its management consistent with this chapter.

5. Make and execute agreements, contracts, and other instruments, with any public or private entity.

6. Accept appropriations, gifts, grants, loans, or other aid from public or private entities.

7. Make, alter, and repeal rules consistent with this chapter, subject to chapter 17A.

Sec. \_\_\_\_ . NEW SECTION. 173.14B BONDS AND NOTES.

1. The board may issue and sell negotiable revenue bonds of the authority in denominations and amounts as the board deems for the best interests of the fair, for any of the following purposes after authorization by a constitutional majority of each house of the general assembly and approval by the governor:

a. To acquire real estate to be devoted to uses for the fair.

b. To pay any expenses or costs incidental to a building or repair project.

c. To provide sufficient funds for the advancement of any of its corporate purposes.

2. The board may issue negotiable bonds and notes of the authority in principal amounts which are necessary to provide sufficient funds for achievement of its corporate purposes, the payment of interest on its bonds and notes, the establishment of reserves to secure its bonds and notes, and all other expenditures of the board incident to and necessary or convenient to carry out its purposes and powers, subject to authorization and approval required under subsection 1. However, the total principal amount of bonds and notes outstanding at any time shall not exceed one hundred fifty million dollars. The bonds and notes are deemed to be investment securities and negotiable instruments within the meaning of and for all purposes of the uniform commercial

code.

3. Bonds and notes are payable solely out of the moneys, assets, or revenues of the authority and as provided in the agreement with bondholders or noteholders pledging any particular moneys, assets, or revenues. Bonds or notes are not an obligation of this state or its political subdivisions other than the authority within the meaning of any constitutional or statutory debt limitations, but are special obligations of the authority payable solely from sources provided in this chapter, and the authority shall not pledge the credit or taxing power of this state or its political subdivisions other than the authority or make its debts payable out of any moneys except those of the authority.

4. Bonds shall:

a. State the date and series of the issue, be consecutively numbered, and state on their face that they are payable both as to principal and interest solely out of the assets of the authority and do not constitute an indebtedness of this state or its political subdivisions other than the authority within the meaning of any constitutional or statutory debt limit.

b. Be either registered, registered as to principal only, or in coupon form, issued in denominations as the board prescribes, fully negotiable instruments under the laws of this state, signed on behalf of the authority with the manual or facsimile signature of the president or vice president, attested by the manual or facsimile signature of the secretary, have impressed or imprinted on it the seal of the authority or facsimile of it, and coupons attached shall be signed with the facsimile signature of the president or vice president, be payable as to interest at rates and at times as the authority determines, be payable as to principal at times over a period not to exceed fifty years from the date of issuance, at places and with reserved rights of prior redemption, as the board prescribes, be sold at prices, at

public or private sale, and in a manner as the board prescribes, and the board may pay all expenses, premiums, and commissions which it deems necessary or advantageous in connection with the issuance and sale; and be issued subject to the terms, conditions, and covenant providing for the payment of the principal, redemption premiums, if any, interest, and other terms, conditions, covenants, and protective provisions safeguarding payment, not inconsistent with this chapter, as are found to be necessary by the board for the most advantageous sale, which may include, but are not limited to, covenants with the holders of the bonds as to those matters set forth in section 220.26, subsection 4, paragraph "b".

5. The board may issue bonds of the authority for the purpose of refunding any bonds or notes of the authority then outstanding, including the payment of any redemption premiums and any interest accrued or to accrue to the date of redemption of the outstanding bonds or notes. Until the proceeds of the bonds issued for the purpose of refunding outstanding bonds or notes are applied to the purchase or retirement of outstanding bonds or notes or the redemption of outstanding bonds or notes, the proceeds may be placed in escrow and be invested and reinvested in accordance with this chapter. The interest, income, and profits earned or realized on an investment may also be applied to the payment of the outstanding bonds or notes to be refunded by purchase, retirement, or redemption. After the terms of the escrow have been fully satisfied and carried out, any balance of proceeds and interest earned or realized on the investments may be returned to the authority for use by it in any lawful manner. All refunding bonds shall be issued and secured and subject to this chapter in the same manner and to the same extent as other bonds.

6. The board may issue negotiable bond anticipation notes of the authority and may renew them from time to time but the maximum maturity of the notes, including renewals, shall not

exceed ten years from the date of issue of the original notes. Notes are payable from any available moneys of the authority not otherwise pledged or from the proceeds of the sale of bonds in anticipation of which the notes were issued. Notes may be issued for any corporate purpose of the authority. Notes shall be issued in the same manner as bonds and notes and the resolution of the board may contain any provisions, conditions, or limitations, not inconsistent with this subsection, which the bonds or a bond resolution of the board may contain. Notes may be sold at public or private sale. In case of default on its notes or violation of any obligations of the authority to the noteholders, the noteholders have all the remedies provided in this chapter for bondholders. Notes shall be as fully negotiable as bonds of the authority.

7. A copy of each pledge agreement by or to the authority, including without limitation each bond resolution, indenture of trust, or similar agreement, or any revisions or supplements to it shall be filed with the secretary of state and no further filing or other action under article 9 of the uniform commercial code or any other law of the state is required to perfect the security interest in the collateral or any additions to it or substitutions for it, and the lien and trust so created is binding from and after the time it is made against all parties having claims of any kind in tort, contract, or otherwise against the pledgor.

8. Members of the board and any person executing the authority's bonds, notes, or other obligations are not liable personally on the bonds, notes, or other obligations or subject to personal liability or accountability by reason of the issuance of the authority's bonds or notes.

9. The board shall publish a notice of intention to issue bonds or notes in a newspaper published and of general circulation in the state. The notice shall include a statement of the maximum amount of bonds or notes proposed to be issued, and in general, what net revenues will be pledged to

pay the bonds or notes and interest on them. An action shall not be brought questioning the legality of the bonds or notes, the power of the board to issue the bonds or notes, or the legality of any proceedings in connection with the authorization or issuance of the bonds or notes after sixty days from the date of publication of the notice.

Sec. \_\_\_\_ . Section 173.16, Code 1987, is amended to read as follows:

173.16 MAINTENANCE OF STATE FAIR.

All expenses incurred in maintaining the state fairgrounds and in conducting the annual fair ~~thereon~~ on it, including the compensation and expenses of the officers, members, and employees of the board, shall be recorded by the secretary and paid from the state fair receipts, unless a specific appropriation has been provided for ~~such~~ that purpose. ~~An individual member of the state fair board shall not be personally liable because of any act performed or debt created by action of the board in carrying out the purposes and provisions of this chapter.~~ The board may request special capital improvement appropriations from the state and may request emergency funding from the executive council for natural disasters. The board may request that the department of transportation provide maintenance in accordance with section 307A.2, subsection 11.

Sec. \_\_\_\_ . Section 173.21, unnumbered paragraph 1, Code 1987, is amended to read as follows:

The state fair board shall file with the governor each year ~~at the time provided by law~~ make by February 15 a report ~~to the governor~~ containing the following information relative to the state fair and exposition and the district and county fairs:

Sec. \_\_\_\_ . NEW SECTION. 173.23 LIEN ON PROPERTY.

The board has a prior lien upon the property of any concessionaire, exhibitor, or person, immediately upon the property being brought onto the grounds, to secure existing or

future indebtedness.

Sec. \_\_\_\_ . NEW SECTION. 173.24 EXEMPTION OF STATE FAIR BY THE STATE'S PURCHASING PROCEDURES.

The state fair is exempt from the state system of uniform purchasing procedures. However, the board may contract with the department of general services to purchase any items through the state system. The board shall adopt its own system of uniform standards and specifications for purchasing.

Sec. \_\_\_\_ . STATE FAIR BOARD -- BONDS AND NOTES. The Iowa state fair board shall conduct a study and file its recommendations with the general assembly by January 15, 1988. The study shall examine whether the cultural and exposition objectives of the state fair would, in the long term, be better served by a relocation of the state fairgrounds and by the development of more multipurpose buildings on a new or the present fairgrounds.

Only fifteen million dollars of the bonds and notes authorized by section 173.14B, as enacted in this Act, may be issued before and by January 15, 1988."

40. Page 32, by inserting after line 28 the following:

"As a condition of the appropriation made in this subsection, the department shall enter into a 28E agreement with the state board of regents for purposes of insuring, to the greatest extent possible, that research conducted at institutions under the control of the state board of regents may be developed and marketed by Iowa businesses.

The department and the cooperative extension service in agriculture and home economics of the Iowa State University of science and technology shall enter into an agreement under chapter 28E that provides a procedure for coordinating the economic development activities of the department with the economic development activities of the cooperative extension service in agriculture and home economics of the Iowa State University of science and technology."

41. Page 33, line 31, by striking the word "Of".

41. Page 33, line 31, by striking the word "Of".
42. By striking page 33, line 32 through page 34, line 4.
43. Page 34, by striking line 5 and inserting the

following:

"As a condition of funds appropriated under this subsection, fifteen".

44. Page 34, line 7, by striking the word "may" and inserting the following: "shall".

45. Page 34, by striking line 13 and inserting the following:

"As a condition of funds appropriated under this subsection, twenty-".

46. Page 34, line 15, by striking the word "may" and inserting the following: "shall".

47. Page 34, by inserting after line 19 the following:

"As a condition of funds appropriated under this subsection, one hundred twenty-five thousand (125,000) dollars, or so much thereof as is necessary, shall be used by the historical division of the department of cultural affairs to acquire by negotiated sale part of the land encompassing the Blood Run national historic landmark in Lyon county, Iowa.

As a condition of funds appropriated by this subsection, one hundred thousand (100,000) dollars, or so much thereof as is necessary, shall be used by the department of economic development for professional preparation of a statewide tourism development, marketing, and information delivery plan covering needs and opportunities for the period 1988 through 1992 and for implementation of the initial phases of the plan.

As a condition of funds appropriated by this subsection, seventy-five thousand (75,000) dollars, or so much thereof as is necessary, shall be used for state aid, distributed equally to three tourism regions for planning and operations of regional and local tourism development programs."

48. <sup>pa</sup> Page 37, by inserting after line 31 the following:  
Sec. \_\_\_\_ . State departments or agencies handling or in

charge of the community economic betterment account of the Iowa plan fund, the RISE fund, the jobs training programs under chapters 7B, 280B, and 280C, and other funds or programs for providing assistance to business in furtherance of economic development shall not provide assistance from those funds or under those programs until the department or agency has studied the effect of such assistance on the competitiveness of the business compared with existing businesses and the potential for the displacement of jobs from other businesses in the state.

In determining which businesses are to receive the assistance from these funds or programs, consideration should be given to the quality of jobs to be provided. Jobs that have a higher wage scale, have a lower turnover rate, are full-time, or are career-type positions are considered higher in quality. When the assistance is in the form of grants, businesses that have wage scales substantially below that of existing Iowa businesses should be rated as providing the lowest quality of jobs and should therefore be given the lowest ranking for providing such assistance."

50. Page 38, by inserting after line 27 the following:

"Sec. 302A. There is appropriated from the general fund of the state to the department of economic development for the fiscal year beginning July 1, 1986 and ending June 30, 1987, the sum of two hundred eighty-five thousand (285,000) dollars, or so much thereof as may be necessary, to be used for tourism and marketing purposes.

Notwithstanding section 8.33, moneys which remain unobligated or unencumbered for the purposes provided in this section on June 30, 1987 shall remain available for expenditure by the department of economic development during the fiscal year beginning July 1, 1987 for the purposes specified.

Sec. 302B. Notwithstanding section 8.33, moneys appropriated pursuant to 1986 Iowa Acts, chapter 1246, section 1, subsection 6, to the department of economic development for

the establishment and maintenance of an export finance program for the fiscal year beginning July 1, 1986 and ending June 30, 1987, which remain unexpended or unencumbered shall carry forward to the fiscal year beginning July 1, 1987 and ending June 30, 1988, to be used for the same purpose as originally appropriated."

50. Page 39, by inserting after line 26 the following:

"Sec. \_\_\_\_ . NEW SECTION. 15.110 TARGETED SMALL BUSINESS LOAN AND EQUITY GRANT PROGRAM.

A targeted small business loan and equity grant program is established within the Iowa department of economic development. The director shall adopt rules establishing the standards and procedures for distributing grants, providing loans, buying down the interest on loans, or buying down the principal on loans for newly created small businesses. The total amount of assistance to any one business shall not exceed five thousand dollars. Standards shall give top priority to applicants who establish targeted small businesses in industries or fields for which no targeted small business has been certified pursuant to section 15.108, subsection 7, paragraph "c", subparagraph (4).

Sec. \_\_\_\_ . Section 15.241, Code 1987, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The department may provide grants of not more than five thousand dollars under the program, if the grants are used to secure additional financing from private sources. The department may provide a service fee to financial institutions for administering loans provided under this section.

Sec. \_\_\_\_ . Notwithstanding section 28.120, subsection 6, twenty percent of the loan repayments received by the department of economic development under that section shall be deposited in the revolving loan fund to operate the self-employment loan program as established in section 15.241. Not more than twenty-five percent of the funds may be used to

administer the program, and not less than fifty percent of the grants or loans provided under the program shall go to targeted small businesses as defined in section 15.102. It is the intent of the general assembly that the department of economic development coordinate the activity of the self-employment loan program with the small business development centers, satellite centers, area community colleges, and other technical assistance providers, and with the self-sufficiency programs established in 1987 Iowa Acts, House File 671, under the department of human rights and the department of human services."

52. Page 40, line 17, by striking the word "forty-six" and inserting the following: "forty-eight".

53. Page 40, line 25, by striking the word "ninety-four" and inserting the following: "one hundred".

54. Page 41, line 5, by striking the figure "100,000" and inserting the following: "60,000".

55. Page 42, by striking lines 9 through 12.

56. Page 43, by striking lines 9 and 10 and inserting the following: "not more than one hundred twenty-one full-time equiva-".

57. Page 43, line 12, by striking the figure "5,300,708" and inserting the following: "5,150,708".

58. Page 43, by striking line 17 and inserting the following: "program established by law, four hundred thousand (400,000)".

59. Page 43, by striking line 21 and inserting the following: "programs, and one hundred thousand (100,000) dollars to".

60. Page 43, line 22, by striking the words "the state board of regents" and inserting the following: "institutions of higher education".

61. Page 43, line 24, by inserting after the word "students." the following: "Of the moneys appropriated for the summer residence program under this subsection, an amount

not exceeding twenty-five thousand (25,000) dollars shall be used to support existing law-related education centers for training seminars and workshops in law-related education, summer institutes relating to law-related education methodology and substance, and mock trial competitions for junior and senior high school students."

61. Page 45, by striking lines 10 through 13.

62. Page 46, line 11, by striking the word "seven" and inserting the following: "eight".

63. Page 46, by inserting after line 14 the following:

"\_\_\_\_. EDUCATIONAL AID TO  
AMERICAN INDIANS

For educational aid to  
American Indians under sec-  
tion 256.30 ..... \$ 100,000".

64. Page 48, by striking line 22 and inserting the following:

"and miscellaneous purposes  
and for the establishment of  
a consortium consisting of  
representatives of Iowa State  
University, the University of  
Iowa, and the University of  
Northern Iowa as equal partic-  
ipants to establish and use a  
process for the exchange and  
integration of knowledge among  
the universities in the fields  
including but not limited to  
food production, food proces-  
sing, food preservation,  
nutrition, medicine, pharmacy,  
chemical-free water, clean air,  
and environmental safety. The  
consortium shall also establish

a means for the integration of knowledge across disciplines in each of the universities. In the establishment of the process for integration and exchange of knowledge for these purposes, the consortium shall also develop a process for disseminating this knowledge to the public for personal and business use by Iowans ..... \$ 483,370".

66. Page 49, line 20, by striking the figure "131,142,205" and inserting the following: "130,619,205".

67. Page 49, by striking lines 21 through 31 and inserting the following:

"It is a condition of the appropriation in this subparagraph that from the moneys appropriated, three hundred seventy-eight thousand (378,000) dollars be expended for salary increases for professional and scientific employees of the institution, one hundred forty-five thousand (145,000) dollars be expended for an emergency supplement for graduate students adversely affected by the federal tax reform Act of 1986, and one million seven hundred eighty thousand (1,780,000) dollars be expended for educational quality projects approved by the state board of regents. For the purpose of implementing educational quality projects, the State University of Iowa may exceed the limitation on full-time equivalent positions included in this subparagraph."

68. Page 49, line 33, by striking the figure "100,000" and inserting the following: "60,000".

69. Page 50, by striking lines 29 through 33.

70. Page 54, line 12, by striking the figure "108,217,792" and inserting the following: "107,873,792".

71. Page 54, by striking lines 13 through 25 and inserting the following:

"It is a condition of the appropriation in this subparagraph that from the moneys appropriated, two hundred fifty-nine thousand (259,000) dollars be expended for salary increases for professional and scientific employees of the institution, eighty-five thousand (85,000) dollars be expended for an emergency supplement for graduate students adversely affected by the federal tax reform Act of 1986, and one million seven hundred eighty thousand (1,780,000) dollars be expended for educational quality projects approved by the state board of regents for the general university, agricultural experiment station or the cooperative extension service in agriculture and home economics. ( For the purpose of implementing educational quality projects, Iowa State University may exceed the limitation on full-time equivalent positions included in this paragraph )"

71. Page 55, line 14, by striking the figure "414,846" and inserting the following: "389,846".

72. Page 55, line 25, by inserting after the word "for" the following: "not more than one thousand".

73. Page 55, line 29, by striking the figure "42,474,679" and inserting the following: "42,418,679".

74. By striking page 55, line 30 through page 56, line 4 and inserting the following:

"For the purpose of implementing educational quality projects, the University of Northern Iowa may exceed the limitation on full-time equivalent positions included in this subsection."

75. Page 56, by striking lines 8 through 10 and inserting the following: "discriminated against in having access to a year-round on-campus self-supporting student operated book exchange."

76. Page 56, by striking lines 24 through 31 and inserting the following:

"7. The provisions of section 8.33, unnumbered paragraph 2, shall not apply to the funds appropriated in this section.

No later than September 15, 1988, the state board of regents shall submit to the department of management and the legislative fiscal bureau a list of all obligations of appropriations made for the fiscal year beginning July 1, 1987 which have been incurred for goods and services that have not been received or rendered as of September 1, 1988."

78. By striking page 56, line 32 through page 58, line 21 and inserting the following:

"Sec. 409. There is appropriated from the general fund of the state to the state board of regents for the fiscal year beginning July 1, 1986 and ending June 30, 1987, the sum of two million (2,000,000) dollars, or so much thereof as is necessary, to be used by Iowa State University of science and technology for research for amorphous silicon. As a condition of this appropriation, Iowa State University of science and technology shall negotiate for the first production facility or pilot plant to be located in Iowa resulting from the research and an equitable arrangement for the sharing of the rights to copyrights, patents, licenses or other intellectual property.

Notwithstanding section 8.33, moneys appropriated in this section which remain unobligated and unencumbered on June 30, 1987 shall remain available to Iowa State University for the purposes specified during the fiscal year beginning July 1, 1987 and ending June 30, 1988.

Sec. \_\_\_\_\_. Of the appropriations made from the jobs now account of the Iowa plan fund, under section 99E.32, subsection 3, paragraph "c", to the department of cultural affairs for the fiscal year beginning July 1, 1987, fifty thousand dollars shall be provided as a grant to greater Des Moines grand prix, inc. for the 1988 greater Des Moines metropolitan grand prix auto race. If the grand prix auto race is not held in Des Moines during the 1988 calendar year, all moneys provided under this section for the grand prix shall revert to the Iowa plan fund".

78. Page 58, by striking lines 22 through 29 and inserting the following:

"Sec. 410. 1986 Iowa Acts, chapter 1246, section 111, subsection 7, is amended to read as follows:

7. There is appropriated from the general fund of the state to a special account in the state treasury to be known as the obstetrical patient care fund, for the fiscal year beginning July 1, 1986, and ending June 30, 1987, one million one hundred thousand (1,100,000) dollars, or so much thereof as is necessary, for the development and operation, commencing October 1, 1986, of a statewide obstetrical patient care program as provided in this section. The department of public health shall be the administrator of the fund.

If moneys appropriated to the obstetrical patient care fund by this section remain unobligated and unencumbered on June 30, 1987, the moneys shall not revert to the general fund of the state ~~but shall be transferred to the indigent patient care fund established pursuant to chapter 255~~ but shall be available for expenditure by the Iowa department of public health for the purposes specified in this section during the fiscal year beginning July 1, 1987. Of the funds available under this section during the fiscal year beginning July 1, 1987 and ending June 30, 1988, three hundred thousand dollars shall be used to supplement moneys appropriated to the Iowa department of public health for salaries and support for the family and community health division and seventy-seven thousand five hundred sixty dollars shall be used to supplement moneys appropriated to the Iowa department of public health for the mobile and regional child health specialty clinics."

79. Page 60, by striking lines 26 and 27 and inserting the following: "under section 99E.32, thirty-five thousand (35,000) dollars shall be expended for a program to assist".

80. Page 62, by inserting after line 28 the following:  
"Sec. \_\_\_\_\_. If any school district has utilized funds

available under section 281.9 for services authorized under section 273.5, that district is eligible to apply to the department of education for an amount not to exceed fifty thousand dollars in order to continue to provide those services for the fiscal year beginning July 1, 1987 and ending June 30, 1988."

82. Page 62, by inserting after line 33 the following:

"Sec. \_\_\_\_\_. Nothing in this Act is intended by the general assembly to be the provision of a fair and equitable funding formula specified in 1985 Iowa Acts, chapter 249, section 9. Nothing in this Act shall be construed, is intended, or shall imply a claim of entitlement to any programs or services specified in section 225C.28."

83. Page 63, by inserting after line 8 the following:

"Sec. \_\_\_\_\_. Section 135B.31, Code 1987, is amended to read as follows:

135B.31 EXCEPTIONS.

Nothing in this division is intended or should affect in any way that obligation of public hospitals under chapter 347 or municipal hospitals, as well as the state hospital at Iowa City, to provide medical treatment or obstetrical and newborn care for indigent persons under chapter 255 or 255A, wherein medical treatment is provided by hospitals of that category to patients of certain entitlement, nor to the operation by the state of mental or other hospitals authorized by law. Nothing herein shall in any way affect or limit the practice of dentistry or the practice of oral surgery by a dentist.

Sec. \_\_\_\_\_. Section 144.13A, Code 1987, is amended to read as follows:

144.13A REGISTRATION FEE.

The local registrar and state registrar shall charge the parent a ten dollar fee for the registration of a certificate of birth. If the person responsible for the filing of the certificate of birth under section 144.13 is not the parent, the person shall collect the fee from the parent. The fee

shall be remitted to the appropriate registrar. If the expenses of the birth are reimbursed under the medical assistance program established by chapter 249A or paid for under the statewide indigent patient care program established by chapter 255, or paid for under the obstetrical and newborn indigent patient care program established by chapter 255A, or if the parent is indigent and unable to pay the expenses of the birth and no other means of payment is available to the parent, the registration fee is waived. If the person responsible for the filing of the certificate is not the parent, the person is discharged from the duty to collect and remit the fee under this section if the person has made a good faith effort to collect the fee from the parent. The fees collected by the local registrar and state registrar shall be remitted to the treasurer of state for deposit in the general fund of the state. It is the intent of the general assembly that the funds generated from the registration fees be appropriated and used for primary and secondary child abuse prevention programs.

Sec. \_\_\_\_ . Section 155.37, subsection 1, paragraph b, Code 1987, is amended to read as follows:

b. If the cost of the prescription or any part of it will be paid by expenditure of public funds authorized under chapter 239, 249, 249A, 252, 253, or 255, or 255A, the pharmacist shall exercise professional judgment by selecting a drug product of the same generic name and demonstrated bioavailability but of a lesser cost than the one prescribed for dispensing and sale to the person unless the physician, dentist, or podiatrist specifically states that only that designated brand or trade name drug product is to be dispensed. However, a pharmacy to which the prescription is presented or communicated is not required to substitute a drug product of the same generic name and demonstrated bioavailability but of lesser cost unless the pharmacy has in stock one or more such drug products.

Sec. \_\_\_\_ . NEW SECTION. 234A.1 ADOLESCENT TASK FORCE.

1. A task force on adolescents is established. The task force is composed of the following voting members:

- a. The lieutenant governor or the lieutenant governor's designee.
- b. One member of the senate appointed by the majority leader of the senate and one member of the senate appointed by the minority leader of the senate.
- c. One member of the house of representatives appointed by the speaker of the house and one member of the house of representatives appointed by the minority leader of the house.
- d. Four state government employees, appointed by the legislative council, one from each of the following departments: the department of education, the department of human rights, the department of human services, and the Iowa department of public health.
- e. Two public members appointed by the governor.

f. Six to twelve public members, with one or two from each of the following seven categories, appointed by the legislative council, with expertise in the area of adolescent pregnancy prevention or the provision of services to pregnant adolescents or adolescent parents:

- (1) Health care professionals.
- (2) Psychologists or social workers.
- (3) Family planning service workers.
- (4) Appropriate public school professional staff.
- (5) Service providers for adolescents.
- (6) Job training and counseling workers.
- (7) Adolescent parents or adolescent peer counselors.

2. The legislative council shall designate a chairperson or co-chairpersons. The task force shall meet at the call of the chairperson or co-chairpersons or ten task force members. The public members appointed by the legislative council and the governor shall be paid their actual and necessary expenses pursuant to section 2.12. The lieutenant governor shall be

reimbursed and compensated as provided in section 2.10, and the legislative members shall be reimbursed and compensated as provided in section 2.44.

3. The task force shall:

a. Analyze problems confronting adolescents in this state and assess the symptoms of those problems, including but not limited to a review of problems relating to adolescent pregnancy, substance abuse, and suicide prevention.

b. Investigate and promote the development of viable family units and adolescent self-worth and self-esteem.

c. Assess the need for adolescent pregnancy prevention and services programs in Iowa.

d. Inventory existing programs and services relating to adolescent pregnancy prevention and services.

e. Investigate alternative funding sources relating to adolescent pregnancy prevention and services.

f. Investigate existing and needed maternity care health benefit coverages for pregnant adolescents.

g. Make legislative recommendations to the legislative council and issue a final report to the general assembly by January 1, 1988 regarding adolescent pregnancy prevention and services.

4. The legislative council shall authorize the legislative service bureau and the legislative fiscal bureau to provide assistance to the task force, and may authorize the use of funds available to the legislative council to pay the expenses of the task force.

5. As used in this section, "adolescent" means a person under eighteen years of age or a person in attendance at an accredited school pursuing a course of study leading to a high school diploma, or its equivalent.

Sec. \_\_\_\_ . PREGNANCY PREVENTION AND SERVICES GRANTS.

The commissioner of human services, the director of the department of education, the director of the department of human rights, and the director of public health, or their

designees, shall jointly designate and award, and the department of human services shall administer grants, which may be awarded to public school corporations, adolescent service providers, and nonprofit organizations involved in adolescent issues for two-year pilot projects targeted toward those areas of the state with the highest incidence of adolescent pregnancy, from one or more of the following programmatic areas:

1. Pregnancy prevention programs for adolescents and workshops for parents of adolescents to improve parent-child communications regarding human sexuality.

2. Communications media campaigns to discourage adolescent sexual activity and to encourage the assumption of responsibility by adolescents, both male and female, for their sexual activity and for parenting.

3. Residential facilities for pregnant adolescents and adolescent parents in need of shelter.

4. Early pregnancy detection for adolescents and prenatal services and adoption counseling for pregnant adolescents.

5. Child care and case management services provided to adolescent parents, both male and female, for a predetermined fee under purchase-of-service contracts, which include child care services, instruction in child development and parenting skills, support services for completion of school and for job training and placement, and other personal services.

6. Teacher training, including transportation costs and workshop, conference, and course work expenses, designed to improve the teaching of components of the human growth and development curricula in grades kindergarten through twelve. A preference shall be given for the funding of teacher training grant projects which would qualify participating teachers for continuing education unit credits.

7. Pregnancy prevention programs which teach and encourage teen sexual abstinence.

As used in this section, "adolescent" means a person under

eighteen years of age or a person in attendance at an accredited school pursuing a course of study leading to a high school diploma, or its equivalent. Pilot projects providing services to an adolescent under eighteen years of age may continue to provide the services beyond the adolescent's eighteenth birthday in accordance with guidelines adopted by the four state administrators authorized to award grants under this section. Pilot projects shall not use funds appropriated from the general fund of this state for the purpose of providing abortion services which are not medically necessary as defined under the medical assistance program administered pursuant to chapter 249A or for the purpose of dispensing or providing birth control items on property owned or controlled by a public school corporation.

Sec. \_\_\_\_ . Section 255.16, Code 1987, is amended to read as follows:

255.16 COUNTY QUOTAS.

Subject to subsequent qualifications in this section, there shall be treated at the university hospital during each fiscal year a number of committed indigent patients from each county which shall bear the same relation to the total number of committed indigent patients admitted during the year as the population of such county shall bear to the total population of the state according to the last preceding official census. This standard shall apply to indigent patients, the expenses of whose commitment, transportation, care and treatment shall be borne by appropriated funds and shall not govern the admission of either obstetrical patients under chapter 255A or obstetrical or orthopedic patients under this chapter in accordance with eligibility standards pursuant to section 255A.5. If the number of patients admitted from any county shall exceed by more than ten percent the county quota as fixed and ascertained under the first sentence of this section, the charges and expenses of the care and treatment of such patients in excess of ten percent of the quota shall be

paid from the funds of such county at actual cost; but if the number of excess patients from any county shall not exceed ten percent, all costs, expenses, and charges incurred in their behalf shall be paid from the appropriation for the support of the hospital.

Sec. \_\_\_\_ . Section 255.19, unnumbered paragraph 2, Code 1987, is amended to read as follows:

All of the provisions of this chapter except as to commitment of patients shall apply to such patients. The university hospital authorities shall collect from the person or persons liable for the support of such patients reasonable charges for hospital care and service and deposit the same with the treasurer of the university for the use and benefit of the university hospital except as specified for obstetrical patients pursuant to section 255A.9. Earnings of the hospital whether from private patients, cost patients, or indigents shall be administered so as to increase as much as possible, the service available for indigents, including the acquisition, construction, reconstruction, completion, equipment, improvement, repair, and remodeling of medical buildings and facilities and additions thereto and the payment of principal and interest on bonds issued to finance the cost thereof as authorized by the provisions of chapter 263A. The physicians and surgeons on the hospital staff who care for patients provided for in this section may charge for their medical services under such rules, regulations and plan therefor as approved by the state board of regents.

Sec. \_\_\_\_ . Section 255.26, unnumbered paragraph 1, Code 1987, is amended to read as follows:

Warrants issued under section 255.25 shall be promptly drawn on the treasurer of state and forwarded by the director of revenue and finance to the treasurer of the state university, and the same shall be by the treasurer of the state university placed to the credit of the funds which are set aside for the support of said hospital. However, warrants

shall not be paid unless the UB-82 claim required pursuant to section 255A.13 has been filed with the Iowa health data commission. The superintendent of the said university hospital shall certify to the auditor of state on the first day of January, April, July and October of each year, the amount as herein provided not previously certified by the superintendent due the state from the several counties having patients chargeable thereto, and the auditor of state shall thereupon charge the same to the county so owing. A duplicate certificate shall also be mailed to the auditor of each county having patients chargeable thereto. Expenses for obstetrical patients served under section 255A.9 shall be reimbursed as specified in section 255A.9.

Sec. \_\_\_\_ . NEW SECTION. 255A.1 STATE POLICY.

It is the policy of the state to provide obstetrical and newborn care to medically indigent individuals in this state, at the appropriate and necessary level, at a licensed hospital or health care facility closest and most available to the residence of the indigent individual.

Sec. \_\_\_\_ . NEW SECTION. 255A.2 OBSTETRICAL AND NEWBORN INDIGENT PATIENT CARE PROGRAM.

A statewide obstetrical and newborn indigent patient care program is established for the purpose of providing obstetrical and newborn care to medically indigent residents of this state. Appropriations by the general assembly for this chapter shall be allocated for the obstetrical and newborn patient care fund within the Iowa department of public health and shall be utilized for the obstetrical and newborn indigent patient care program as specified in this chapter. Indigent patients in need of such care residing in the counties of Cedar, Clinton, Iowa, Johnson, Keokuk, Louisa, Muscatine, Scott, and Washington shall be provided the care at the university hospitals under the nonquota obstetrical program under chapter 255.

Sec. \_\_\_\_ . NEW SECTION. 255A.3 ADMINISTRATION OF PROGRAM.

The Iowa department of public health shall administer the statewide obstetrical and newborn indigent patient care program. The department shall adopt administrative rules to implement the program pursuant to chapter 17A. Administrative costs of the department shall not exceed three percent of the annual funds appropriated for the obstetrical and newborn patient care fund.

Sec. \_\_\_\_ . NEW SECTION. 255A.4 PATIENT QUOTA FORMULA.

The Iowa department of public health shall establish a patient quota formula for determining the maximum number of obstetrical and newborn patients eligible for the program from each county. The formula shall be based upon the annual appropriation for the program, the average number of live births in each county during the most recent three-year period for which statistics are available, and the per capita income for each county during the most recent one-year period for which statistics are available. In accordance with this formula the department shall allocate a patient quota to each county at the beginning of each fiscal year. The department shall provide for the reassignment of an unused county quota allotment on April 1 of each year. The reassignment shall be taken only from a county which has an unused quota allotment for the portion of the fiscal year ending March 31. A county may utilize its quota allotment for a patient determined to be eligible before the end of the fiscal year but scheduled to need care after the end of the fiscal year. The reassignment of an unused county allotment shall be made to other counties on the basis of rules adopted by the department pursuant to chapter 17A.

A woman who resides in a county which exceeds the patient quota allocated for the county, and who has been deemed eligible under section 255A.5, shall be served at the University of Iowa hospitals and clinics pursuant to section 255.16.

Sec. \_\_\_\_ . NEW SECTION. 255A.5 MINIMUM ELIGIBILITY

## STANDARDS.

The Iowa department of public health, in collaboration with the department of human services and in consultation with the Iowa state association of counties, shall adopt rules, pursuant to chapter 17A, establishing minimum standards for eligibility for obstetrical and newborn care, including physician examination, medical testing, ambulance services, and inpatient transportation costs, for indigent obstetrical and newborn care provided by the University of Iowa hospitals and clinics and by other licensed hospitals and physicians. The minimum standards for eligibility shall provide eligibility for persons with incomes at or below one hundred fifty percent of the annual revision of the poverty income guidelines published by the United States department of health and human services, and shall provide, but shall not be limited to providing, eligibility for uninsured and underinsured persons financially unable to pay for necessary obstetrical and newborn care and orthopedic care. The minimum standards may include a spend-down provision. The resource standards shall be set at or above the resource standards under the federal supplemental security income program. The resource exclusions allowed under the federal supplemental security income program shall be allowed and shall include resources necessary for self-employment.

### Sec. \_\_\_\_ . NEW SECTION. 255A.6 APPLICATION AND CERTIFICATION FOR CARE.

A person desiring obstetrical and newborn care, the cost of which is payable from the obstetrical and newborn patient care fund, or the parent or guardian of a minor desiring or in need of such care, may apply to the director of a maternal health center, operated by the Iowa department of public health, to have the cost of such care paid from the fund. In counties not served by such a center, the department shall contract with another agency, institution or organization to receive and process applications for care. The director of the center

shall first ascertain from the local office of the department of human services if the applicant would be eligible for medical assistance or for assistance under the medically needy program without any spend-down requirement, pursuant to chapter 249A. If the applicant is eligible for assistance pursuant to chapter 249A, or if the applicant is eligible for maternal and child health care services covered by a maternal and child health program, the obstetrical patient care program shall not provide such assistance, care, or covered services provided under other programs. The Iowa department of public health, with the department of human services, shall jointly develop a standardized application form and shall coordinate the determination of eligibility for medical assistance and the obstetrical patient care program. In counties in which the maternal and child health clinic processes the application, the clinic shall notify the county relief office of the application process.

Sec. \_\_\_\_ . NEW SECTION. 255A.7 FREEDOM OF CHOICE OF PROVIDER.

A person certified for obstetrical and newborn care under this chapter may choose to receive the appropriate level of care at the University of Iowa hospitals and clinics or any other licensed hospital or health care facility.

Sec. \_\_\_\_ . NEW SECTION. 255A.8 REIMBURSABLE COSTS OF CARE.

The obstetrical and newborn care costs of a person certified for such care under this chapter at a licensed hospital or health care facility or from licensed physicians shall be paid by the Iowa department of public health from the obstetrical and newborn patient care fund. However, a physician who provides obstetrical or newborn care at the university of Iowa hospitals and clinics to a person certified for care under this chapter is not entitled to receive any compensation for the provision of such care in accordance with section 255.23.

Sec. \_\_\_\_ . NEW SECTION. 255A.9 ALLOWABLE REIMBURSEMENTS.

All providers of services to obstetrical and newborn patients under this chapter shall agree to accept as full payment the reimbursements allowable under the medical assistance program established pursuant to chapter 249A, adjusted for intensity of care. However, the total reimbursement from the obstetrical and newborn patient care fund to providers of services for residents of a county is limited to that county's obstetrical and newborn patient quota multiplied by the medical assistance program's average reimbursement for obstetrical and newborn care for the most recent fiscal year except as otherwise provided in this section. The Iowa department of public health shall reserve ten percent of the fund annually for payment of the costs of care of a patient certified for care under this chapter in excess of the medical assistance program's average reimbursements if the nature and extent of the care justifies such additional reimbursement. The department shall adopt rules pursuant to chapter 17A, establishing the requirements for such additional reimbursement.

Sec. \_\_\_\_ . NEW SECTION. 255A.10 PROCEDURES FOR PAYMENT.

The Iowa department of public health shall establish procedures for payment for providers of services to obstetrical and newborn patients under this chapter from the obstetrical and newborn patient care fund. All billings from such providers shall be submitted directly to the department. However, payment shall not be made unless the application and certification for care pursuant to section 255A.6 is performed.

Sec. \_\_\_\_ . NEW SECTION. 255A.11 COUNTY RESPONSIBILITY FOR COSTS OF CARE.

A county shall not be held responsible for the costs of providing obstetrical and newborn care, including physician examination, medical testing, ambulance services, and transportation costs, to pregnant women and their newborn

infants who meet the eligibility requirements adopted by the Iowa department of public health.

Sec. \_\_\_\_ . NEW SECTION. 255A.12 REVERSION OR TRANSFER OF MONEYS IN THE OBSTETRICAL AND NEWBORN PATIENT CARE FUND.

Moneys encumbered prior to June 30 of a fiscal year for a certified eligible pregnant woman scheduled to deliver in the next fiscal year shall not revert from the obstetrical and newborn patient care fund to the general fund of the state. Moneys allocated to the obstetrical and newborn patient care fund shall not be transferred nor voluntarily reverted from the fund within a given fiscal year.

Sec. \_\_\_\_ . NEW SECTION. 255A.13 DATA COLLECTION.

Beginning July 1, 1987, the University of Iowa hospitals and clinics shall submit, on a quarterly basis, UB-82 claims for all patients discharged after being served under the indigent patient program under chapter 255. The UB-82 claim shall include all data elements which are required by the Iowa health data commission.

Sec. \_\_\_\_ . NEW SECTION. 279.50 HUMAN GROWTH AND DEVELOPMENT INSTRUCTION.

1. Each board of directors of a public school corporation shall appoint an advisory committee composed of at least one person from each of the following groups: parents, teachers, school administrators, school board directors, pupils, health care professionals, members of the clergy, and other residents of the school district. The advisory committee shall study the provision of instruction to pupils in grades kindergarten through twelve appropriate to the pupils' grade level, age, and level of maturity, in topics related to human growth and development in order to promote accurate and comprehensive knowledge in this area, to foster responsible decision making, based on cause and effect, and to support and enhance the efforts of parents to provide moral guidance to their children. The advisory committee in its study shall address and make recommendations on the inclusion or exclusion of each of the

following topics of instruction:

- a. Self-esteem, responsible decision making, and personal responsibility and goal setting.
- b. Interpersonal relationships.
- c. Discouragement of adolescent sexual activity.
- d. Family life and parenting skills.
- e. Human sexuality, reproduction, contraception and family planning, prenatal development, childbirth, adoption, available prenatal and postnatal support, and male and female responsibility.
- f. Sex stereotypes.
- g. Protective behaviors to prevent sexual abuse or sexual harassment.
- h. Sexually transmitted diseases, including acquired immune deficiency syndrome, and their causes and prevention.

2. The advisory committee shall make its recommendations regarding the implementation of human growth and development instruction for pupils in the school district, including the inclusion or exclusion of the instructional topics in subsection 1, paragraphs "a" through "h", to the school board at least every three years and shall file a written report with the state department of education indicating the date and contents of the advisory committee's recommendations to the school board.

3. The school board may designate the advisory committee appointed pursuant to section 280.12, subsection 2, as the advisory committee to perform the duties required by this section, provided the advisory committee appointed under section 280.12, subsection 2 meets the advisory committee composition requirements in subsection 1.

4. Each school board shall provide an instructional program in human growth and development in grades kindergarten through twelve. Each school board shall annually provide to a parent or guardian of any pupil enrolled in the school district, an outline of the human growth and development

curriculum used in the pupil's grade level and information regarding the procedure for inspection of the complete curriculum and instructional materials, including inspection prior to their use in the classroom. A pupil shall not be required to take instruction in human growth and development or in the specific topics under subsection 1, paragraphs "a" through "h", if the pupil's parent or guardian files with the pupil's teacher or principal a written request that the pupil be excused from the instruction.

Each school board or merged area school which offers general adult education classes or courses shall periodically offer an evening instructional program in human growth and development for parents, guardians, prospective biological and adoptive parents, and foster parents.

5. The state department of education shall make available model human growth and development curricula for grades kindergarten through twelve which shall include the instructional topics in subsection 1, paragraphs "a" through "h". The department of education shall distribute the model curricula to each school board and to each advisory committee appointed pursuant to subsection 1, and shall provide technical assistance to school boards and advisory committees in the use or adaptation of the curricula."

84. Page 67, by striking line 1 and inserting the following: "million two hundred fifty thousand (3,250,000) dollars to be".

85. Page 67, by striking lines 7 through 21 and inserting the following:

"a. Merged Area I .....	\$	124,850
b. Merged Area II .....	\$	159,548
c. Merged Area III .....	\$	118,658
d. Merged Area IV .....	\$	44,496
e. Merged Area V .....	\$	372,808
f. Merged Area VI .....	\$	131,372
g. Merged Area VII .....	\$	152,560

h. Merged Area IX .....	\$	171,630
i. Merged Area X .....	\$	258,505
j. Merged Area XI .....	\$	897,675
k. Merged Area XII .....	\$	105,944
l. Merged Area XIII .....	\$	436,499
m. Merged Area XIV .....	\$	50,853
n. Merged Area XV .....	\$	125,015
o. Merged Area XVI .....	\$	99,587".

85. Page 67, by inserting after line 31 the following:

"Sec. \_\_\_\_ . NEW SECTION. 256.30 EDUCATIONAL EXPENSES FOR AMERICAN INDIANS.

The department of education shall provide moneys to pay the expense of educating American Indian children residing in the Sac and Fox Indian settlement on land held in trust by the secretary of the interior of the United States in excess of federal moneys paid to the tribal council for educating the American Indian children when moneys are appropriated for that purpose. The tribal council shall administer the moneys distributed to it by the department and shall submit an annual report and other reports as required by the department to the department on the expenditure of the moneys.

The tribal council shall first use moneys distributed to it by the department of education for the purposes of this section to pay the additional costs of salaries for certificated instructional staff for educational attainment and full-time equivalent years of experience to equal the salaries listed on the proposed salary schedule for the school at the Sac and Fox Indian settlement for the school year beginning July 1, 1987 as that salary schedule existed on May 1, 1987, but the salary for a certificated instructional staff member employed on a full-time basis shall not be less than eighteen thousand dollars. The department of management shall approve allotments of moneys appropriated in this section when the department of education certifies to the department of management that the requirements of this section have been

met."

87. Page 68, by striking lines 1 through 4 and inserting the following:

"Sec. \_\_\_\_ . Section 261.9, subsection 5, Code 1987, is amended by adding the following new paragraph:

NEW PARAGRAPH. e. Which was eligible to participate in the tuition grant".

88. Page 68, by striking line 7 and inserting the following: "will continue to be eligible during the".

89. Page 69, by inserting after line 2 the following:

"Sec. \_\_\_\_ . Section 261.18, Code 1987, is amended by adding the following new subsection:

NEW SUBSECTION. 3. Of the funds appropriated for the subvention program, the commission shall provide three thousand dollars of subvention to the college of osteopathic medicine and surgery for each Iowa student, to be credited against the tuition charged for the Iowa student by the college of osteopathic medicine and surgery, and the remaining funds shall be allocated to the college of osteopathic medicine and surgery."

90. Page 69, by striking lines 7 and 8 and inserting the following: "twenty-four million six three hundred nineteen thousand eighty-four dollars for tuition grants."

91. Page 69, line 11, by striking the word "fifty" and inserting the following: "fifty".

92. Page 70, line 14, by striking the word "physical" and inserting the word "occupational".

93. Page 70, by inserting after line 22 the following:

"Sec. \_\_\_\_ . Section 261.63, Code 1987, is amended to read as follows:

261.63 APPROPRIATION.

Commencing July 1, ~~1984~~ 1987, there is appropriated from the general fund of the state to the commission for each fiscal year the sum of ~~one-million~~ eight hundred thousand dollars for supplemental grants."

93. Page 70, line 26, by striking the words "five hundred" and inserting the following: "one hundred fifty".

94. Page 70, lines 27 and 28, by striking the words "five hundred" and inserting the following: "one hundred fifty".

95. Page 72, line 1, by striking the word "utilities" and inserting the following: "utilities,".

96. Page 72, by inserting after line 5 the following:

"Sec. \_\_\_\_ . Section 262.44, subsection 1, unnumbered paragraph 2, Code 1987, is amended by striking the unnumbered paragraph.

Sec. \_\_\_\_ . Section 262.61, Code 1987, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. If the amount of bonds or notes issued under this chapter exceeds the actual costs of the projects for which the bonds or notes were issued, the amount of the difference shall be used to pay the principal and interest due on bonds or notes issued under this chapter.

Sec. \_\_\_\_ . Section 262A.9, Code 1987, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. If the amount of bonds issued under this chapter exceeds the actual costs of the projects for which bonds were issued, the amount of the difference shall be used to pay the principal and interest due on bonds issued under this chapter.

Sec. \_\_\_\_ . Section 263A.7, Code 1987, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. If the amount of bonds or notes issued under this chapter exceeds the actual costs of the projects for which the bonds or notes were issued, the amount of the difference shall be used to pay the principal and interest due on bonds or notes issued under this chapter.

Sec. \_\_\_\_ . NEW SECTION. 269.3 CLASSROOM TEACHERS.

For purposes of chapter 20, classroom teachers employed by the Iowa braille and sight-saving school may be accreted to the faculty employee organization at the University of

Northern Iowa or any other approved employee organization.

Sec. \_\_\_\_ . NEW SECTION. 270.11 CLASSROOM TEACHERS.

For purposes of chapter 20, classroom teachers employed by the school for the deaf may be accreted to the faculty employee organization at the University of Northern Iowa or any other approved employee organization.

Sec. \_\_\_\_ . Section 271.6, Code 1987, is amended to read as follows:

271.6 INTEGRATED TREATMENT OF UNIVERSITY HOSPITAL PATIENTS.

The authorities of the Oakdale campus may authorize patients for admission to the hospital on the Oakdale campus who are referred from the university hospitals and who shall retain the same status, classification, and authorization for care which they had at the university hospitals. Patients referred from the university hospitals to the Oakdale campus shall be deemed to be patients of the university hospitals. ~~The provisions of chapter~~ Chapters 255 and 255A and operating policies of the university hospitals shall apply to the patients and to the payment for their care the same as the provisions apply to patients who are treated on the premises of the university hospitals.

Sec. \_\_\_\_ . Section 273.3, subsection 6, Code 1987, is amended to read as follows:

6. Area education agencies may co-operate and contract between themselves and with other public agencies to provide special education programs and services, media services, and educational services to schools and children residing within their respective areas. Area education agencies may provide print and nonprint materials to public and private colleges and universities that have teacher education programs approved by the state board of education."

98. By striking page 72, line 8 through page 73, line 8.

99. Page 74, by inserting after line 29 the following:

"Sec. \_\_\_\_ . Section 280A.42, Code 1987, is amended to read

as follows:

280A.42 PAYMENT OF EXPENSES.

The board of directors of a merged area shall audit and allow all just claims against the area school and an order shall not be drawn upon the treasury until the claim has been audited and allowed. However, the board of directors, by resolution, may authorize the secretary of the board, when the board is not in session, to issue payments for salaries pursuant to the terms of a written contract and to issue payments upon the receipt of verification filed with the secretary for ~~expenses-for-freight, drayage, express, postage, printing, utilities-including-electricity, water, waste collection, heating, air-conditioning, telephone, and telegraph-charges~~ all other general fund and plant fund expenses within limits established by resolution of the board; expenses involving auxiliary, agency, and scholarship and loan accounts; and refunds to students for tuition and fees. The secretary shall either deliver in person or mail the payments to the payees. A payment shall be made payable only to the person performing the service or furnishing the supplies for which the payment is issued. Payments issued prior to audit and allowance by the board shall be allowed by the board at the first meeting held after the issuance and shall be entered in the minutes of the meeting."

99. Page 81, by inserting after line 22 the following:

"Sec. \_\_\_\_ . Section 285.1, Code 1987, is amended by adding the following new subsection:

NEW SUBSECTION. 22. Notwithstanding subsection 1, paragraph "a", a parent or guardian of an elementary pupil entitled to transportation pursuant to subsection 1, may request that a child day care facility be designated for purposes of subsection 9 rather than the residence of the pupil. The request shall be submitted for a period of time of at least one semester and may not be submitted more than twice during a school year."

101. Page 82, by inserting after line 12 the following:

"Sec. \_\_\_\_ . NEW SECTION. 303.18 LOAN FOR EXHIBITS.

Notwithstanding sections 302.1 and 302.1A, and after moneys appropriated under section 99E.32, subsection 5, for the fiscal year beginning July 1, 1987 and ending June 30, 1988 have been expended or obligated, the administrator of the historical division of the department of cultural affairs may obtain a loan of not exceeding three million fifty thousand dollars from moneys designated as the permanent school fund of the state in section 302.1, to be used to pay for equipment, planning, and construction costs of educational exhibits for the state historical museum. The exhibits will teach common school children of Iowa about Iowa's history, culture, and heritage. The department of revenue and finance shall make the payment upon receipt of a written request from the administrator of the historical division. Moneys received under this section as a loan that are not expended are available for expenditure during the fiscal year beginning July 1, 1988.

The historical division shall repay a portion of the amount of the loan together with annual interest payments due on the balance of the loan over a ten-year period commencing with the fiscal year beginning July 1, 1987. Payments shall be made from gross receipts and other moneys available to the historical division. Annual payments shall not be less than the amount of interest on the permanent school fund required to be transferred to the first in the nation in education foundation under section 302.1A or seventy-five percent of the gross receipts, whichever is greater. Payments of both principal and interest made by the state historical division under this section shall be paid quarterly and shall be considered interest earned on the permanent school fund to the extent necessary for payment of interest to the first in the nation in education foundation under section 302.1A.

The treasurer of state shall determine the rate of interest

that the historical division shall pay on the loan.

Sec. \_\_\_\_ . NEW SECTION. 294A.25 APPROPRIATION.

1. For each fiscal year commencing with the fiscal year beginning July 1, 1987, there is appropriated from the general fund of the state to the department of education the amount of ninety-two million one hundred thousand eighty-five dollars to be used to improve teacher salaries. The moneys shall be distributed as provided in this section.

2. The amount of one hundred fifteen thousand five hundred dollars to be paid to the department of human services for distribution to its certificated classroom teachers at institutions under the control of the department of human services for payments for phase II based upon the average student yearly enrollment at each institution as determined by the department of human services.

3. The amount of ninety-four thousand six hundred dollars to be paid to the state board of regents for distribution to certificated classroom teachers at the Iowa braille and sight-reading school and the Iowa school for the deaf for payments of minimum salary supplements for phase I and payments for phase II based upon the average yearly enrollment at each school as determined by the state board of regents.

4. For the fiscal year beginning July 1, 1987 only, the amount of two hundred thousand dollars for pilot projects for sabbaticals for teachers.

Notwithstanding section 256.21, if House File 499 is enacted by the Seventy-second General Assembly, 1987 Session, and becomes law, the department shall establish pilot projects for sabbatical programs for the school year beginning July 1, 1987. Notwithstanding section 8.33, moneys appropriated in this subsection and not expended for pilot projects by June 30, 1987 shall not revert on June 30, 1987, but shall carry over and may be expended during the fiscal year beginning July 1, 1988. It is the intent of the general assembly that projects authorized by this subsection shall meet requirements

which are similar to the requirements specified in section 256.21 if House File 499 is enacted by the Seventy-second General Assembly, 1987 Session, and becomes law. Procedures for making applications for projects authorized by this subsection shall be established by the state board of education by rule under chapter 17A. The department shall send notification to school districts as soon as practicable concerning the requirements for applications for sabbaticals and shall encourage school districts to develop their own sabbatical programs using moneys available to them under phase III if House File 499 is enacted by the Seventy-second General Assembly, 1987 Session, and becomes law.

5. For each fiscal year, the remainder of moneys appropriated in subsection 1 to the department of education shall be deposited in the educational excellence fund to be allocated in an amount to meet the minimum salary requirements of this chapter for phase I, in an amount of thirty-eight million five hundred thousand dollars for phase II, and the remainder of the appropriation for phase III.

As a condition of the appropriation in this section, and notwithstanding section 8.31, if at any time between July 1, 1987 and February 1, 1988, the governor determines that the estimated budget resources of the state will be insufficient to pay all appropriations in full for the fiscal year beginning July 1, 1987 and ending June 30, 1988, in lieu of using section 8.31 to modify allotments on a uniform basis, the governor shall certify to the department of education the amount by which budget resources are insufficient. The department of education shall notify the governor of the amount of moneys allocated for phase III under this chapter and pursuant to the appropriation made in this section. The governor shall order that the allocation for phase III be reduced by an amount equal to the amount that the budget resources are insufficient or by the amount contained in the department of education's notification to the governor under

this section, whichever is less and shall certify to the department of education the amount of money available for phase III."

101. Page 83, line 9, by inserting after the word "nature." the following: "The deduction in this paragraph does not apply to a taxpayer whose adjusted gross income, as properly computed for federal tax purposes, is forty-five thousand dollars or more. In the case where the taxpayer is married, whether filing jointly or separately, the deduction does not apply if the combined adjusted gross income of the taxpayer and spouse is forty-five thousand dollars or more."

102. Page 83, by inserting after line 9 the following:

"As used in this paragraph, "tuition" means any charges for the expenses of personnel, buildings, equipment and materials other than textbooks, and other expenses of elementary or secondary schools which relate to the teaching only of those subjects legally and commonly taught in public elementary and secondary schools in this state and which do not relate to the teaching of religious tenets, doctrines, or worship, the purpose of which is to inculcate those tenets, doctrines, or worship, and which do not relate to extracurricular activities including sporting events, musical or dramatic events, speech activities, driver's education, or programs of a similar nature."

103. Page 83, line 34, by inserting after the word "subsection." the following: "The credit in this subsection does not apply to a taxpayer whose adjusted gross income, as properly computed for federal tax purposes, is forty-five thousand dollars or more. In the case where the taxpayer is married, whether filing jointly or separately, the credit does not apply if the combined adjusted gross income of the taxpayer and spouse is forty-five thousand dollars or more."

104. Page 83, by inserting after line 34 the following:

"As used in this paragraph, "tuition" means any charges for the expenses of personnel, buildings, equipment and materials

materials other than textbooks, and other expenses of elementary or secondary schools which relate to the teaching only of those subjects legally and commonly taught in public elementary and secondary schools in this state and which do not relate to the teaching of religious tenets, doctrines, or worship, the purpose of which is to inculcate those tenets, doctrines, or worship, and which do not relate to extracurricular activities including sporting events, musical or dramatic events, speech activities, driver's education, or programs of a similar nature."

106. Page 84, by striking lines 6 through 13.

107. Page 84, line 20, by inserting after the word "Sections" the following: "121A,".

108. Page 84, line 20, by inserting after the figure "207," the following: "207A, 207B, 207C, 231A, 302A, 302B, 408A, 409,".

109. Title page, line 1, by inserting after the words "relating to" the following: "the financing of public agencies and programs".

110. Title page, lines 6 and 7, by striking the words "providing effective dates, and making certain provisions retroactive" and inserting the following: "providing a property tax exemption for certain educational facilities, establishing an office of state-federal relations, providing for the education of American Indian children, establishing an occupational therapist loan program, providing for the sale of certain property and the purchase of certain property, providing tax exemption for certain property of a public television station, establishing a targeted small business linked deposit program and Iowa satisfaction and performance bond program, establishing a state fair authority, establishing an obstetrical and newborn indigent patient care program, accretion to bargaining units of certain teachers, providing for a loan of moneys in the permanent school fund, providing a tax deduction and a tax credit for certain

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purposes, making provisions retroactive, and providing effective dates."

111. By renumbering, relettering, or redesignating and correcting internal references as necessary.

ON THE PART OF THE SENATE:

JOE J. WELSH, Chairperson  
EMIL J. HUSAK  
RICHARD VARN

ON THE PART OF THE HOUSE:

THOMAS J. JOCHUM, Chairperson  
MICHAEL K. PETERSON  
TOM SWARTZ

Filed May 9, 1987

CCR -55-

*House adopted 5/9/87 (7-2361)*  
*Senate adopted 5/9 (7-1879)*



TERRY E. BRANSTAD  
GOVERNOR

# OFFICE OF THE GOVERNOR

STATE CAPITOL

DES MOINES, IOWA 50319

515 281-5211

June 9, 1987

The Honorable Elaine Baxter  
Secretary of State  
State Capitol Building  
L O C A L

Dear Madam Secretary:

I hereby transmit Senate File 511, an act relating to the financing of public agencies and programs and making appropriations to agencies, boards, commissions, departments, and programs of state government relating to elected officials, the executive council, management, revenue and finance, personnel, general services, economic development, agriculture, natural resources, and education, providing a property tax exemption for certain educational facilities, establishing an office of state-federal relations, providing for the education of American Indian children, establishing an occupational therapist loan program, providing for the sale of certain property and the purchase of certain property, providing tax exemption for certain property of a public television station, establishing a targeted small business linked deposit program and Iowa satisfaction and performance bond program, establishing a state fair authority, establishing an obstetrical and newborn indigent patient care program, accretion to bargaining units of certain teachers, providing for a loan of moneys in the permanent school fund, providing a tax deduction and a tax credit for certain purposes, making provisions retroactive, and providing effective dates.

Senate File 511 provides for appropriations and substantial statutory changes for agencies ranging from executive council to the department of education. This bill, in short, spends more than the state's taxpayers can afford. Senate File 511 authorizes a score of new programs; it attempts to hide the real level of spending in FY 88 by over \$12 million by appropriating funds in the wrong fiscal year; and it contains substantial statutory language which encroaches upon executive branch discretion in the administration of programs.

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As a result, action must be taken to clean up this bill and to substantially cut the level of spending.

With the recent action by the extraordinary session of the 72nd general assembly, the Department of Management estimates that the state will face a revenue shortfall of up to \$30 million in FY 88. This shortfall occurs despite the use of the additional one-time revenue achieved in FY 87 as a result of federal tax changes. Clearly, spending must be cut substantially in FY 88 if we are to have a balanced budget as required by the Iowa Constitution.

Therefore, I am taking action to remove \$15.95 million of excessive spending from Senate File 511. I also am removing \$19.203 million from House File 671 in order to provide the state with a balanced budget. Programs for which spending is cut or eliminated in this bill include those which have been recommended for elimination in the past, those new programs which impose upon the state's taxpayers new liabilities and additional spending for existing programs beyond that called for in my initial recommendations to the general assembly.

Senate File 511 is, therefore, approved on this date with the following exceptions which I hereby disapprove.

I am unable to approve the item designated as Section 107, Subsection 1, unnumbered paragraph 1 in its entirety. This unnumbered paragraph requires the Department of General Services to continue the forms management program. This program was recommended for elimination by the recent restructuring and downsizing report for state government and I had recommended that we cut this program. The legislature provided an additional \$40,000 in the lump sum appropriation to the department. With this veto, that \$40,000 will revert to the state's general fund. The department can provide for appropriate controls on the use of forms by state agencies without the expenditure of these additional funds.

I am unable to approve the item designated as Section 109 in its entirety. Section 109 of Senate File 511 provides \$3 million to the Department of General Services in FY 89 and FY 90 to be used for capitol complex construction. This program

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is designed to supplement funds appropriated in the lottery bill to construct an underground office building for the general assembly. I question the legislature's ability to obligate a future general assembly for these funds. In addition, I believe it is inappropriate for the general assembly to be spending millions of dollars to construct a new office building for the members.

I am unable to approve the item designated as that portion of Section 114 which reads as follows: "and the fiscal committee of the legislative council,"

This provision in Section 114 gives the fiscal committee of the legislative council the authority to, in effect, appropriate funds to the lottery division of the Department of Revenue and Finance. I believe this is an inappropriate delegation of responsibility to the fiscal committee of the legislature. The Department of Management will review the need for additional funds by the lottery division and will provide appropriate reports on those needs to the legislature.

I am unable to approve that item designated as Section 122 in its entirety. Section 122 of Senate File 511 appropriates \$4.25 million in FY 87 for various projects to the Department of General Services. These include capitol renovation projects and moving the historical division into the new historical building.

I had recommended a number of these items for appropriation in FY 88. However, the legislature is attempting to use budget gimmickery to mask the actual level of spending in Fiscal Year 1988. This "appropriate-now and spend-later" budgetary practice is dangerous and will result in excessive spending in FY 88 and FY 89. Iowa taxpayers cannot afford these double expenditures and therefore I cannot allow this budget gimmickery to be passed into law. The historical division move and the capitol renovation projects can be accomplished by use of lottery funds.

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I am unable to approve that item designated as Section 126, Subsection 2, paragraph b; Section 126, Subsection 3 in its entirety; that portion of Section 126, Subsection 4 which reads as follows: "with oversight of the office to be provided by the state-federal relations commission."

And Section 126, Subsection 6 in its entirety.

This item in Section 126 establishes a state-federal relations commission which, in effect, is a fourth branch of government composed of the three branches established in the Constitution. To be effective, Iowa's Washington office must be managed by the executive branch, albeit with appropriate communication with the other branches of government. Setting up a three-party team to manage a new independent agency would be unworkable and would greatly hamper the ability of Iowa to use its Washington office to return a greater share of our federal tax dollars to Iowa.

I am unable to approve that item designated as Section 127 in its entirety.

This section requires the governor to transmit final drafts of the governor's proposed budget expenditures no later than seven days following delivery of the budget message. A good faith effort will be made to have the draft budget bills submitted within seven days of the message. However, the language in Section 127 is unduly restrictive.

I am unable to approve that item designated as Section 133 in its entirety.

This section of Senate File 511 establishes an audit expense fund by the department of revenue and finance. While I agree with the intent of this proposal -- to provide additional auditors and to increase tax compliance -- I cannot accept another fund separated from the state's general fund. Such action by the general assembly tends to obscure the ability of taxpayers to view the real level of spending. Revolving funds should be used on only a very limited basis; direct appropriations from the general fund should be the general rule.

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I am unable to approve that item designated as Section 201, Subsection 6 in its entirety.

This section of Senate 511 imposes burdensome performance measures and reporting requirements on the Department of Agriculture and Land Stewardship. These management related goals and reporting mechanisms are the essence of executive branch administrative discretion. The Department of Management has developed performance measures for each department, consistent with the reorganization bill. The results of these measures can and will be shared with the legislative branch of government at appropriate times. Moreover, the agricultural marketing issue is now the subject of contention between the Department of Economic Development and the Department of Agriculture and Land Stewardship. These goals and mission statements simply tend to further confuse that marketing dichotomy. The legislature should take action to provide full marketing authority in the department of economic development, as recommended in the recent reorganization legislation.

I am unable to approve that item designated as Section 205, subsection 5 in its entirety.

This section of Senate File 511 imposes detailed performance measures on the law enforcement bureau of the fish and wildlife division of the Department of Natural Resources. Again, these management related goals and reporting mechanisms are the essence of executive branch administrative discretion. The Department of Management's performance measures can and will be shared at appropriate times with the legislative branch of government. However, some administrative discretion in the management of state government must be maintained.

I am unable to approve that item designated as Section 207, subsection 2 in its entirety.

This subsection appropriates \$60,000 to the Department of Natural Resources for Iowa's dues to the Midwest Interstate Low Level radioactive waste Compact for Fiscal Year 1988. However, even though the funds are to be used for FY 88, they are actually appropriated in FY 87. Again, this budget gimmickery

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is designed to mask the real level of spending provided for in the next fiscal year. The state must appropriate the funds necessary for this assessment from this important compact. I urge the general assembly to take action to provide for those funds in an appropriate manner next fiscal year.

And I am unable to approve the item designated as Section 210 in its entirety.

Section 210 of Senate File 511 provides \$250,000 in FY 87 to the Department of Agriculture and Land Stewardship to pay the initial costs of establishing the agricultural export trading company. Since this state trading company was vetoed in Senate File 274, the need for these funds no longer exists. In addition, the legislature is again appropriating these funds in the wrong fiscal year in order to avoid allowing the taxpayers to see the actual level of spending provided in FY 88. As such, this section cannot be approved.

I am unable to approve that item designated as Section 211 in its entirety.

This section provides \$125,000 to the Department of Agriculture and Land Stewardship for the Iowa grain quality program. Again, funds are provided in the wrong fiscal year in order to hide the actual level of spending. In addition, Iowa has already established a certified Iowa quality grain program as a result of a cooperative effort with the private sector. Thus, additional state appropriations are not needed.

I am unable to approve that item designated as Section 220 in its entirety.

This section of Senate File 511 provides \$5 million to the Iowa agricultural development authority for agricultural loan assistance programs. I originally recommended that these funds be appropriated in FY 88 in order to provide necessary credit assistance to farmers in difficult financial shape and to provide a financial incentive for Iowans to re-enter the cattle market. I continue to strongly support those efforts.

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However, the general assembly again provides funds for this purpose in FY 87 to be spent in FY 88. I vetoed a similar effort in Senate File 355 because it requires double spending of state funds in future fiscal years. Given the state's fiscal situation, I cannot approve of this budget gimmickery. In the future, I plan to continue to urge the general assembly to remove this buy-down program from the legislature's budgetary game playing. Funds are necessary to reinvigorate agriculture in Iowa and the legislature, in the future, ought to play it straight and provide the funds for the year in which they are to be spent.

I am unable to approve that item designated as Section 301, Subsection 15 in its entirety.

This subsection of Senate File 511 again imposes detailed performance measures and reporting requirements on the Department of Economic Development. The Department of Management's performance measures will be shared with the legislative branch at appropriate times. That method will avoid the unnecessary encroachment of the legislative branch into the administrative discretion of the executive branch.

I am unable to approve that item designated as Section 302 in its entirety.

This section of senate file 511 imposes restrictions on the use of community economic betterment funds, RISE funds, and job training programs. These programs must be flexible in order to respond quickly and appropriately to opportunities for new jobs. By planning additional restrictions on these funds, the legislature will cost Iowa jobs. Certainly, the considerations placed in Section 302 can and are a part of the department's decision making process. However, detailed legal restrictions would hamstring the department's ability to act quickly to obtain new jobs for Iowa.

I am unable to approve the item designated as Section 304, in its entirety.

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Section 304 allows funds for tourism and marketing purposes to be carried over into FY 88. The intent of this portion of Section 304 is to increase the department's real level of spending in FY 88, while appropriating the funds in FY 87. The General Assembly cut tourism funds below last year's levels despite my call for a \$600,000 increase. I strongly support tourism marketing funding and will push hard to increase funds for that purpose next year.

I am unable to approve that item designated as Section 306 in its entirety.

This portion of Senate File 511 imposes detailed meeting and reporting requirements on the Department of Economic Development. These extensive requirements would add further bureaucratic weight to the department, of economic development's responsibilities. Such requirements would limit the department's ability to perform its primary mission -- assistance in the creation of new jobs in our state. As a result, I cannot approve this section of Senate File 511.

I am unable to approve that item designated as Section 401, Subsection 8 in its entirety.

This subsection of Senate File 511 provides an additional \$60,000 to the regional library system for new grant programs. The legislature restored substantial funds to the regional library system in this appropriation. Providing funds above last year's level for studies and grants simply cannot be justified, considering the state's difficult financial situation.

I am unable to approve that item designated as Section 402, Subsection 2; Section 454, New Subsection 10; and Section 461 in its entirety.

This item of Senate File 511 establishes a new occupational therapist loan program. Many Iowa institutions have had difficulties recruiting occupational therapists. In addition, no Iowa college or university presently has an occupational therapist program. It would be appropriate for an Iowa educational institution to adopt such a program in order to

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improve the ability of Iowa institutions to attract needed occupational therapists. However, establishing a new loan program is not likely to provide any immediate relief. As a result, I must disapprove it.

I cannot approve the item designated as that portion of Section 405, unnumbered paragraph 2, which reads as follows:

"As a condition of the appropriation made in this subsection, the department of education shall expend at least one hundred fifty thousand (150,000) dollars of the moneys appropriated in this subsection to increase the salaries of individuals employed by the department in consultant positions in order to bring their compensation up to a level that is more competitive with compensation received by individuals employed in other professional positions that have comparable educational requirements."

This portion of Senate File 511 provides an inappropriate supplement of salaries to consultants in the department of education. While some review of the consultants salaries may be in order, direct legislative action to provide a salary adjustment to individual state employees is bad salary policy and cannot be approved.

I cannot approve the item designated as Section 405, Subsection 12 in its entirety.

This subsection provides \$250,000 to a particular merged area school to meet educational needs. I understand that the Des Moines Area Community College does have a funding problem caused by the new area college funding formula incorporated in this legislation and that these funds would help finance instructors. This problem is caused by the definition of contact hours in the formula. I will work with the department of education and the Des Moines Area Community College to resolve this contact hour definitional problem to prevent DMACC from being excessively penalized through the formula. However, I cannot approve a separate supplemental appropriation

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on top of the funding formula to deal with that issue. The funding formula is designed to provide all of the funds to the area colleges for educational purposes. Any difficulties with the formula should be resolved internally without a separate line item appropriation. The instructional problems at the Carroll DMACC campus must be addressed within the community college structure.

I am unable to approve the item designated as Section 408 Subsection 1, lettered paragraph a, unnumbered subparagraph 1.

This unnumbered paragraph requires that the Board of Regents provide free copies of the student newspapers to the chairpersons and ranking members of the education appropriations subcommittees, the legislative fiscal bureau, and the department of management. Legislating free newspapers in an appropriation bill is wrong and cannot be tolerated. If members of these committees wish to receive newspapers, they should work out an arrangement with the institutions and report it as a gift.

I am unable to approve the item designated as Section 409 in its entirety.

This section of Senate File 511 provides \$2 million of FY 87 funds to be spent in FY 88 for an amorphous silicon research facility at Iowa State University. I am supportive of this research effort and have encouraged the university and the company interested in this project to apply for oil overcharge funds under the competitive grant process. Indeed, members of the oil overcharge review committee have expressed an interest in the project. However, I cannot accept an FY 87 appropriation to be spent in FY 88 for this purpose. It again masks the real level of spending provided by the general assembly.

I am unable to approve that item designated as Section 416 in its entirety.

This section of Senate File 511 punishes school districts that have not filed their economy committee task force report. Just a few districts have failed to do so, to date. I would encourage them to comply with Iowa law. However, I do not

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believe it is appropriate to deny children in those districts of all state aid as is required in Section 416. The punishment, in this case, exceeds the violation. As a result, I cannot approve Section 416 but do request that the affected school districts comply with Iowa law and file their economy task force reports.

I am unable to approve that item designated as Section 421 in its entirety.

This section of Senate File 511 provides for detailed performance review measures and reporting requirements for regional libraries which should remain the prerogative of the executive branch of state government. These management review and reporting mechanisms violates the need for administrative discretion. The department of management will report to the legislative branch regarding the performance measures developed by the executive branch.

I am unable to approve the item designated as Section 430 in its entirety; and Section 448 in its entirety.

This item in Senate File 511 requires the establishment of adolescent task force local advisory committees. I am aware of and sensitive to the need to provide state assistance to adolescents. Specifically, I am approving Section 411 which provides for pregnancy prevention and services grants. I am pleased that this section of the bill directs these funds to be used in an appropriate way and prohibits the use of these funds for abortions.

However, the task force and the local advisory groups remain narrowly focused and would duplicate the task force on adolescent substance abuse, pregnancy, and suicides which I plan to appoint. That task force will represent a broad spectrum of citizens of Iowa and will make recommendations for consideration by the general assembly in 1988.

I am unable to approve that item designated as Section 452 in its entirety.

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This section in Senate File 511 provides an additional \$3.25 million to the merged area schools for salary adjustments. While I understand the need for salary adjustments at the merged area schools, I cannot approve a separate appropriation for that purpose. My recommendations to the general assembly provided for full funding of the formula for merged area schools. This provided them with an additional \$8.8 million of state aid. Once the merged areas are engaged in formula funding, they should no longer expect additional salary supplements. Therefore, I cannot approve the additional salary supplement provided in Section 452.

I am unable to approve the item designated as Section 471 and Section 472 in its entirety.

This item in Senate File 511 legislates bargaining units for classroom teachers at the Iowa Braille and Sight Saving School and the Iowa School for the Deaf. Chapter 20 requires the Iowa Public Employment Relations Board to establish appropriate bargaining units. This legislation is clearly a violation of Chapter 20 by arbitrarily legislating bargaining units. That precedent should not be established.

I am unable to approve that item designated as that portion of Section 491, Subsection 4 in its entirety.

This subsection provides that \$200,000 from phase three of the educational excellence fund is to be used for pilot projects for sabbaticals for teachers. I cannot accept this diversion of performance-based pay funds for that purpose. While there may be some educational value in a sabbatical, I do not believe that state ought to be providing line item funds for that purpose. Instead, local school districts should develop performance-based pay plans that best suit the needs of their districts, subject to approval of the Department of Education.

I am unable to approve that item designated as Section 491, Subsection 5, numbered paragraph 2. This item requires that the appropriations for performance-based pay be placed on the chopping block if further budget cuts are needed. Since this provision substantially alters the existing state policy on budget reductions and establishes performance-based pay as the legislature's last priority, I cannot approve it. I believe

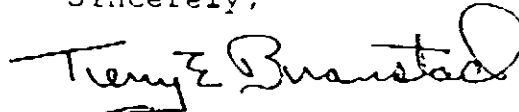
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that performance-based pay for education should be our top priority and I plan to treat it as such as the budget is implemented for the next fiscal year.

In summary, Senate File 511 includes excessive spending for new programs. With these actions, I have reduced spending in this bill by \$15.95 million. In addition onerous statutory language has been stricken. At the same time, our commitment to excellence in education in K-12 is maintained and strengthened.

For the above reasons, I hereby respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 Constitution of the State of Iowa. All other items in Senate File 511 are hereby approved as of this date.

Sincerely,



Terry E. Branstad  
Governor

TEB:cd

cc: Secretary of the Senate  
Chief Clerk of the House

Section 107, Subsection 1, unnumbered paragraph 1, Section 109; 133;

Items vetoed: Section 126, Subsection 6; Section 127; Section 201; Section 205, Subsection 5; 207, Subsection 2; Section 210; Section 211; Section 220; Section 301, Subsection 15; Section 302; Section 304, Section 306; Section 401, Subsection 8; Section 402, Subsection 2; Section 454, New Subsection 10; Section 461; Section 405, Subsection 12; Senate File 511, p. 2 Section 408, Subsection 1, lettered paragraph a, unnumbered paragraph 1; Section 409, Section 416, Section 421; Section 448, Section 452, Section 472; Section 491, Subsection 4; Section 491, Subsection 5, numbered paragraph 2. Continued below:

DIVISION I  
ADMINISTRATION

SENATE FILE 511

AN ACT

RELATING TO THE FINANCING OF PUBLIC AGENCIES AND PROGRAMS AND MAKING APPROPRIATIONS TO AGENCIES, BOARDS, COMMISSIONS, DEPARTMENTS, AND PROGRAMS OF STATE GOVERNMENT RELATING TO ELECTED OFFICIALS, THE EXECUTIVE COUNCIL, MANAGEMENT, REVENUE AND FINANCE, PERSONNEL, GENERAL SERVICES, ECONOMIC DEVELOPMENT, AGRICULTURE, NATURAL RESOURCES, AND EDUCATION, PROVIDING A PROPERTY TAX EXEMPTION FOR CERTAIN EDUCATIONAL FACILITIES, ESTABLISHING AN OFFICE OF STATE-FEDERAL RELATIONS, PROVIDING FOR THE EDUCATION OF AMERICAN INDIAN CHILDREN, ESTABLISHING AN OCCUPATIONAL THERAPIST LOAN PROGRAM, PROVIDING FOR THE SALE OF CERTAIN PROPERTY AND THE PURCHASE OF CERTAIN PROPERTY, PROVIDING TAX EXEMPTION FOR CERTAIN PROPERTY OF A PUBLIC TELEVISION STATION, ESTABLISHING A TARGETED SMALL BUSINESS LINKED DEPOSIT PROGRAM AND IOWA SATISFACTION AND PERFORMANCE BOND PROGRAM, ESTABLISHING A STATE FAIR AUTHORITY, ESTABLISHING AN OBSTETRICAL AND NEWBORN INDIGENT PATIENT CARE PROGRAM, ACCRETION TO BARGAINING UNITS OF CERTAIN TEACHERS, PROVIDING FOR A LOAN OF MONEYS IN THE PERMANENT SCHOOL FUND, PROVIDING A TAX DEDUCTION AND A TAX CREDIT FOR CERTAIN PURPOSES, MAKING PROVISIONS RETROACTIVE, AND PROVIDING EFFECTIVE DATES.

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

Portions of the following item vetoed:  
Section 114, 122, 405, unnumbered paragraph 1,  
405, Subsection 12; 471; 472; 491, Subsection 4;

Section 191. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1987 and ending June 30, 1988 to the office of the secretary of state, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

1987-1988  
Fiscal Year

For salaries and support for not more than forty-five full-time equivalent positions, maintenance, and other operational purposes ..... \$ 1,295,192

Sec. 192. There is appropriated from the general fund of the state to the office of the governor for the fiscal year commencing July 1, 1987 and ending June 30, 1988, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1987-1988  
Fiscal Year

1. For salaries and support for not more than fifteen full-time equivalent positions, maintenance, and miscellaneous purposes of the general office of the governor ..... \$ 763,711

2. For the governor's expenses connected with office ..... \$ 5,439

3. For salaries and support for not more than three full-time equivalent positions, and miscellaneous purposes of the governor's quarters at Terrace Hill ..... \$ 79,554

4. For the payment of expenses of ad hoc committees, councils, and task forces appointed by the governor to research and analyze a particular subject area relevant to the problems and responsibilities of state and local government, including the employment of professional, technical, and administrative staff and the payment of per diem, not exceeding forty dollars, and actual expenses of committee, council, or task force members ..... \$ 15,706

5. For salaries and support for not more than two full-time equivalent positions, maintenance, and miscellaneous purposes of the office of administrative rules coordinator ..... \$ 76,466

Sec. 103. There is appropriated from the general fund of the state to the office of the lieutenant governor for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

1987-1988  
Fiscal Year

For salaries and support for not more than two point five full-time equivalent positions, maintenance, and miscellaneous purposes including the lieutenant governor's compensation and expenses as provided in subsection 2 of section 2.10 including ser-

vice as a member of the legislative council and for per diem and expenses incurred while performing duties of the lieutenant governor when the general assembly is not in session ..... \$ 122,518

Sec. 104. There is appropriated from the general fund of the state to the office of treasurer of state for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

1987-1988  
Fiscal Year

For salaries and support for not more than twenty-five full-time equivalent positions, maintenance and other operational purposes ..... \$ 569,188

Sec. 105. There is appropriated from the general fund of the state to the executive council for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

1987-1988  
Fiscal Year

For salaries and support for not more than one point four full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 39,605

Sec. 106. There is appropriated from the general fund of the state to the following named agencies for the fiscal year commencing July 1, 1987 and ending June 30, 1988, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1987-1988

Fiscal Year

1. NATIONAL CONFERENCE OF  
STATE LEGISLATURES

For support of the member-  
ship assessment ..... \$ 60,844

2. COMMISSION ON UNIFORM  
STATE LAWS

For support of the commis-  
sion and expenses of the members ..... \$ 18,273

Sec. 107. There is appropriated from the general fund of the state to the department of general services for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1987-1988  
Fiscal Year

1. GENERAL OPERATIONS

For salaries and support for not more than two hundred thirty-three point six full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 4,963,985

It is the intent of the general assembly that the department of general services shall continue the forms management program with the funds appropriated in this subsection.

Savings achieved in providing telecommunications services shall be used by the department of general services to increase efficiencies in the provision of those services.

2. DIVISION OF INFORMATION SERVICES

For salaries and support for not more than one hundred sixty-three full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 5,379,627

It is the intent of the general assembly that funds appropriated in this subsection not be used for the replacement of computer equipment with newer technological devices to replace the current processing capacity or replace the currently installed magnetic tape units.

It is the intent of the general assembly that ninety thousand (90,000) dollars of the funds appropriated in this subsection be used for the installation of computer terminals to improve county auditor access to the state voter registration system.

3. CAPITOL PLANNING COMMISSION

For expenses of the members in carrying out their duties under chapter 18A ..... \$ 1,571

4. UTILITY COSTS

For payment of utility costs ..... \$ 1,583,067

The department of general services may use funds appropriated in this subsection for utility costs to fund energy conservation projects in the state capitol complex which will have a one hundred percent payback within a twelve-month period.

5. RENTAL SPACE

For payment of lease or rental costs of buildings and office space at the seat of government as provided in section 18.12, subsection 9, notwithstanding section 18.16 ..... \$ 667,773

6. RISK MANAGEMENT

To fund risk reduction projects for uninsured state-owned property pursuant to section 18.164, subsection 1 ..... \$ 18,500

It is the intent of the administration appropriations subcommittee that an additional two million (2,000,000) dollars should be appropriated from the lottery funds to the department of general services for continuation of the capitol

restoration project which is an important project which should be continued on schedule.

Sec. 108. There is appropriated from the revolving funds designated to the department of general services for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1987-1988  
Fiscal Year

DEPARTMENT OF GENERAL SERVICES -- REVOLVING FUNDS

1. From the centralized printing permanent revolving fund established by section 18.57 for salaries and support for not more than twenty-nine full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 743,986

2. The remainder of the centralized printing permanent revolving fund is appropriated for the expense incurred in supplying paper stock, offset printing, copy preparation, binding, distribution costs, original payment of printing and binding claims and contingencies arising during the fiscal year beginning July 1, 1987 which are legally payable from this fund.

3. From the general service revolving fund established by section 18.9 for salaries and support for not more than fourteen full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 470,850

The remainder of the general services revolving fund is appropriated for the payment of expenses incurred through

purchases by various state departments and for contingencies arising during the fiscal year beginning July 1, 1987 and ending June 30, 1988 which are legally payable from this fund.

4. From the vehicle dispatcher revolving fund established by section 18.119 for salaries and support for not more than fifteen full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 439,926

5. The remainder of the vehicle dispatcher revolving fund is appropriated for the purchase of gasoline, oil, tires, repairs and all other maintenance expenses incurred in the operation of state-owned motor vehicles and for contingencies arising during the fiscal year beginning July 1, 1987 which are legally payable from this fund.

Sec. 109. There is appropriated from the general fund of the state to the department of general services for each fiscal year in the fiscal period beginning July 1, 1988 and ending June 30, 1990, the sum of three million (3,000,000) dollars, or so much thereof as is necessary, to be used for capitol complex construction and renovation.

*Verified*

Sec. 110. There is appropriated from the general fund of the state to the department of personnel for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1987-1988  
Fiscal Year

1. For salaries and support for not more than ninety-four and twenty-five full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 3,045,213

a. The department may expend up to sixty-nine thousand five hundred thirty-eight (69,538) dollars of the funds appropriated in this subsection for the purpose of investigating worker's compensation claims and expediting the claims process. The department may not employ more than two additional full-time equivalent positions annually for this purpose.

b. The department may expend up to thirty-four thousand four hundred forty-two (34,442) dollars of the funds appropriated in this subsection for the purpose of monitoring trends in unemployment compensation claims and to provide training to department administrative and supervisory staff in unemployment cost avoidance. The department may not employ more than one additional full-time equivalent position annually for this purpose.

2. For salaries and support for not more than four point seventy-five full-time equivalent positions, maintenance, and other operational purposes to pay the costs of administration of federal old age benefit and Iowa old age survivors insurance programs ..... \$ 152,272

Sec. 111. There is appropriated from the Iowa public employees' retirement system fund to the department of personnel for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the following amount, or so much thereof as is necessary, to be used for the following purposes designated:

1987-1988  
Fiscal Year:

For salaries, support, maintenance, and other operational purposes to pay the costs of the Iowa public em-

ployees' retirement system ..... \$ 2,124,435

It is the intent of the general assembly that the Iowa public employees' retirement system employ sufficient staff within the appropriation provided in this section to meet the developing requirements of the investment program.

Sec. 112. There is appropriated from the general fund of the state to the department of revenue and finance for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the following amounts, or so much thereof as may be necessary, to be used for the funding of the following programs for the purposes designated:

1987-1988  
Fiscal Year

For salaries and support for not more than six hundred thirteen point twenty-eight full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 17,316,998

Sec. 113. There is appropriated from the motor vehicle fuel tax fund to the department of revenue and finance for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the following amounts, or so much thereof as may be necessary, for salaries, support, maintenance, and other operational purposes for administration and enforcement of the provisions of chapter 124 and the motor vehicle use tax program:

1987-1988  
Fiscal Year  
\$ 977,676

It is the intent of the general assembly that one hundred twenty-five thousand (125,000) dollars of the funds appropriated in this section be used for increased monitoring of special fuel tax accounts and the collection of delinquent fuel taxes. The department shall report quarterly beginning July 1, 1987 to the legislative fiscal bureau the estimates of additional revenue collected as a result of any increase in auditing and enforcement provided under this appropriation.

Sec. 114. There is appropriated from the lottery fund to the department of revenue and finance for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1987-1988  
Fiscal Year

For salaries and support for not more than one hundred forty-one point thirty-five full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 7,458,628

After exhausting its lottery fund appropriation, the lottery division of the department of revenue and finance may, upon approval of the department of management and the fiscal committee of the legislative council, expend additional funds.

Sec. 115. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1987 and ending June 30, 1988 to the department of management, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1987-1988  
Fiscal Year

1. DEPARTMENT OF MANAGEMENT

For salaries and support for not more than thirty-two full-time equivalent positions, maintenance, and miscellaneous purposes and for program administration of justice assistance funds, the statistical analysis center, and highway safety grant funds, provided that the office of state-federal relations is no longer funded through the department of management under a chap-

ter 28E agreement or funded by the department of management through its budget ..... \$ 1,354,464

2. COUNCIL OF STATE GOVERNMENTS

For support of the membership assessment ..... \$ 52,500

Sec. 116. There is appropriated from the general fund of the state to the office of state-federal relations for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the following amount, or so much thereof as is necessary, to be used for the following purposes designated:

1987-1988  
Fiscal Year

For salaries and support for not more than three full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 190,034

Sec. 117. There is appropriated from the general fund of the state to the moneys and credits replacement fund established in section 422.100 for the fiscal year beginning July 1, 1987 and ending June 30, 1988 the sum of one million four hundred seventy-five thousand (1,475,000) dollars, or so much thereof as may be necessary, to be used for payments to counties as provided in section 422.100. Notwithstanding section 422.100, all of the funds allocated to the counties from the moneys and credits replacement fund during the fiscal year beginning July 1, 1987 and ending June 30, 1988, shall be allocated to cities as required by law by the county treasurer.

If Senate File 279 is enacted by the Seventy-second General Assembly, 1987 Session, and becomes law, this section is void.

Sec. 118. There is appropriated from the general fund of the state to the municipal assistance fund, established in section 405.1, for the fiscal year beginning July 1, 1987 and ending June 30, 1988 the following amount, or so much thereof as is necessary, to be used for state assistance to

municipalities, with distribution in accordance with section 405.1.

1987-1988  
Fiscal Year  
\$ 14,503,500

If Senate File 279 is enacted by the Seventy-second General Assembly, 1987 Session, and becomes law, this section is void.

Sec. 119. There is appropriated from the general fund of the state to the county assistance fund, established in section 334A.1, for the fiscal year beginning July 1, 1987 and ending June 30, 1988 the following amount, or so much thereof as is necessary, to be used for state assistance to counties, with distribution in accordance with section 334A.2.

1987-1988  
Fiscal Year  
\$ 5,296,500

If Senate File 279 is enacted by the Seventy-second General Assembly, 1987 Session, and becomes law, this section is void.

Sec. 120.

1. There is appropriated from the general fund of the state to the salary adjustment fund provided for in section 8.43, for the fiscal year beginning July 1, 1987, the sum of thirty-four million seven hundred sixty-three thousand six hundred fifty-seven (34,763,657) dollars, or so much thereof as may be necessary, to be distributed to the various departments to supplement other funds appropriated by the general assembly.

2. There is appropriated from the road use tax fund of the state to the state department of transportation, for the fiscal year beginning July 1, 1987, the sum of two hundred ninety-six thousand forty-five (296,045) dollars, or so much thereof as may be necessary, to supplement other funds appropriated by the general assembly.

3. There is appropriated from the road use tax fund of the state to the department of public safety, for the fiscal year beginning July 1, 1987, the sum of five hundred sixty-five

thousand nine hundred eighteen (565,918) dollars, or so much thereof as may be necessary, to supplement other funds appropriated by the general assembly.

4. There is appropriated from the primary road fund to the state department of transportation, for the fiscal year beginning July 1, 1987, the sum of two million one hundred fifty-nine thousand seven hundred thirteen (2,159,713) dollars, or so much thereof as may be necessary, to supplement other funds appropriated by the general assembly.

5. Except as otherwise provided in this Act, the amounts appropriated in subsections 1, 2, 3, and 4 shall be used to fund the annual pay adjustments, expense reimbursements, and related benefits not in conflict with the Code for public officials and employees as authorized in Senate File 504, enacted by the Seventy-second General Assembly, 1987 Session.

6. The funds allocated to the state board of regents for faculty salary adjustments at the three state universities shall be distributed based on an amount necessary to fund an eleven percent increase in the faculty salaries after funds received from increased tuition, less the amount committed to student aid, have been allocated for that purpose.

Sec. 121.

1. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1987, the following amounts to the designated political subdivisions or public agencies:

	1987-1988 Fiscal Year
a. To the seven regional libraries of the regional library system as defined in section 303B.2 .....	\$ 15,400
b. To the substance abuse treatment facilities receiving substance abuse program grants as provided in section 125.25 .....	\$ 97,000

- c. To local boards of health receiving in-home health care grants ..... \$ 30,100
- d. Local homemaker/chore service programs ..... \$ 100,600

2. The director of the department of management shall allocate and distribute each of the amounts specified in this section to the programs indicated. Moneys received by local programs under this section shall be used to pay the state's share of the authorized salary increases for the local program employees.

Sec. 122. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1986 and ending June 30, 1987 to the department of general services the sum of four million two hundred fifty thousand (4,250,000) dollars, or so much thereof as is necessary, of which seven hundred fifty thousand (750,000) dollars shall be allocated to the historical division of the department of cultural affairs to equip the new historical building with the remainder to be used for capitol complex construction and renovation.

Notwithstanding section 8.33, funds appropriated by this section which are unexpended or unencumbered shall carry forward to the fiscal year beginning July 1, 1987 for the same purpose as originally appropriated.

Sec. 123. Funds appropriated from the general fund of the state in sections 120 and 121 of this Act relate only to salaries supported from general fund appropriations of the state.

Sec. 124. To departmental revolving, trust, or special funds, except for the primary road fund or the road use tax fund, for which the general assembly has established an operating budget, a supplemental authorization is provided for those funds, unless otherwise provided, in an amount necessary to fund salary adjustments provided in Senate File 504, enacted by the Seventy-second General Assembly, 1983 Session.

Sec. 125. CRIMINAL AND JUVENILE JUSTICE PLANNING AGENCY -- STUDY.

The legislative fiscal bureau shall conduct a study and evaluation of the criminal and juvenile justice planning agency within the department of management and shall report its findings to the general assembly. The study and valuation shall include a review of the following:

1. The appropriate organization and location of the agency.
2. The agency's progress in meeting the requirements of chapter 80C.
3. The coordination and expenditure of federal justice-related grant moneys.
4. The activity of the criminal and juvenile justice advisory council.
5. The staffing pattern and needs of the agency.
6. Assistance provided by the agency to state and local units of government.
7. Other relevant issues identified by the legislative council or the legislative fiscal bureau.

Sec. 126. NEW SECTION. 78.1 OFFICE FOR STATE-FEDERAL RELATIONS.

1. PURPOSE. The purpose of this section is to establish, as an independent agency, an office for state-federal relations which will develop a nonpartisan state-federal relations program accessible to all three branches of state government.

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

a. "Office" means the office for state-federal relations established pursuant to this section.

b. "Commission" means the state-federal relations commission established pursuant to this section.

3. COMMISSION ESTABLISHED. A state-federal relations commission is established composed of the director of the department of management or the director's designee, the

director of the legislative fiscal bureau or the director's designee, and the state court administrator or the administrator's designee. A different member of the commission shall serve as the commission's chairperson each year. The commission shall:

- a. Establish general policies for the operation and funding of the office.
- b. Promote cooperation and information sharing among the agencies of the three branches of government in the development of an effective state-federal relations program.
- c. Annually review the operation and activities of the office and by February 15 report its findings and any recommendations to the governor, the general assembly, and the supreme court.

4. OFFICE ESTABLISHED. A state-federal relations office is established as an independent agency with oversight of the office to be provided by the state-federal relations commission. The office shall be located in Washington D.C.

and shall be administered by the director of the office who is appointed by the governor, subject to confirmation by the senate, and who serves at the pleasure of the governor. The office and its personnel are exempt from the merit system provisions of chapter 19A.

5. OFFICE DUTIES. The office shall:

- a. Coordinate the development of Iowa's state-federal relations efforts which shall include an annual state-federal program to be presented to Iowa's congressional delegation, the sponsorship of training sessions for state government officials, and the maintenance of a management information system.
- b. Provide state government officials with greater access to current information on federal legislative and executive actions affecting state government.
- c. Advocate federal policies and positions which benefit the state or are important to state government.

d. Monitor federal budget policies and assistance programs and assess their impact on the state.

e. Strengthen the working relationships between state government officials and Iowa's congressional delegation.

f. Improve the state's ability to establish key contacts with federal officials, officials from other states, organizations, business groups, and professional associations in order to share information and form cooperative agreements.

6. SUPPORT SERVICES AND COOPERATION. The department of management, the legislative fiscal bureau, and the state court administrator's office shall provide administrative support services to the office. All agencies of state government shall cooperate fully with the office on matters pertaining to its federal-state relations responsibilities. Agencies may enter into agreements with the office to provide or receive special services of benefit to or from the federal-state relations program.

Sec. 127. Section 8.21, Code 1987, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The governor shall transmit to the general assembly not later than seven days following delivery of the budget message to the general assembly the final bill drafts of the governor's proposed budget expenditures. The bill drafts shall be written in the bill drafting form adopted by the legislative council.

Sec. 128. NEW SECTION. 12.40 TARGETED SMALL BUSINESS LINKED DEPOSIT PROGRAM.

The treasurer of state shall adopt rules to implement a targeted small business linked deposit program to increase the availability of lower cost funds to inject needed capital into small businesses owned and operated by women or minorities, which is the public policy of the state. The rules shall be in accordance with the following:

1. "Targeted small business" means a business as defined in section 220.11, subsection 1.

2. A linked deposit shall only be approved in connection with a loan application for a targeted small business which has been certified pursuant to section 15.108, subsection 7, paragraph "c", subparagraph (4).

3. Loan applications for a targeted small business shall be for the purchase of land, machinery, equipment, or licenses, or patent, trademark, or copyright fees and expenses, but not inventory.

4. The maximum size of a targeted small business loan is one hundred thousand dollars per borrower for intangible property and two hundred fifty thousand dollars per borrower for tangible personal or real property.

Sec. 129. NEW SECTION. 12.41 ICWA SATISFACTION AND PERFORMANCE BOND PROGRAM.

Agencies of state government shall be required to waive the requirement of satisfaction or performance bonds for targeted small businesses which are able to demonstrate the inability of securing such a bond because of a lack of experience. This waiver shall not apply to businesses with a record of repeated failure of substantial performance or material breach of contract in prior circumstances. The waiver shall be applied only to a project or individual transaction amounting to fifty thousand dollars or less, notwithstanding section 573.2. In order to qualify, the targeted small business shall provide written evidence to the department of economic development that the bond would otherwise be denied the business. The granting of the waiver shall in no way relieve the business from its contractual obligations and shall not preclude the state agency from pursuing any remedies under law upon default or breach of contract.

The department of economic development shall certify targeted small businesses for eligibility and participation in this program and shall make this information available to other state agencies.

Subdivisions of state government may also grant such a waiver under similar circumstances.

Sec. 130. Section 18.12, subsection 7, Code 1987, is amended to read as follows:

7. Contract, with the approval of the executive council, for the repair, remodeling or, if the condition warrants, demolition of all buildings and grounds of the state at the seat of government and the institutions of the department of human services and the department of corrections for which no specific appropriation has been made, if the cost of repair, remodeling or demolition will not exceed one hundred thousand dollars when completed. The cost of repair projects for which no specific appropriation has been made shall be paid from the fund provided in section 19.29.

Sec. 131. Section 18.134, Code 1987, is amended to read as follows:

18.134 LIMITATION OF COMMUNICATIONS.

The department of general services shall not provide or resell communications services to entities other than state agencies. A political subdivision receiving communications services from the state as of April 1, 1986 may continue to do so until January 1, 1988 but communications services shall not be provided or resold to additional political subdivisions. The rates charged to the political subdivision shall be the same as the rates charged to state agencies.

Sec. 132. Section 324.65, unnumbered paragraph 1, Code 1987, is amended to read as follows:

The appropriate state agency shall administer the taxes imposed by this chapter in the same manner as and subject to section 422.25, subsection 4 and section 422.52, subsection 3. ~~Notwithstanding section 422.52, subsection 3, all special fuel districts are required to file a bond with the director in an amount as established by the director.~~

Sec. 133. NEW SECTION. 421.45 AUDIT EXPENSE FUND.

There is created in the office of the treasurer of state an "audit expense fund" for the use of the department to fund audit expenses as authorized in this section. The department may employ up to twenty-five full-time equivalent positions in

its tax audit staff to increase tax audits. Positions filled under authority of this section shall be paid from funds in the audit expense fund.

Of the funds appropriated to the department under section 112 of this Act, one million dollars shall be credited to the audit expense fund on July 1, 1987.

The moneys in the fund shall be used for salaries, support, maintenance, and miscellaneous purposes for the additional audit staff authorized by this section. Moneys received by the department of revenue and finance from audits conducted by audit staff employed with moneys available under this section shall be credited to the general fund of the state and this fund. Of the moneys received, three-fourths of the moneys shall be credited to the general fund of the state and the remaining moneys shall be credited to the audit expense fund.

Sec. 134. Section 422.45, Code 1987, is amended by adding the following new subsection:

NEW SUBSECTION. The gross receipts from the sale of tangible personal property which will be given as prizes to players in games of skill, games of chance, raffles, and bingo games as defined in chapter 99B.

Sec. 135. All federal grants to and the federal receipts of agencies appropriated funds under this division of this Act are appropriated for the purposes set forth in such federal grants or receipts.

DIVISION II

AGRICULTURE AND NATURAL RESOURCES

Sec. 201. DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP. There is appropriated from the general fund of the state and the trust funds indicated to the department of agriculture and land stewardship for the fiscal year beginning July 1, 1987 and ending June 30, 1988 the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1987-1988  
Fiscal Year

1. ADMINISTRATIVE DIVISION

- a. From the general fund for salaries, support, maintenance, and miscellaneous purposes ..... \$ 944,285
- b. From the fertilizer fund to be transferred to the administration division ..... \$ 45,417
- c. From the dairy trade practice fund to be transferred to the administration division ..... \$ 86,321
- d. From the commercial feed fund to be transferred to the administration division ..... \$ 45,417
- e. The department of agriculture and land stewardship shall establish annual subscription fees for the regular and periodic publications of the department. Fees collected from subscribers shall be deposited in the general fund of the state.

f. Funds appropriated by this subsection are for the salaries and support of not more than forty-one point seventy-four full-time equivalent positions.

2. FARM COMMODITY DIVISION

- a. From the general fund for salaries and support for not more than twenty-three point five full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 705,842

b. Of the amount appropriated from the general fund under paragraph "a" of this subsection, three hundred forty-six thousand three hundred seventy-nine (346,379) dollars shall be allocated to the horticultural division for the continuation of the agricultural diversification program as enacted by 1986 Iowa Acts, chapter 1246, section 501, subsection 1, paragraph "e".

3. REGULATORY DIVISION

From the general fund for salaries

and support for not more than one hundred forty-seven full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 3,519,884

#### 4. LABORATORY DIVISION

a. From the general fund for salaries, support, maintenance, and miscellaneous purposes ..... \$ 593,578

b. From the commercial feed fund to be transferred to the laboratory division ..... \$ 756,329

c. From the pesticide fund to be transferred to the laboratory division ..... \$ 464,835

d. From the fertilizer fund to be transferred to the laboratory division ..... \$ 801,609

e. Funds appropriated by this subsection are for salaries and support of not more than ninety-two full-time equivalent positions.

#### 5. SOIL CONSERVATION DIVISION

a. From the general fund for salaries and support for not more than one hundred eighty-eight point zero five full-time equivalent positions, maintenance, assistance to soil conservation districts, and for miscellaneous purposes ..... \$ 4,269,334

The full-time equivalent positions authorized in this paragraph include four full-time equivalent positions for projects authorized in House File 631 regarding agricultural drainage wells and sinkholes.

b. Of the amount appropriated from the general fund of the state under paragraph "a" of this subsection, three hundred three thousand four hundred thirty-six (303,436) dollars shall be used to conduct soil surveys in conjunction with federal, state, and local agencies in Iowa.

c. To provide financial incentives

for soil conservation practices in accordance with the provisions of paragraph "d" of this subsection ..... \$ 6,546,519

d. The following requirements apply to the funds appropriated by paragraph "c":

(1) Not more than five percent may be allocated for cost sharing to abate complaints filed under section 467A.47 and 467A.48.

(2) Not more than ten percent may be allocated for financial incentives not exceeding seventy-five percent of the approved cost of permanent soil conservation practices under chapter 467A on watersheds above publicly owned lakes in accordance with the priority list required in section 214 of this Act.

(3) The soil conservation district commissioners may allocate financial incentives not exceeding sixty percent of the cost of permanent soil conservation practices for special watershed practices or summer construction incentives under section 467A.7, subsections 17 and 19.

(4) Except for the allocations subject to subparagraphs 1, 2, and 3, these funds shall not be used alone or in combination with other public funds to provide a financial incentive payment greater than fifty percent of the approved cost for voluntary permanent soil conservation practices and priority shall be given to family-operated farms.

(5) The soil conservation committee may allocate funds to conduct research and demonstration projects to promote conservation tillage and nonpoint sources pollution control practices.

(6) Not more than thirty percent of a district's allocation may be allocated by the soil conservation district commissioners for the establishment of management practices to control soil erosion on land that is now row cropped.

(7) The financial incentive payments may be used in combination with department of natural resources funds.

e. The provisions of section 8.33 shall not apply to the funds appropriated by paragraph "c". Unencumbered or unobligated funds remaining on June 30, 1991 from funds appropriated for the fiscal year beginning July 1, 1987 shall revert to the general fund on September 30, 1991.

6. It is the intent of the general assembly that the department of agriculture and land stewardship, in its operation of the agricultural marketing program, shall conform its activities to the mission, goals, and objectives provided in this subsection and collect information pertaining to performance measures developed by the legislative fiscal bureau. The department shall provide a report at least quarterly to the legislative fiscal bureau and the co-chairpersons and ranking members of the agriculture and natural resources appropriations subcommittee on the performance measures. The department shall be notified by the legislative fiscal bureau by July 1, 1987 of the specific performance measures for which data shall be collected and reported.

The department shall operate an agricultural marketing program designed to lead to more advantageous marketing of Iowa agricultural products to accomplish the following objectives:

a. Investigate the subject of marketing agricultural products and recommend efficient and economical methods of marketing.

b. Promote the sales, distribution, and merchandising of agricultural products to be indicated by the number of trade or sales leads originated through the agricultural marketing programs, by the number of Iowa companies represented at trade shows, and by the number of out-of-state buyers contacted through trade shows and other promotional events.

c. Furnish information and assistance to the public concerning the marketing of agricultural products to be indicated by the number of Iowa companies that receive counseling or assistance.

d. Cooperate with the college of agriculture of Iowa State University of science and technology in farm marketing education and research and avoid unnecessary duplications to be indicated by the number of meetings with the university staff to discuss marketing research and education and number and type of recommendations generated from these meetings.

e. Gather and diffuse useful information concerning all phases of the marketing of Iowa farm products in cooperation with other public and private agencies.

f. Ascertain sources of supply of Iowa agricultural products and prepare and publish from time to time lists of names and addresses of producers and consignors and furnish lists to persons applying for them to be indicated by the number of potential out-of-state buyers that receive the list of Iowa suppliers.

g. Aid in the promotion and development of the agricultural processing industry in the state to be indicated by the number of trade or sales leads originated through the agricultural marketing programs, the number of Iowa companies represented at trade shows, the number of out-of-state buyers contacted through trade shows and other promotional events, and the number of Iowa companies meeting with out-of-state buyers brought to Iowa as part of the agricultural marketing programs.

Sec. 202. There is appropriated to the department of agriculture and land stewardship for the fiscal year beginning July 1, 1987 and ending June 30, 1988 from the funds available under section 99D.13 the sum of one hundred twelve thousand (112,000) dollars, or as much thereof as necessary, for volunteer assistance and not more than three full-time equivalent positions for the administration of section 99D.22.

Sec. 203. MULTIFLORA ROSE ERADICATION COST REIMBURSEMENT.

1. There is appropriated from the general fund of the state to the state department of agriculture and land stewardship for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the sum of sixty thousand (60,000)

dollars, or as much thereof as may be necessary, to be used for the purpose of partially reimbursing agricultural landowners or tenants for the cost of herbicide for controlling or eradicating the multiflora rose which has severely infested their agricultural land. Not more than five percent of the funds appropriated under this subsection shall be used for administrative expenses.

2. A county board of supervisors desiring a share of the appropriation shall, in conjunction with the county weed commissioner and the county soil conservation district commissioners, develop a plan to combat severe infestations of multiflora rose on privately owned land within the county. The plan shall be based upon partial reimbursement of individual landowner's costs for the purchase of herbicide from both state and county appropriations; however, the share of costs reimbursed by state funds shall not exceed one-fourth. The plan shall be submitted to the secretary of agriculture for approval or recommendations for modification.

3. A landowner or tenant whose agricultural land is severely infested by multiflora roses may apply to the soil conservation district commissioners of the county for partial reimbursement, according to the approved plan, of the cost of herbicide for controlling or eradicating the multiflora rose on the agricultural land. The county weed commissioner shall assist the soil conservation district commissioners in investigating the application and determining if the infestation is severe. The soil conservation district commissioners shall review and approve each application for partial cost reimbursement if the infestation is severe on the applicant's agricultural land. If the soil conservation district commissioners find the amount of reimbursement claimed to be excessive, the district commissioners may approve a lesser amount. The reasons for disapproval of an application or reduction of the amount of reimbursement shall be sent in writing to the applicant. The amount of reimbursement certified by the secretary shall be paid by warrant issued by the director of revenue and finance.

4. Federal lands and federal land tenants are not eligible for reimbursement under this section.

Sec. 204. DEPARTMENT OF NATURAL RESOURCES. There is appropriated from the general fund of the state to the department of natural resources for the fiscal year beginning July 1, 1987 and ending June 30, 1988 the following amounts, or so much thereof as may be necessary, to be used for the following purposes:

	1987-1988 <u>Fiscal Year</u>
1. For salaries, support, maintenance, and miscellaneous purposes .....	\$ 10,149,123
Of the amounts appropriated from the general fund under this subsection, thirty-three thousand (33,000) dollars shall be used for studies of preserves. It is a condition of the funds appropriated by this subsection that the department fund the position of state ecologist. It is a condition of the funds appropriated by this subsection that the department cease motor fuel price forecasting and reporting during fiscal year 1988, section 93.7 notwithstanding.	
2. For reimbursement to federal agencies for cooperative contracts .....	\$ 186,169
3. For the green thumb program for the employment of the elderly in conservation and outdoor recreation related fields in coordination with other agencies as provided by law .....	\$ 200,000
4. For payments to the governing bodies responsible for publicly owned sewage treatment facilities which are eligible for grants under section 202 of the federal Water Pollution Control Act, 33 U.S.C. § 466 et seq., as amended by the federal Clean Water Act of 1977, Pub. L. No. 95-217, in an amount equal	

to five percent of the amount approved as the eligible cost of the project by the environmental protection commission ..... \$ 1,278,008

The provisions of section 8.33 shall not apply to the funds appropriated by this subsection. Unencumbered or unobligated funds remaining on June 30, 1991 from funds appropriated for the fiscal year beginning July 1, 1987, shall revert to the general fund on September 30, 1991.

5. It is the intention of the general assembly in adopting the appropriation under subsection 1 and this subsection to cease funding for the department's implementation of the federal Resource Conservation and Recovery Act permit program for hazardous waste facilities in this state. Section 455B.411, subsections 6, 9, and 10, section 455B.412, subsections 2 through 4, and sections 455B.413 through 455B.421 are suspended and do not apply as they pertain to that permit program, but are not suspended and do apply as they pertain to abandoned and uncontrolled sites, used oil, and site licensing under chapter 455B, division IV, part 6. The suspension provided by this subsection begins July 1, 1987 and ends June 30, 1989.

Sec. 205. There is appropriated from the state fish and game protection fund to the department of natural resources for the fiscal year beginning July 1, 1987 and ending June 30, 1988 the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1987-1988  
Fiscal Year

DIVISION OF FISH AND WILDLIFE

1. From the state fish and game protection fund for salaries, support, maintenance, equipment, and miscellaneous purposes including not more than two million one hundred ten thousand six hundred fourteen (2,110,614) dollars during the fiscal year beginning

on July 1, 1987 which shall be available from the state fish and game protection fund for administrative support ..... \$ 13,769,023

2. From the fees deposited under section 321G.7 to the fish and game protection fund for enforcement of snowmobile laws as part of the state snowmobile program ..... \$ 145,000

3. From the fees deposited under section 106.52 to the fish and game protection fund for administration and enforcement of navigation laws and water safety ..... \$ 950,000

4. Funds remaining in the fish and game protection fund during fiscal year 1987-1988 which are not specifically appropriated by this section are appropriated and may be used for capital projects and contingencies arising during the fiscal year beginning July 1, 1987. A contingency shall not include any purpose or project which was presented to the general assembly by way of a bill or a proposed bill and which failed to be enacted into law. For the purpose of this subsection, a necessity of additional operating funds may be construed as a contingency. Before any of the funds authorized to be expended by this subsection are allocated for contingencies, it shall be determined by the executive council that a contingency exists and that the contingency was not existent while the general assembly was in session and that the proposed allocation shall be in the best interests of the state. If a contingency arises or could reasonably be foreseen during the time the general assembly is in session, expenditures for the contingency must be authorized by the general assembly.

5. It is the intent of the general assembly that the law enforcement bureau of the fish and wildlife division of the department of natural resources, in its operations to protect

the state's fish and wildlife natural resources, shall conform its operation to the mission, goals, and objectives provided in this subsection and collect information pertaining to the performance measures developed by the legislative fiscal bureau. The division shall provide a report at least quarterly to the legislative fiscal bureau and the co-chairpersons and ranking members of the agriculture and natural resources appropriations subcommittee on the performance measures. The division shall be notified by July 1, 1987 of the specific performance measures for which data shall be collected and reported.

The fish and wildlife division of the department of natural resources exists to protect, propagate, increase, and preserve the wild mammals, fish, birds, reptiles, and amphibians of the state and enforce by proper actions and proceedings the laws and rules relating to them and to collect, classify, and preserve all statistics, data, and information as in its opinion tend to promote the objects of the law, to conduct research in improved conservation methods, and disseminate information to residents and nonresidents in conservation matters. The bureau must ensure adequate protection and wise use of Iowa's fish and wildlife natural resources to accomplish the following objectives:

- a. To enforce conservation laws and rules relating to fishing, hunting, trapping, boating, dock permits, snowmobiling, and public land management to be indicated by not less than one hundred thousand hours per year devoted to law enforcement.
- b. To assist with fish and wildlife population surveys and nuisance animal complaints to be indicated by not less than five thousand hours per year devoted to these surveys and nuisance animal investigations.
- c. To provide conservation information to the public by writing newspaper and magazine articles, speaking before organized groups, contacting radio and television media, and person-to-person contacts, to be indicated by not less than

twenty thousand hours per year devoted to providing public information and not less than four thousand hours per year devoted to public programs and meetings.

d. To provide assistance to the public, other public agencies, and other divisions of the department as needed to be indicated by not less than ten thousand hours per year devoted to providing assistance to the public and other agencies.

e. To provide conservation-recreation safety and ethics training through hunter safety and ethics training, snowmobile safety training, boating safety training, and fur harvester education and ethics training to be indicated by offering not less than nine hundred safety-recreation courses, three thousand two hundred hours per year devoted to safety-recreation training, and training not less than ten thousand persons.

Sec. 206. MARINE FUEL TAX FUND. There is appropriated from the marine fuel tax fund to the department of natural resources for the fiscal year beginning July 1, 1987 and ending June 30, 1988 the following amounts, or so much thereof as is necessary, to be used for the following purposes:

	1987-1988 Fiscal Year
1. For maintenance and development of boating facilities and access to public waters .....	\$ 397,179
2. For deposit in the state fish and game protection fund for the administration and enforcement of navigation laws and boat safety .....	\$ 100,000

The balance of the amount computed as provided in section 324.84 for the fiscal year beginning July 1, 1987 and ending June 30, 1988 is appropriated for the purposes provided in section 324.79, subsections 1, 2, 3 and 5. The unencumbered or unobligated balances of funds specifically allocated for such projects for the fiscal year ending June 30, 1988, shall revert to the fund from which appropriated June 30, 1990.

Sec. 207. There is appropriated from the general fund of the state to the department of natural resources for the fiscal year beginning July 1, 1986 and ending June 30, 1987, for the payment of assessments to the midwest interstate low-level radioactive waste compact the following amounts, or so much thereof as is necessary, for the fiscal periods indicated:

1. Assessment for the fiscal year beginning July 1, 1986 and ending June 30, 1987 .....	\$	45,000
2. Assessment for the fiscal year beginning July 1, 1987 and ending June 30, 1988 .....	\$	60,000

Notwithstanding section 8.33, funds appropriated by this section which remain unexpended or unencumbered on June 30, 1987 shall not revert to the general fund of the state.

Sec. 208. There is appropriated from the general fund of the state to the department of natural resources for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the sum of forty thousand (40,000) dollars, or so much thereof as is necessary, to conduct a feasibility study of constructing a dam at Pine Lake state park.

Sec. 209. Notwithstanding section 8.33, of the funds appropriated to the horticultural division of the department of agriculture and land stewardship by 1986 Iowa Acts, chapter 1246, section 501, subsection 1, paragraph "e", which would otherwise revert to the general fund, fifteen thousand (15,000) dollars, or so much thereof as necessary, shall carry over and be used by the department to conduct a pilot project providing federal special supplemental food program recipients with coupons redeemable at farmers markets. The department shall adopt rules governing the project.

Sec. 210. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 1986 and ending June 30, 1987, the sum of two hundred fifty thousand (250,000) dollars, or so much thereof as may be necessary, for the farm commodity division to be used to pay initial costs of

establishing the Iowa agricultural export trading company. Moneys appropriated under this section may be used for salaries and support for not more than four full-time equivalent positions. These full-time equivalent positions are included in the farm commodity division total in section 201, subsection 2, paragraph "a", of this Act.

Notwithstanding section 8.33, moneys which remain unobligated or unencumbered for the purposes provided in this section for the fiscal year beginning July 1, 1986 and ending June 30, 1987 shall remain available for expenditure by the department of agriculture and land stewardship for the purposes specified for the fiscal year beginning July 1, 1987 and ending June 30, 1988.

The moneys appropriated in this section shall revert to the general fund of the state upon successful completion of the public stock offering of the Iowa agricultural export trading company as required by Senate File 274.

Sec. 211. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1986 and ending June 30, 1987, to the department of agriculture and land stewardship the sum of one hundred twenty-five thousand (125,000) dollars for startup funding for the Iowa grain quality program. Moneys appropriated in this section may be used for salaries and support for one full-time equivalent position.

Notwithstanding section 8.33, the funds which remain unobligated or unencumbered for the purposes provided in this section for the fiscal year beginning July 1, 1986 and ending June 30, 1987 shall remain available for expenditure by the department of agriculture and land stewardship for the purposes specified in the fiscal year beginning July 1, 1987 and ending June 30, 1988.

Sec. 212. Funds appropriated by section 204, except subsection 3 of that section, and sections 205 and 206 of this Act are for salaries and support for not more than nine hundred twelve point thirty-six full-time equivalent positions.

Sec. 213. The natural resource commission shall give priority to the acquisition of private property along the Cedar Valley nature trail in Black Hawk, Buchanan, Benton, and Linn counties and its extension into Johnson and Cedar Counties; the Heritage trail in Dubuque county; the Comet trail in Grundy county; and the trail from Des Moines to Arispe in Polk, Warren, Madison and Union counties. The department of transportation shall provide technical assistance to the natural resources commission with regard to acquisition proceedings. State funds shall not be used unless appropriated by the general assembly.

Sec. 214. During the fiscal year for which funds are appropriated by section 204 of this Act, the department of natural resources shall not require the installation or use of equipment to control the emission of dust or other particulate matter on facilities for the storage of grain which are located within the ambient air quality attainment areas for suspended particulates.

Sec. 215. The natural resources commission shall establish a priority list of watersheds above publicly owned lakes and areas within those watersheds which are of highest importance based on soil loss to be used for the allocation of funds set aside in the appropriations to the department of agriculture and land stewardship for permanent soil conservation practices.

Sec. 216. An employee of the department of natural resources who retires after the effective date of this Act is eligible for payment of life or health insurance premiums as provided for in the collective bargaining agreement covering the public safety bargaining unit at the time of retirement if that employee previously served in a position which would have been covered by that agreement. The employee shall be given credit for the service in that prior position as though it were covered by that agreement. This section shall not operate to reduce any retirement benefits an employee may have earned under other collective bargaining agreements or retirement programs.

Sec. 217. Effective July 1, 1987, the department of natural resources shall establish prices of plant material grown at the state forest nurseries to cover half of all expenses directly related to the growing of the plants.

Effective July 1, 1988, the department shall establish prices of plant material grown at the state forest nurseries to cover eighty percent of all expenses directly related to the growing of plants.

Effective July 1, 1989, the department shall establish prices of plant material grown at the state forest nurseries to cover all expenses directly related to the growing of the plants.

The department shall develop additional programs to encourage the wise management and preservation of existing woodlands and shall increase its efforts to encourage forestation and reforestation on private and public lands in the state.

The department shall encourage a cooperative relationship between the state forest nurseries and private nurseries in the state in order to achieve these goals.

Sec. 218. The natural resources commission shall not authorize the reconstruction of the bridge over the canal at Black Hawk state park.

Sec. 219. Of the appropriations made from the jobs now account of the Iowa plan fund, under section 99E.32, subsection 3, paragraph "a", to the department of natural resources for the fiscal year beginning July 1, 1987, at least two hundred fifty thousand dollars shall be used for grants-in-aid to county conservation boards; two hundred fifty thousand dollars shall be used, only if federal funds are available, for acquisition and development of facilities under the western trails historical project; two hundred fifty thousand dollars for the Union Grove lake restoration development project; forty thousand dollars for the A. A. Call state park restoration project; fifteen thousand dollars for bike and recreational trail development projects in the

greenbelt area located in or near the Iowa river corridor; one hundred sixty-five thousand dollars to Marshall county conservation board for restoration work including dam repair at Green Castle lake; one hundred thousand dollars for the civilian conservation corps museum and memorial at Backbone state park; and thirty-five thousand dollars for additional acquisition at Maquoketa caves park.

Sec. 220. There is appropriated from the general fund of the state to the Iowa agricultural development authority for the fiscal year beginning July 1, 1986 and ending June 30, 1987, the amount of five million (5,000,000) dollars, or so much thereof as is necessary, to be used for providing assistance to Iowa farmers under and through the agricultural loan assistance programs. Not more than one hundred fifty thousand (150,000) dollars, or so much thereof as is necessary, shall be used for general administration, including salaries, support, maintenance, and miscellaneous purposes.

Not more than one-half of the funds appropriated shall be committed for grants pursuant to agreements under section 175.35 entered into on or after April 1, 1987 but before October 1, 1987. Notwithstanding section 8.33, moneys appropriated by this section which are committed for grants pursuant to agreements under section 175.35 entered into on or after April 1, 1987 but before October 1, 1987, shall not revert to the general fund of the state.

Not more than one-half of the funds appropriated shall be committed for assistance, training, and management programs for agricultural producers under the program established in House File 626, enacted by the Seventy-second General Assembly, 1987 Session. Notwithstanding section 8.33, the moneys appropriated for assistance, training, and management programs for agricultural producers under this section which are committed pursuant to agreements under House File 626 and entered into between April 1, 1987 and June 30, 1989 shall not revert to the general fund of the state.

If House File 626 does not become law, the moneys allocated for that program under this section shall be used for grants pursuant to agreements under section 175.35.

Sec. 221. Unless otherwise appropriated or provided by the general assembly, the agencies appropriated funds by this division of the Act are also appropriated their federal grants and federal receipts, for the purposes set forth in those federal grants or receipts.

Sec. 222. Section 15.227, subsection 1, paragraph c, Code 1987, is amended to read as follows:

c. A person participating in the "green thumb program" shall be sixty years of age or older to be eligible for employment. A lower income person shall be preferred for employment. "Lower income" means a person who meets the requirements for "lower income families" described in section 8f, of the United States Housing Act of 1937, as amended by the Housing and Community Development Act of 1974, Pub. L. No. 93-383, 201a.

Sec. 223. Section 97B.49, subsection 7, paragraph c, Code 1987, is amended to read as follows:

c. There is appropriated from the state fish and game protection fund to the department of personnel an actuarially-determined amount determined by the Iowa public employees' retirement system sufficient to pay for the additional benefits to conservation peace officers provided by this section, as a percentage, in paragraph "a" and for the employer portion of the benefits provided in paragraph "b". The amount is in addition to the contribution paid by the employer under section 97B.11. The cost of the benefits relating to conservation peace officers within the fish and game division of the department of natural resources shall be paid from the state fish and game protection fund and the cost of the benefits relating to the other conservation peace officers of the department shall be paid from the general fund.

Sec. 224. Chapter 109, Code 1987, is amended by adding the following new section:

NEW SECTION. 109.10A FARMER ADVISORY COMMITTEE.

The director shall establish a farmer advisory committee for the purpose of providing information to the department regarding crop and tree damage caused by deer, wild turkey, and other predators. The committee shall serve without compensation or reimbursement for expenses.

Sec. 225. Section 173.1, Code 1987, is amended by striking the section and inserting in lieu thereof the following:

173.1 STATE FAIR AUTHORITY.

The Iowa state fair authority is established as a public instrumentality of the state. The authority is not an agency of state government. However, the authority is considered a state agency and its employees state employees for the purposes of chapter 17A, the merit system provisions of chapter 19A, and chapters 20, 25A, 91B, 97B, and 509A. The authority is established to conduct an annual state fair and exposition on the Iowa state fairgrounds and to conduct other interim events consistent with its rules. The powers of the authority are vested in the Iowa state fair board. The Iowa state fair board consists of the following:

1. The governor of the state, the secretary of agriculture, and the president of the Iowa State University of science and technology or their qualified representatives.
2. One director from each congressional district and three directors at large, to be elected at a convention as provided in section 173.2.
3. A president and vice president to be elected by the state fair board from the nine elected directors.
4. A secretary and a treasurer to be elected by the board, and who shall be nonvoting members.

Sec. 226. Section 173.9, Code 1987, is amended by striking the section and inserting in lieu thereof the following:

173.9 SECRETARY.

The board shall appoint a secretary who shall hold office for one year. The secretary shall:

1. Administer the policies set by the board.
2. Employ other employees and agents as the secretary deems necessary for carrying out the policies of the board and to conduct the affairs of the state fair. The secretary may fix the duties and compensation of any employees or agents with the approval of the board.
3. Keep a complete record of the annual convention and of all meetings of the board.
4. Draw all warrants on the treasurer of the board and keep a correct account of them.
5. Perform other duties as the board directs.

Sec. 227. Section 173.10, Code 1987, is amended to read as follows:

173.10 SALARY OF SECRETARY.

The secretary shall receive such the salary as fixed by the general-assembly board.

Sec. 228. Section 173.14, Code 1987, is amended by striking the section and inserting in lieu thereof the following:

173.14 FUNCTIONS OF THE BOARD.

The state fair board has the custody and control of the state fairgrounds, including the buildings and equipment on it belonging to the state, and may:

1. Hold an annual fair and exposition on those grounds. All revenue generated by the fair and any interim uses shall be retained solely by the board.
2. Prepare premium lists and establish rules of exhibitors for the fair which shall be published by the board not later than sixty days prior to the opening of the fair.
3. Grant a written permit to persons as it deems proper to sell fruit, provisions, and other lawful articles under rules the board prescribes.
4. Appoint security personnel as the president deems necessary.

5. Take and hold property by gift, devise, or bequest for fair purposes. The president, secretary, and treasurer of the board shall have custody and control of the property, subject to the action of the board. Those officers shall give bonds as required in the case of executors, to be approved by the board and filed with the secretary of state.

6. Erect and repair buildings on the grounds and make other necessary improvements.

7. Grant written permission to persons to use the fair-grounds when the fair is not in progress.

8. Take, acquire, hold, and dispose of property by deed, gift, devise, bequest, lease, or eminent domain. The title to real estate acquired under this subsection and improvements erected on the real estate shall be taken and held in the name of the state of Iowa and shall be under the custody and control of the board. In the exercise of the power of eminent domain the board shall proceed in the manner provided in chapters 471 and 472.

9. Solicit and accept contributions from private sources for the purpose of financing and supporting the fair.

10. Make an agreement with the Iowa highway safety patrol to provide for security during the annual fair and exposition and interim events.

Sec. 229. NEW SECTION. 173.14A GENERAL CORPORATE POWERS OF THE AUTHORITY.

The authority has all of the general corporate powers needed to carry out its purposes and duties, and to exercise its specific powers including, but not limited to, the power to:

1. Issue its negotiable bonds and notes as provided in this chapter.
2. Sue and be sued in its own name.
3. Have and alter a corporate seal.
4. Make and alter bylaws for its management consistent with this chapter.

5. Make and execute agreements, contracts, and other instruments, with any public or private entity.

6. Accept appropriations, gifts, grants, loans, or other aid from public or private entities.

7. Make, alter, and repeal rules consistent with this chapter, subject to chapter 17A.

Sec. 230. NEW SECTION. 173.14B BONDS AND NOTES.

1. The board may issue and sell negotiable revenue bonds of the authority in denominations and amounts as the board deems for the best interests of the fair, for any of the following purposes after authorization by a constitutional majority of each house of the general assembly and approval by the governor:

- a. To acquire real estate to be devoted to uses for the fair.
- b. To pay any expenses or costs incidental to a building or repair project.
- c. To provide sufficient funds for the advancement of any of its corporate purposes.

2. The board may issue negotiable bonds and notes of the authority in principal amounts which are necessary to provide sufficient funds for achievement of its corporate purposes, the payment of interest on its bonds and notes, the establishment of reserves to secure its bonds and notes, and all other expenditures of the board incident to and necessary or convenient to carry out its purposes and powers, subject to authorization and approval required under subsection 1. However, the total principal amount of bonds and notes outstanding at any time shall not exceed one hundred fifty million dollars. The bonds and notes are deemed to be investment securities and negotiable instruments within the meaning of and for all purposes of the uniform commercial code.

3. Bonds and notes are payable solely out of the moneys, assets, or revenues of the authority and as provided in the agreement with bondholders or noteholders pledging any

particular moneys, assets, or revenues. Bonds or notes are not an obligation of this state or its political subdivisions other than the authority within the meaning of any constitutional or statutory debt limitations, but are special obligations of the authority payable solely from sources provided in this chapter, and the authority shall not pledge the credit or taxing power of this state or its political subdivisions other than the authority or make its debts payable out of any moneys except those of the authority.

4. Bonds shall:

a. State the date and series of the issue, be consecutively numbered, and state on their face that they are payable both as to principal and interest solely out of the assets of the authority and do not constitute an indebtedness of this state or its political subdivisions other than the authority within the meaning of any constitutional or statutory debt limit.

b. Be either registered, registered as to principal only, or in coupon form, issued in denominations as the board prescribes, fully negotiable instruments under the laws of this state, signed on behalf of the authority with the manual or facsimile signature of the president or vice president, attested by the manual or facsimile signature of the secretary, have impressed or imprinted on it the seal of the authority or facsimile of it, and coupons attached shall be signed with the facsimile signature of the president or vice president, be payable as to interest at rates and at times as the authority determines, be payable as to principal at times over a period not to exceed fifty years from the date of issuance, at places and with reserved rights of prior redemption, as the board prescribes, be sold at prices, at public or private sale, and in a manner as the board prescribes, and the board may pay all expenses, premiums, and commissions which it deems necessary or advantageous in connection with the issuance and sale; and be issued subject to the terms, conditions, and covenant providing for the

payment of the principal, redemption premiums, if any, interest, and other terms, conditions, covenants, and protective provisions safeguarding payment, not inconsistent with this chapter, as are found to be necessary by the board for the most advantageous sale, which may include, but are not limited to, covenants with the holders of the bonds as to those matters set forth in section 220.26, subsection 4, paragraph "b".

5. The board may issue bonds of the authority for the purpose of refunding any bonds or notes of the authority then outstanding, including the payment of any redemption premiums and any interest accrued or to accrue to the date of redemption of the outstanding bonds or notes. Until the proceeds of the bonds issued for the purpose of refunding outstanding bonds or notes are applied to the purchase or retirement of outstanding bonds or notes or the redemption of outstanding bonds or notes, the proceeds may be placed in escrow and be invested and reinvested in accordance with this chapter. The interest, income, and profits earned or realized on an investment may also be applied to the payment of the outstanding bonds or notes to be refunded by purchase, retirement, or redemption. After the terms of the escrow have been fully satisfied and carried out, any balance of proceeds and interest earned or realized on the investments may be returned to the authority for use by it in any lawful manner. All refunding bonds shall be issued and secured and subject to this chapter in the same manner and to the same extent as other bonds.

6. The board may issue negotiable bond anticipation notes of the authority and may renew them from time to time but the maximum maturity of the notes, including renewals, shall not exceed ten years from the date of issue of the original notes. Notes are payable from any available moneys of the authority not otherwise pledged or from the proceeds of the sale of bonds in anticipation of which the notes were issued. Notes may be issued for any corporate purpose of the authority.

Notes shall be issued in the same manner as bonds and notes and the resolution of the board may contain any provisions, conditions, or limitations, not inconsistent with this subsection, which the bonds or a bond resolution of the board may contain. Notes may be sold at public or private sale. In case of default on its notes or violation of any obligations of the authority to the noteholders, the noteholders have all the remedies provided in this chapter for bondholders. Notes shall be as fully negotiable as bonds of the authority.

7. A copy of each pledge agreement by or to the authority, including without limitation each bond resolution, indenture of trust, or similar agreement, or any revisions or supplements to it shall be filed with the secretary of state and no further filing or other action under article 9 of the uniform commercial code or any other law of the state is required to perfect the security interest in the collateral or any additions to it or substitutions for it, and the lien and trust so created is binding from and after the time it is made against all parties having claims of any kind in tort, contract, or otherwise against the pledgor.

8. Members of the board and any person executing the authority's bonds, notes, or other obligations are not liable personally on the bonds, notes, or other obligations or subject to personal liability or accountability by reason of the issuance of the authority's bonds or notes.

9. The board shall publish a notice of intention to issue bonds or notes in a newspaper published and of general circulation in the state. The notice shall include a statement of the maximum amount of bonds or notes proposed to be issued, and in general, what net revenues will be pledged to pay the bonds or notes and interest on them. An action shall not be brought questioning the legality of the bonds or notes, the power of the board to issue the bonds or notes, or the legality of any proceedings in connection with the authorization or issuance of the bonds or notes after sixty days from the date of publication of the notice.

Sec. 231. Section 173.16, Code 1987, is amended to read as follows:

173.16 MAINTENANCE OF STATE FAIR.

All expenses incurred in maintaining the state fairgrounds and in conducting the annual fair thereon on it, including the compensation and expenses of the officers, members, and employees of the board, shall be recorded by the secretary and paid from the state fair receipts, unless a specific appropriation has been provided for such that purpose. ~~An individual member of the state fair board shall not be personally liable because of any act performed or debt created by action of the board in carrying out the purposes and provisions of this chapter.~~ The board may request special capital improvement appropriations from the state and may request emergency funding from the executive council for natural disasters. The board may request that the department of transportation provide maintenance in accordance with section 307A.2, subsection 11.

Sec. 232. Section 173.21, unnumbered paragraph 1, Code 1987, is amended to read as follows:

The state fair board shall file with the governor each year ~~at the time provided by law~~ by February 15 a report to the governor containing the following information relative to the state fair and exposition and the district and county fairs:

Sec. 233. NEW SECTION. 173.23 LIEN ON PROPERTY.

The board has a prior lien upon the property of any concessionaire, exhibitor, or person, immediately upon the property being brought onto the grounds, to secure existing or future indebtedness.

Sec. 234. NEW SECTION. 173.24 EXEMPTION OF STATE FAIR BY THE STATE'S PURCHASING PROCEDURES.

The state fair is exempt from the state system of uniform purchasing procedures. However, the board may contract with the department of general services to purchase any items through the state system. The board shall adopt its own system of uniform standards and specifications for purchasing.

Sec. 235. STATE FAIR BOARD -- BONDS AND NOTES. The Iowa state fair board shall conduct a study and file its recommendations with the general assembly by January 15, 1988. The study shall examine whether the cultural and exposition objectives of the state fair would, in the long term, be better served by a relocation of the state fairgrounds and by the development of more multipurpose buildings on a new or the present fairgrounds.

Only fifteen million dollars of the bonds and notes authorized by section 173.14B, as enacted in this Act, may be issued before and by January 15, 1988.

DIVISION III  
ECONOMIC DEVELOPMENT

Sec. 301. There is appropriated from the general fund of the state to the department of economic development for the fiscal year beginning July 1, 1987 and ending June 30, 1988 the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

	<u>1987-1988</u> <u>Fiscal Year</u>
1. For salaries and support for not more than thirty-five point zero eight full-time equivalent positions, maintenance, and other operational purposes .....	\$ 1,691,788

As a condition of the appropriation made in this subsection, the department shall enter into a 28E agreement with the state board of regents for purposes of insuring, to the greatest extent possible, that research conducted at institutions under the control of the state board of regents may be developed and marketed by Iowa businesses.

The department and the cooperative extension service in agriculture and home economics of the Iowa State University of science and technology shall enter into an agreement under chapter 28E that provides a procedure for coordinating the

economic development activities of the department with the economic development activities of the cooperative extension service in agriculture and home economics of the Iowa State University of science and technology.

2. For domestic marketing programs, including salaries and support for not more than eight point six full-time equivalent positions .....	\$ 665,900
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3. For small business programs, including salaries and support for not more than six full-time equivalent positions .....	\$ 319,533
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The department shall develop and administer a small business information center with a portion of the funds appropriated by this subsection.

4. For community progress programs, including salaries and support for not more than nine point five full-time equivalent positions .....	\$ 411,054
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5. For tourism and promotion programs, including salaries and support for not more than sixteen point four full-time equivalent positions .....	\$ 1,490,000
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Of the funds appropriated by this subsection, fifty thousand (50,000) dollars, or so much thereof as is necessary, may be used to purchase or support the Grant Wood gothic house in Eldon, Iowa. The department shall cooperate with the historical division of the department of cultural affairs to acquire and maintain the Grant Wood gothic house and to promote the property as a tourist attraction. Of the funds allocated for the purchase of the house, unexpended funds shall be credited to the Grant Wood gothic house trust fund

which is created in the office of the treasurer of state. The moneys in this fund shall be administered by the historical division of the department of cultural affairs and shall be used to provide for the maintenance of the house and to receive local public and private contributions for the promotion and maintenance of the house as a tourist site.

As a condition of funds appropriated under this subsection, fifteen thousand (15,000) dollars, or so much thereof as is necessary, shall be used for the construction of a storage and multi-use facility in Stone City, Iowa for the storage of replicas of Grant Wood ice wagons in which artists lived in Stone City, Iowa. The funds available under this unnumbered paragraph shall be matched on a dollar-for-dollar basis with moneys or in-kind contributions from other sources.

As a condition of funds appropriated under this subsection, twenty-five thousand (25,000) dollars, or so much thereof as is necessary, shall be used for providing a permanent Grant Wood information center and art gallery in Anamosa, Iowa. The funds available under this unnumbered paragraph shall be matched on a dollar-for-dollar basis with moneys or in-kind contributions from other sources.

As a condition of funds appropriated under this subsection, one hundred twenty-five thousand (125,000) dollars, or so much thereof as is necessary, shall be used by the historical division of the department of cultural affairs to acquire by negotiated sale part of the land encompassing the Blood Run national historic landmark in Lyon county, Iowa.

As a condition of funds appropriated by this subsection, one hundred thousand (100,000) dollars, or so much thereof as is necessary, shall be used by the department of economic development for professional preparation of a statewide tourism development, marketing, and information delivery plan covering needs and opportunities for the period 1988 through 1992 and for implementation of the initial phases of the plan.

As a condition of funds appropriated by this subsection, seventy-five thousand (75,000) dollars, or so much thereof as

is necessary, shall be used for state aid, distributed equally to three tourism regions for planning and operations of regional and local tourism development programs.

6. For advertising and marketing ..... \$ 89,563

7. For operation and maintenance of an Asian trade office, including salaries and support for not more than two full-time equivalent positions ..... \$ 291,000

8. Community development block grant administration and related federal housing and urban development grant administration

For salaries and support for not more than fourteen full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 54,285

9. Job training partnership Act: dislocated workers

For salaries and support for not more than twenty-eight point seven full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 960,151

10. Mississippi river parkway commission

For support, maintenance, and miscellaneous purposes ..... \$ 14,550

11. Youth services administration

For salaries and support for not more than two full-time equivalent positions, maintenance, and miscellaneous purposes to develop and administer employment opportunities for youth ..... \$ 76,516

In expending the funds appropriated by this subsection, the department of economic development shall consider the level of training and education in the areas of work skills, job retention, job searching, and work ethics in evaluating

requests or proposals for funds to be used for local youth corps projects or programs.

12. Iowa conservation corps

For program purposes ..... \$ 291,000

13. For additional and supplemental

funding for the child care services programs including employer sponsored child day care services and child day care services for ill children, and the displaced homemakers program, including salaries and support for not more than zero point eight full-time equivalent

positions ..... \$ 728,000

14. The division of financial assistance of the department of economic development shall maintain a list of all state programs, grants, and other assistance available to the political subdivisions of the state. The division shall work with other state agencies in developing the list, including but not limited to, the department of management, the department of natural resources, the Iowa department of public health, and the department of human services.

15. It is the intent of the general assembly that the department of economic development, in its operation of the agricultural marketing program, shall conform its activities to the mission, goals, and objectives provided in this subsection and collect information pertaining to performance measures developed by the legislative fiscal bureau. The department shall provide a report at least quarterly to the legislative fiscal bureau and the co-chairpersons and ranking members of the economic development appropriations subcommittee on the performance measures. The department shall be notified by the legislative fiscal bureau by July 1, 1987 of the specific performance measures for which data shall be collected and reported.

The department exists for the purpose of enhancing economic development in the state and to provide for job creation and increased prosperity and opportunities for the citizens of the

state by providing direct financial and technical assistance and training to businesses and individuals and by coordinating other state, local, and federal economic development programs.

The department shall operate an agricultural marketing program designed to lead to more advantageous marketing of Iowa agricultural products to accomplish the following objectives:

a. Investigate the subject of marketing agricultural products and recommend efficient and economical methods of marketing.

b. Promote the sales, distribution, and merchandising of agricultural products to be indicated by the number of trade or sales leads originated through the agricultural marketing programs, by the number of Iowa companies represented at trade shows, and by the number of out-of-state buyers contacted through trade shows and other promotional events.

c. Furnish information and assistance to the public concerning the marketing of agricultural products to be indicated by the number of Iowa companies that receive counseling or assistance.

d. Cooperate with the college of agriculture of Iowa State University of science and technology in farm marketing education and research and avoid unnecessary duplications to be indicated by the number of meetings with the university staff to discuss marketing research and education and number and type of recommendations generated from these meetings.

e. Gather and diffuse useful information concerning all phases of the marketing of Iowa farm products in cooperation with other public and private agencies.

f. Ascertain sources of supply of Iowa agricultural products and prepare and publish from time to time lists of names and addresses of producers and consignors and furnish lists to persons applying for them to be indicated by the number of potential out-of-state buyers that receive the list of Iowa suppliers.

g. Aid in the promotion and development of the agricultural processing industry in the state to be indicated by the number of trade or sales leads originated through the agricultural marketing programs, the number of Iowa companies represented at trade shows, the number of out-of-state buyers contacted through trade shows and other promotional events, and the number of Iowa companies meeting with out-of-state buyers brought to Iowa as part of the agricultural marketing programs.

Sec. 302. State departments or agencies handling or in charge of the community economic betterment account of the Iowa plan fund, the RISE fund, the jobs training programs under chapters 7B, 280B, and 280C, and other funds or programs for providing assistance to business in furtherance of economic development shall not provide assistance from those funds or under those programs until the department or agency has studied the effect of such assistance on the competitiveness of the business compared with existing businesses and the potential for the displacement of jobs from other businesses in the state.

In determining which businesses are to receive the assistance from these funds or programs, consideration should be given to the quality of jobs to be provided. Jobs that have a higher wage scale, have a lower turnover rate, are full-time, or are career-type positions are considered higher in quality. When the assistance is in the form of grants, businesses that have wage scales substantially below that of existing Iowa businesses should be rated as providing the lowest quality of jobs and should therefore be given the lowest ranking for providing such assistance.

Sec. 303. 1986 Iowa Acts, chapter 1246, section 1, subsection 4, is amended to read as follows:

4. For establishment and maintenance of an ambassador's program ..... \$ 1,000,000

The funds appropriated by this subsection shall be matched on a dollar for dollar basis with capital provided by private sources and be expended to attract private capital to be used by the department to develop a comprehensive national and international marketing program. These funds shall be utilized to implement a statewide initiative that includes, but is not limited to, the development of a trade network, national and international marketing research, business recruitment, utilization of national advertising features, a toll-free number, billboards, displays in key business locations, a direct marketing program, a "trade and marketing institute", and an "invest in Iowa" program. The department shall secure the necessary private participation from groups and organizations most appropriate for any particular function. In-kind expenditures from the private sector may be considered as a portion of the dollar for dollar match. The department shall give attention to using a portion of these funds to contract and coordinate with international programs at Iowa colleges and universities to develop a network of trade contacts overseas through the use of alumni from Iowa colleges and universities.

Notwithstanding section 8.33, funds appropriated under this subsection for the fiscal year beginning July 1, 1986 and ending June 30, 1987 shall not revert to the general fund of the state but shall remain available for expenditure in the fiscal year beginning July 1, 1987 and ending June 30, 1988.

Sec. 304. There is appropriated from the general fund of the state to the department of economic development for the fiscal year beginning July 1, 1986 and ending June 30, 1987, the sum of two hundred eighty-five thousand (285,000) dollars, or so much thereof as may be necessary, to be used for tourism and marketing purposes.

Notwithstanding section 8.33, moneys which remain unobligated or unencumbered for the purposes provided in this section on June 30, 1987 shall remain available for expenditure by the department of economic development during

the fiscal year beginning July 1, 1987 for the purposes specified.

Sec. 305. Notwithstanding section 8.31, moneys appropriated pursuant to 1986 Iowa Acts, chapter 1246, section 1, subsection 6, to the department of economic development for the establishment and maintenance of an export finance program for the fiscal year beginning July 1, 1986 and ending June 30, 1987, which remain unexpended or unencumbered shall carry forward to the fiscal year beginning July 1, 1987 and ending June 30, 1988, to be used for the same purpose as originally appropriated.

Sec. 306. Section 15.108, subsection 7, Code 1987, is amended by adding the following new lettered paragraph:

NEW LETTERED PARAGRAPH. i. Organizing and coordinating quarterly meetings of all state agencies which administer programs and activities developed to encourage and assist the development of small businesses in Iowa. The quarterly meetings shall be attended by, but not limited to: representatives of the State University of Iowa, representatives of the University of Northern Iowa, representatives from Iowa State University of science and technology concerning programs administered by the small business development centers, representatives from Iowa State University of science and technology concerning programs administered by the cooperative extension service, and representatives from the merged area schools. The department and the respective agency representatives shall meet, discuss, and make recommendations, including but not limited to, the following areas:

- (1) Coordination of existing small business programs to avoid duplication of service delivery.
- (2) Cataloging of all statewide small business programs and the respective locations and names of the service providers.
- (3) Identification of the current and future economic, financial, marketing, and research issues and needs involving small business growth in the state.

(4) Development of coordinated technical and financial assistance programs which maximize accessibility to small businesses.

(5) Evaluation of existing small business programs to identify the effectiveness of the programs.

The department shall submit quarterly reports to the legislative fiscal bureau. Each report shall contain recommendations derived from the quarterly meetings.

Sec. 307. NEW SECTION. 15.110 TARGETED SMALL BUSINESS LOAN AND EQUITY GRANT PROGRAM.

A targeted small business loan and equity grant program is established within the Iowa department of economic development. The director shall adopt rules establishing the standards and procedures for distributing grants, providing loans, buying down the interest on loans, or buying down the principal on loans for newly created small businesses. The total amount of assistance to any one business shall not exceed five thousand dollars. Standards shall give top priority to applicants who establish targeted small businesses in industries or fields for which no targeted small business has been certified pursuant to section 15.108, subsection 7, paragraph "c", subparagraph (4).

Sec. 308. Section 15.241, Code 1987, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The department may provide grants of not more than five thousand dollars under the program, if the grants are used to secure additional financing from private sources. The department may provide a service fee to financial institutions for administering loans provided under this section.

Sec. 309. Notwithstanding section 28.120, subsection 6, twenty percent of the loan repayments received by the department of economic development under that section shall be deposited in the revolving loan fund to operate the self-employment loan program as established in section 15.241. Not more than twenty-five percent of the funds may be used to

administer the program, and not less than fifty percent of the grants or loans provided under the program shall go to targeted small businesses as defined in section 15.102. It is the intent of the general assembly that the department of economic development coordinate the activity of the self-employment loan program with the small business development centers, satellite centers, area community colleges, and other technical assistance providers, and with the self-sufficiency programs established in 1987 Iowa Acts, House File 671, under the department of human rights and the department of human services.

Sec. 310. All federal grants to and the federal receipts of the agencies appropriated funds under this division of this Act are appropriated for the purposes set forth in such federal grants and receipts unless otherwise provided by the general assembly.

DIVISION IV  
EDUCATION

Sec. 401. There is appropriated from the general fund of the state, to the department of cultural affairs for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the following amounts, or so much thereof as is necessary, for the purposes designated:

	1987-1988 <u>Fiscal Year</u>
1. For the administration division for salaries and support for not more than eight full-time equivalent positions, maintenance, and miscellaneous purposes .....	\$ 259,214
2. For the arts division for salaries and support for not more than ten full-time equivalent positions, maintenance, and miscellaneous purposes including funds to match federal grants .....	\$ 467,586
3. For the historical division for salaries and support for not more than	

forty-eight full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 1,442,685

4. For the library division for salaries and support for not more than forty point five full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 1,054,145

5. For the public broadcasting division for salaries and support for not more than one hundred full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 5,837,775

6. For the Terrace Hill commission for salaries and support for not more than five point twenty-five full-time equivalent positions, maintenance, and miscellaneous purposes for the operation of Terrace Hill and for conducting tours ..... \$ 151,367

7. For the regional library system for state aid ..... \$ 1,450,230

8. For the library division for increasing library accessibility, library usage, and the availability of library and media materials ..... \$ 60,000

From moneys appropriated in this subsection, the library division shall provide grants to regional libraries and area education agencies for the implementation of cooperative programs. In addition, moneys appropriated in this subsection shall be used by the library division to conduct a study of methods to provide that public libraries, regional libraries, libraries administered by the state library division, libraries of institutions of higher education under the state board of regents, libraries and media centers of the area education agencies, and libraries of merged area schools are accessible to the citizens of this state, to provide additional library and media resources, and to increase the

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utilization of libraries and media centers as lifelong learning centers. Notwithstanding limitations on the activities of area education agencies under chapter 273, area education agencies may cooperate with regional libraries for the purposes of implementation of cooperative programs funded under this section. Reimbursement to area education agencies shall be only for marginal costs incurred.

Sec. 402. There is appropriated from the general fund of the state to the college aid commission for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the following amounts, or so much thereof as may be necessary, to be used for the funding of the following programs for the purposes designated:

	1987-1988 <u>Fiscal Year</u>
<b>1. COLLEGE AID COMMISSION</b>	
For salaries and support for not more than five point two full-time equivalent positions, maintenance, and miscellaneous purposes .....	
	\$ 264,309
<b>2. OCCUPATIONAL THERAPIST LOAN PROGRAM</b>	
For the occupational therapist loan program under section 261.46 .....	
	\$ 30,000

Sec. 403. There is appropriated from the general fund of the state to the college aid commission for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the sum of seven hundred twenty-five thousand four hundred ten (725,410) dollars, or so much thereof as may be necessary, to be paid to the college of osteopathic medicine and surgery for the subvention program created pursuant to sections 261.18 and 261.19. Notwithstanding section 261.19, for the fiscal year beginning July 1, 1987, the subvention shall be used for the admission and education of students enrolled in each of the

four years of classes in the college of osteopathic medicine and surgery.

Sec. 404. There is appropriated from the guaranteed student loan reserve fund to the college aid commission for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the following amounts, or so much thereof as may be necessary, to be used for the funding of the following programs for the guaranteed student loan program:

<b>1. OPERATING COSTS</b>	
For operating costs .....	\$ 2,126,304
<b>2. LOAN CONSOLIDATION SERVICES</b>	
For loan consolidation services .....	\$ 375,000

Sec. 405. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1987 and ending June 30, 1988, to the department of education the following amounts, or so much thereof as may be necessary, to be used in the manner designated:

	1987-1988 <u>Fiscal Year</u>
<b>1. GENERAL ADMINISTRATION</b>	
For salaries and support for not more than one hundred twenty-one full-time equivalent positions, maintenance, and miscellaneous purposes .....	
	\$ 5,150,708

It is the intent of the general assembly that the department of education expend, from funds appropriated in this subsection, at least two hundred fifty thousand (250,000) dollars for the administration of the educational excellence program established by law, four hundred thousand (400,000) dollars to be used by the department to provide technical assistance and monetary grants to school districts for developing elementary and secondary school foreign language programs, and one hundred thousand (100,000) dollars to be used to contract with institutions of higher education to provide a summer residence program for gifted and talented

elementary and secondary school students. Of the moneys appropriated for the summer residence program under this subsection, an amount not exceeding twenty-five thousand (25,000) dollars shall be used to support existing law-related education centers for training seminars and workshops in law-related education, summer institutes relating to law-related education methodology and substance, and mock trial competitions for junior and senior high school students.

As a condition of the appropriation made in this subsection, the department of education shall expend at least one hundred fifty thousand (150,000) dollars of the moneys appropriated in this subsection to increase the salaries of individuals employed by the department in consultant positions in order to bring their compensation up to a level that is more competitive with compensation received by individuals employed in other professional positions that have comparable educational requirements.

It is the intent of the general assembly that the department provide assistance to area education agencies and school districts in administering programs for autistic children.

2. VOCATIONAL EDUCATION ADMINISTRATION

For salaries and support for not more than forty-two full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 891,399

It is the intent of the general assembly that an amount up to forty thousand (40,000) dollars, or so much thereof as is necessary, be used for salaries and support for two additional full-time equivalent consultant positions to assist in the implementation and improvement of secondary school vocational agriculture programs.

3. VOCATIONAL EDUCATION AID

For vocational education aid to secondary schools ..... \$ 3,683,061

Funds appropriated by this subsection are to be used for aid to school districts for development and the conduct of both continuing and new vocational programs, services and activities of vocational education through secondary schools, and for aid to existing jointly administered secondary vocational education programs, in accordance with chapter 258 and chapter 280A, and to purchase instructional equipment for vocational and technical courses of instruction in such schools.

4. VOCATIONAL YOUTH ORGANIZATION FUND

To carry out section 258.14 ..... \$ 9,252

5. SCHOOL FOOD SERVICE

For the purpose of providing assistance to students enrolled in public school districts and approved nonpublic schools of the state for breakfasts, lunches and minimal equipment programs with the funds being used as state matching funds for federal programs and which shall be disbursed according to federal regulations, including salaries and support for not more than sixteen full-time equivalent positions ..... \$ 3,173,131

6. TEXTBOOKS OF NONPUBLIC SCHOOL PUPILS

To provide funds for costs of providing textbooks to each resident pupil who attends an approved nonpublic school or authorized by section 301.1. Such funding is limited to ten dollars per

pupil and shall not exceed the comparable services offered to resident public school pupils ..... \$ 350,000

7. PROFESSIONAL TEACHING PRACTICES COMMISSION

For the use of the commission to carry out chapter 272A, including salaries and support for not more than one point forty-six full-time equivalent positions ..... \$ 57,591

8. NON-ENGLISH SPEAKING

To provide funding to public schools and for nonpublic school students attending approved nonpublic schools for special instruction for non-English speaking students as provided in section 280.4 ..... \$ 150,000

9. IOWA ACADEMY OF SCIENCE

For support and maintenance ..... \$ 57,494

10. VOCATIONAL REHABILITATION DIVISION

For salaries and support for not more than three hundred eight point five full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 2,696,461

11. EDUCATIONAL AID TO AMERICAN INDIANS

For educational aid to American Indians under section 256.30 ..... \$ 100,000

12. MERGED AREA XI

For meeting educational needs of the Carroll service area ..... \$ 250,000

13. MERGED AREA SCHOOLS

For general state financial aid to merged areas as defined in section 280A.2 and for vocational education programs in accordance with chapters 258 and 280A, and to purchase instructional equipment for vocational and technical courses of instruction in such schools, the amount of fifty-two million seven hundred seventy-seven thousand three hundred nine (\$2,777,309) dollars to be allocated as follows:

a. Merged Area I .....	\$ 2,436,434
b. Merged Area II .....	\$ 2,952,226
c. Merged Area III .....	\$ 2,831,298
d. Merged Area IV .....	\$ 1,362,535
e. Merged Area V .....	\$ 3,241,957
f. Merged Area VI .....	\$ 3,142,360
g. Merged Area VII .....	\$ 4,214,363
h. Merged Area IX .....	\$ 4,345,039
i. Merged Area X .....	\$ 7,057,496
j. Merged Area XI .....	\$ 6,854,784
k. Merged Area XII .....	\$ 3,099,604
l. Merged Area XIII .....	\$ 3,342,548
m. Merged Area XIV .....	\$ 1,367,270
n. Merged Area XV .....	\$ 4,018,116
o. Merged Area XVI .....	\$ 2,511,279

Sec. 406. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 1988 and ending June 30, 1989, for general state financial aid to merged areas the amount of twenty-two million six hundred eighteen thousand eight hundred forty-five (\$22,618,845) dollars, to be accrued as income and used for expenditures incurred by the area schools during the fiscal year beginning July 1, 1987 and ending June 30, 1988, to be allocated to each area school as follows:

1. Merged Area I .....	\$ 1,044,186
2. Merged Area II .....	\$ 1,265,240
3. Merged Area III .....	\$ 1,213,414
4. Merged Area IV .....	\$ 583,943
5. Merged Area V .....	\$ 1,389,410

6. Merged Area VI .....	\$ 1,346,726
7. Merged Area VII .....	\$ 1,806,155
8. Merged Area IX .....	\$ 1,862,159
9. Merged Area X .....	\$ 3,024,641
10. Merged Area XI .....	\$ 2,937,764
11. Merged Area XII .....	\$ 1,328,402
12. Merged Area XIII .....	\$ 1,432,520
13. Merged Area XIV .....	\$ 585,973
14. Merged Area XV .....	\$ 1,722,050
15. Merged Area XVI .....	\$ 1,076,262

Punds appropriated by this section shall be allocated pursuant to this section and paid on or about August 15, 1988.

Sec. 407. General state aid paid to area schools under section 405, subsection 13, of this Act, for expenditures incurred during the fiscal year beginning July 1, 1987 and ending June 30, 1988, shall be paid by the department of revenue and finance in installments due on or about November 15, February 15, and May 15 of that fiscal year. The payment received by area schools on or about August 15, 1988 under section 406 of this Act is an account receivable for the previous fiscal year. The installments shall be as nearly equal as possible as determined by the department of management, taking into consideration the relative budget and cash position of the state resources.

Sec. 408. There is appropriated from the general fund of the state to the state board of regents for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the following amounts, or so much thereof as may be necessary, for use for the following designated purposes:

1987-1988  
Fiscal Year

1. OFFICE OF STATE BOARD OF REGENTS

a. For salaries and support for not more than eighteen plus sixty-three full-time equivalent

positions, maintenance, equipment, and miscellaneous purposes and for the establishment of a consortium consisting of representatives of Iowa State University, the University of Iowa, and the University of Northern Iowa as equal participants to establish and use a process for the exchange and integration of knowledge among the universities in the fields including but not limited to food production, food processing, food preservation, nutrition, medicine, pharmacy, chemical-free water, clean air, and environmental safety. The consortium shall also establish a means for the integration of knowledge across disciplines in each of the universities. In the establishment of the process for integration and exchange of knowledge for these purposes, the consortium shall also develop a process for disseminating this knowledge to the public for personal and business use by Iowans ..... \$ 483,370

As a condition of the appropriation made in this paragraph, the office of the state board of regents shall direct that copies of the student newspapers of each of the three institutions of higher education be transmitted to the chairpersons and ranking members of the education appropriations subcommittees, to the legislative fiscal bureau, and to the department of management.

b. For allocation by the state board of regents to the State University of Iowa, the Iowa State University of science and technology, and the University of Northern Iowa in amounts as may be necessary to reimburse the institutions for deficiencies in their operating funds resulting from the pledging of tuitions, student fees and charges and institutional income to finance the cost of providing academic and administrative buildings and facilities and utility services at the institutions ..... \$ 16,220,946

2. STATE UNIVERSITY OF IOWA

a. General university, including lakeside laboratory

(1) For salaries and support for not more than four thousand two hundred twenty-one point sixty-eight full-time equivalent positions, maintenance, equipment, and miscellaneous purposes ..... \$130,619,205

It is a condition of the appropriation in this subparagraph that from the moneys appropriated, three hundred seventy-eight thousand (378,000) dollars be expended for salary increases for professional and scientific employees of the institution, one hundred forty-five thousand (145,000) dollars be expended for an emergency supplement for graduate students adversely affected by the federal Tax Reform Act of 1986, and one million seven hundred eighty thousand (1,780,000) dollars be expended for educational quality projects approved by the state board of regents. For the purpose of implementing

educational quality projects, the State University of Iowa may exceed the limitation on full-time equivalent positions included in this subparagraph.

(2) Agriculture health and safety service pilot programs ..... \$ 60,000

The state board of regents shall establish an agricultural health and safety service as part of the college of medicine of the University of Iowa. In order to establish the effectiveness of the service, the state board of regents shall undertake an agricultural health and safety service pilot program for two years. The pilot program will consist of a service to be located at the Oakdale campus at the University of Iowa. The pilot program shall provide medical and engineering services to any person engaged in farming, as defined in section 89B.4, in cooperation with the Iowa department of public health, the department of agriculture and land stewardship, and the Iowa State University of science and technology.

By January 1, 1989, the dean of the college of medicine of the University of Iowa shall report to the Iowa general assembly, the secretary of agriculture, and the director of public health on the effectiveness of the service and shall make recommendations regarding continuation, termination, or expansion of the agricultural health and safety service program. Moneys appropriated in this subparagraph shall be used to establish the pilot program.

b. University hospitals

(1) For salaries and support for not more than four thousand seven hundred eighteen point eighty-three full-time equivalent positions, maintenance, equipment, and miscellaneous purposes; for medical and surgical treatment of indigent patients as provided in chapter 255 ..... \$ 29,629,058

(2) For allocation by the

dean of the college of medicine, with approval of the advisory board, to qualified participants, to carry out chapter 148C for the family practice program, including salaries and support for not more than one hundred seventy-six point eighty-four full-time equivalent positions ..... \$ 1,449,437

(3) For specialized child health care services, including childhood cancer diagnostic and treatment network programs; rural comprehensive care for hemophilia patients; and Iowa high risk infant follow-up program, including salaries and support for not more than twelve point thirty-nine full-time equivalent positions ..... \$ 316,038

c. As a condition of the appropriation made in paragraph "b", subparagraph (1), the county quotas for indigent patients for the fiscal year commencing July 1, 1987 shall not be lower than the county quotas for the fiscal year commencing July 1, 1986. Before a patient is eligible for the indigent patient program, the county general relief director shall first ascertain from the local office of human services if the applicant would qualify for medical assistance or the medically needy program without the spend-down provision under chapter 249A. If the applicant qualifies, then the patient shall be certified for medical assistance and shall not be counted under chapter 255. It is the intent of the general assembly that university hospitals shall not perform heart, liver, pancreas, artificial heart, or heart/lung transplantations on indigent patients referred under chapter 255 unless the patient meets criteria developed by the

national heart, lung and blood institute's special advisory group for heart recipients, or the 1983 national institute of health's consensus conference on liver transplants for liver recipients, or unless the patient meets nationally recognized criteria for pancreas transplantations. The total amount of state funds expended for heart, liver, pancreas, artificial heart, or heart/lung transplantations shall not exceed nine-tenths of one percent of the total state indigent funds received by the university hospitals for the fiscal year beginning July 1, 1987 and ending June 30, 1988.

d. As a condition of the appropriation made in paragraph "b", subparagraph (1), funds appropriated in that subparagraph shall not be allocated to the university hospitals until the superintendent has filed with the department of management and the legislative fiscal bureau a quarterly report containing the account required in section 255.24. The report shall include the information required in section 255.24 for patients by the type of service provided.

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

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

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

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

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

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

f. Psychiatric hospital

For salaries and support for not more than two hundred eighty-seven point twenty-six full-time equivalent positions, maintenance, equipment, and miscellaneous purposes and for the care, treatment and maintenance of committed and voluntary public patients ..... \$ 5,770,862

g. State hygienic laboratory

For salaries and support for not more than one hundred ten point zero four full-time equivalent positions, maintenance, equipment, and miscellaneous purposes ..... \$ 2,375,932

h. Hospital school

For salaries and support for not more than one hundred eighty-five point seventy-three full-time equivalent positions, maintenance, equipment, and miscellaneous purposes ..... \$ 4,317,764

i. Oakdale campus

For salaries and support for not more than eighty-two full-time equivalent positions, maintenance, equipment, and miscellaneous purposes ..... \$ 2,422,797

J. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

a. General university

For salaries and support for not more than three thousand seven hundred seventy-five full-time equivalent positions, maintenance, equipment, and miscellaneous purposes ..... \$107,873,792

It is a condition of the appropriation in this subparagraph that from the moneys appropriated, two hundred fifty-nine thousand (259,000) dollars be expended for salary increases for professional and scientific employees of the institution, eighty-five thousand (85,000) dollars be expended for an emergency supplement for graduate students adversely affected by the federal Tax Reform Act of 1986, and one million seven hundred eighty thousand (1,780,000) dollars be expended for educational quality projects approved by the state board of regents for the general university, agricultural experiment station or the cooperative extension service in agriculture and home economics. For the purpose of implementing educational quality projects, Iowa State University may exceed the limitation on full-time equivalent positions included in this paragraph.

b. Agricultural experiment station

For salaries and support for not more than four hundred thirteen point five full-time equivalent positions, maintenance, equipment, and miscellaneous purposes ..... \$ 12,111,042

c. Cooperative extension service in agriculture and home economics

For salaries and support for not more than four hundred ninety-

six point ninety-eight full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 12,253,345

d. For continuation of the rural concern hotline, including salaries and support for not more than four point five full-time equivalent positions ..... \$ 90,000

e. Fire service education, including salaries and support for not more than eleven full-time equivalent positions ..... \$ 389,846

f. Iowa state water resources research institute  
For research approved by the panel created in 1984 Iowa Acts, chapter 1303, section 20, including salaries and support for not more than two full-time equivalent positions ..... \$ 100,000

4. UNIVERSITY OF NORTHERN IOWA

For salaries and support for not more than one thousand three hundred twenty-four full-time equivalent positions, maintenance, equipment, and miscellaneous purposes ..... \$ 42,418,679

For the purpose of implementing educational quality projects, the University of Northern Iowa may exceed the limitation on full-time equivalent positions included in this subsection.

As a further condition of the appropriation made in this subsection, the state board of regents shall ensure that students at each institution of higher education shall not be discriminated against in having access to a year-round on-campus self-supporting student operated book exchange.

5. STATE SCHOOL FOR THE DEAF

For salaries and support for not more than one hundred thirty-five point three full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 4,669,620

6. IOWA BRAILLE AND SIGHT-SAVING SCHOOL

For salaries and support for not more than ninety-five point thirty-three full-time equivalent positions, maintenance, and miscellaneous purposes ..... \$ 2,632,055

7. The provisions of section 8.33, unnumbered paragraph 2, shall not apply to the funds appropriated in this section. No later than September 15, 1988, the state board of regents shall submit to the department of management and the legislative fiscal bureau a list of all obligations of appropriations made for the fiscal year beginning July 1, 1987 which have been incurred for goods and services that have not been received or rendered as of September 1, 1988.

Sec. 409. There is appropriated from the general fund of the state to the state board of regents for the fiscal year beginning July 1, 1986 and ending June 30, 1987, the sum of two million (2,000,000) dollars, or so much thereof as is necessary, to be used by Iowa State University of science and technology for research for amorphous silicon. As a condition of this appropriation, Iowa State University of science and technology shall negotiate for the first production facility or pilot plant to be located in Iowa resulting from the research and an equitable arrangement for the sharing of the rights to copyrights, patents, licenses or other intellectual property.

Notwithstanding section 8.33, moneys appropriated in this section which remain unobligated and unencumbered on June 30, 1987 shall remain available to Iowa State University for the

purposes specified during the fiscal year beginning July 1, 1987 and ending June 30, 1988.

Sec. 410. Of the appropriations made from the jobs now account of the Iowa plan fund, under section 99E.32, subsection 3, paragraph "c", to the department of cultural affairs for the fiscal year beginning July 1, 1987, fifty thousand dollars shall be provided as a grant to greater Des Moines grand prix, inc. for the 1988 greater Des Moines metropolitan grand prix auto race. If the grand prix auto race is not held in Des Moines during the 1988 calendar year, all moneys provided under this section for the grand prix shall revert to the Iowa plan fund.

Sec. 411. 1986 Iowa Acts, chapter 1246, section 111, subsection 7, is amended to read as follows:

7. There is appropriated from the general fund of the state to a special account in the state treasury to be known as the obstetrical patient care fund, for the fiscal year beginning July 1, 1986, and ending June 30, 1987, one million one hundred thousand (1,100,000) dollars, or so much thereof as is necessary, for the development and operation, commencing October 1, 1986, of a statewide obstetrical patient care program as provided in this section. The department of public health shall be the administrator of the fund.

If moneys appropriated to the obstetrical patient care fund by this section remain unobligated and unencumbered on June 30, 1987, the moneys shall not revert to the general fund of the state ~~but shall be transferred to the indigent patient care fund established pursuant to chapter 255~~ but shall be available for expenditure by the Iowa department of public health for the purposes specified in this section during the fiscal year beginning July 1, 1987. Of the funds available under this section during the fiscal year beginning July 1, 1987 and ending June 30, 1988, three hundred thousand dollars shall be used to supplement moneys appropriated to the Iowa department of public health for salaries and support for the family and community health division and seventy-seven

thousand five hundred sixty dollars shall be used to supplement moneys appropriated to the Iowa department of public health for the mobile and regional child health specialty clinics.

Sec. 412. Notwithstanding section 8.33, unobligated or unencumbered funds appropriated in 1986 Iowa Acts, chapter 1246, section 110, subsection 1, paragraph "b", shall not revert to the general fund of the state on June 30, 1987, but shall be available for expenditure for the purposes listed in section 408, subsection 1, paragraph "b", of this Act during the fiscal year beginning July 1, 1987 and ending June 30, 1988.

Sec. 413. Notwithstanding the appropriation provided in section 261.53, there is appropriated from the general fund of the state to the college aid commission for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the sum of fifty thousand (50,000) dollars, or so much thereof as is necessary, for science and mathematics loans.

Sec. 414. Notwithstanding section 302.1A, the department of revenue and finance shall transfer the interest earned on the permanent school fund to the first in the nation in education foundation in the manner provided in this section. Prior to July 1, 1987, October 1, 1987, January 1, 1988, and March 1, 1988, the governing board of the first in the nation in education foundation established in section 257A.2 shall certify to the department of management the total amount of the endowment in the first in the nation in education foundation fund. The portion of the permanent school fund that is equal to the total amount of the endowment is dedicated to the first in the nation in education foundation for that quarter. The interest from this dedicated amount shall be transferred to the credit of the first in the nation in education foundation. The remaining portion of the interest earned on the permanent school fund shall become a part of the permanent school fund.

Sec. 415. Notwithstanding the appropriation provided in section 261.25, subsection 3, there is appropriated from the general fund of the state to the college aid commission for the fiscal year beginning July 1, 1987 and ending June 30, 1988, the sum of six hundred forty-six thousand five hundred eighty-two (646,582) dollars, or so much thereof as is necessary, for vocational-technical grants.

Sec. 416. Notwithstanding the appropriation of moneys for state school foundation aid made in section 442.26, payments to a school district for the fiscal year beginning July 1, 1987 will begin when the school district has met the requirements of 1986 Iowa Acts, chapter 1226, section 15.

Sec. 417. The director of the department of education shall review the number and type of consultant positions that can be funded with moneys appropriated under section 405, subsections 1 and 2, of this Act, and report to the general assembly by January 15, 1988 if additional consultant positions are needed and the costs associated with their employment.

Sec. 418. The department of education shall review the actions of the college aid commission and the council for postsecondary education as they relate to the establishment and operation of the summer institute program established in section 99E.31, subsection 4, paragraph "b" and shall recommend to the college aid commission and the council for postsecondary education programs to be funded. A summer institute program shall consist of an intensive immersion of at least eight weeks duration in the subject area of the program. In determining programs to be funded, preference shall be given to programs that will allow teachers to gain endorsements in other subject areas, or to add to their endorsements in subject areas, that the department of education has determined are areas in which a shortage of teachers currently exists or is predicted to occur. From the moneys appropriated for the fiscal year beginning July 1, 1987 and ending June 30, 1988, under section 99E.32, thirty-five thousand (35,000) dollars

shall be expended for a program to assist teachers both as instructors of classes that are offered by means of telecommunications and as monitors of classes offered by means of telecommunications.

Sec. 419. The department of cultural affairs, in cooperation with the department of economic development, shall develop a tourism program that provides for promotion of Iowa cultural, artistic, and humanitarian activities and the locations where these activities take place. A report on the implementation of the program shall be transmitted to the chairpersons and ranking members of the joint education appropriations subcommittee not later than January 1, 1988.

Sec. 420. The state historical society, historical division of the department of cultural affairs, may sell all or a portion of lot 6, in block 45, in Iowa City, Iowa, and the proceeds from the sale are appropriated to the historical division of the department of cultural affairs.

*Veterans*  
Sec. 421. It is the intent of the general assembly that the seven regional library boards, in performing their respective duties required by law, shall conform their activities to the mission, goals, and objectives and collect information pertaining to performance measures developed by the legislative fiscal bureau. The seven regional library boards shall provide a report at least quarterly to the legislative fiscal bureau and the co-chairpersons and ranking members of the education appropriations subcommittee on the performance measures. The seven regional library boards shall be notified by the legislative fiscal bureau by July 1, 1987 of the specific performance measures for which data shall be collected and reported.

The regional library system exists for the purpose of providing supporting services to libraries and to encourage local financial support for library services to accomplish the following objectives:

1. Provide consultation and educational programs for library staff and trustees concerning facets of library

management and operation to be indicated by the number of phone contacts, the number of individual contacts at meetings, the number of libraries visited, the number of visits made, the number of local library, county library, and other meetings attended, the number and type of workshops, continuing education, and special presentations made, and the percentage of work time spent consulting with libraries and trustees on the topics of library administration, public services, technical services, computer automation, facilities, and intellectual freedom.

2. Provide interlibrary loan and information services intraregionally, but which are capable of being linked interregionally, according to the standards developed by the state library commission to be indicated by the total number of intraregional books loaned, the total number of interregional books loaned, the total number of requests, filled and unfilled, the total number of photocopies provided, the total number of audio-visual items loaned, the total number of photocopies received, the total number of bulk loans, and the total number of reference questions received.

3. Require, as a condition to receiving services, that a governmental subdivision assure maintenance of local effort to support the operating expenses of a local library.

4. Require, as a condition for receiving services under section 303B.6, that a governmental subdivision maintain any tax levy for library maintenance purposes that is in effect on July 1, 1973.

Sec. 422. It is the intent of the general assembly that the college aid commission shall study the feasibility of implementing a program that combines the state scholarship program and the supplemental grant program and provides for both need-based and nonneed-based awards. A report of the commission's conclusions and recommendations for the fiscal year beginning July 1, 1988 shall be transmitted to the joint education appropriations subcommittee not later than November 1, 1987.

Sec. 423. If any school district has utilized funds available under section 281.9 for services authorized under section 273.5, that district is eligible to apply to the department of education for an amount not to exceed fifty thousand dollars in order to continue to provide those services for the fiscal year beginning July 1, 1987 and ending June 30, 1988.

Sec. 424. The legislative fiscal bureau shall study options for providing guaranteed student loan services to eligible borrowers and make recommendations to the education appropriations subcommittee chairpersons and ranking members not later than November 1, 1987.

Sec. 425. Nothing in this Act is intended by the general assembly to be the provision of a fair and equitable funding formula specified in 1985 Iowa Acts, chapter 249, section 9. Nothing in this Act shall be construed, is intended, or shall imply a claim of entitlement to any programs or services specified in section 225C.28.

Sec. 426. 1986 Iowa Acts, chapter 1246, section 2, unnumbered paragraph 1, is amended to read as follows:

There is appropriated from the general fund of the state to the department of cultural affairs for the historical division for the fiscal period beginning July 1, 1986 and ending June 30, 1988 the sum of one hundred twenty-five thousand (125,000) dollars, or so much thereof as is necessary, to acquire by negotiated sale part of the land encompassing the Blood Run national historic landmark in Lyon county, Iowa. This appropriation shall be matched by revenue from other sources.

Sec. 427. Section 135B.31, Code 1987, is amended to read as follows:

135B.31 EXCEPTIONS.

Nothing in this division is intended or should affect in any way that obligation of public hospitals under chapter 347 or municipal hospitals, as well as the state hospital at Iowa City, to provide medical treatment or obstetrical and newborn care for indigent persons under chapter 255 or 255A, wherein

medical treatment is provided by hospitals of that category to patients of certain entitlement, nor to the operation by the state of mental or other hospitals authorized by law. Nothing herein shall in any way affect or limit the practice of dentistry or the practice of oral surgery by a dentist.

Sec. 428. Section 144.13A, Code 1987, is amended to read as follows:

144.13A REGISTRATION FEE.

The local registrar and state registrar shall charge the parent a ten dollar fee for the registration of a certificate of birth. If the person responsible for the filing of the certificate of birth under section 144.13 is not the parent, the person shall collect the fee from the parent. The fee shall be remitted to the appropriate registrar. If the expenses of the birth are reimbursed under the medical assistance program established by chapter 249A or paid for under the statewide indigent patient care program established by chapter 255, or paid for under the obstetrical and newborn indigent patient care program established by chapter 255A, or if the parent is indigent and unable to pay the expenses of the birth and no other means of payment is available to the parent, the registration fee is waived. If the person responsible for the filing of the certificate is not the parent, the person is discharged from the duty to collect and remit the fee under this section if the person has made a good faith effort to collect the fee from the parent. The fees collected by the local registrar and state registrar shall be remitted to the treasurer of state for deposit in the general fund of the state. It is the intent of the general assembly that the funds generated from the registration fees be appropriated and used for primary and secondary child abuse prevention programs.

Sec. 429. Section 155.37, subsection 1, paragraph b, Code 1987, is amended to read as follows:

b. If the cost of the prescription or any part of it will be paid by expenditure of public funds authorized under

chapter 239, 249, 249A, 252, 253, or 255, or 255A, the pharmacist shall exercise professional judgment by selecting a drug product of the same generic name and demonstrated bioavailability but of a lesser cost than the one prescribed for dispensing and sale to the person unless the physician, dentist, or podiatrist specifically states that only that designated brand or trade name drug product is to be dispensed. However, a pharmacy to which the prescription is presented or communicated is not required to substitute a drug product of the same generic name and demonstrated bioavailability but of lesser cost unless the pharmacy has in stock one or more such drug products.

Sec. 430. NEW SECTION. 234A.1 ADOLESCENT TASK FORCE.

1. A task force on adolescents is established. The task force is composed of the following voting members:

- a. The lieutenant governor or the lieutenant governor's designee.
- b. One member of the senate appointed by the majority leader of the senate and one member of the senate appointed by the minority leader of the senate.
- c. One member of the house of representatives appointed by the speaker of the house and one member of the house of representatives appointed by the minority leader of the house.
- d. Four state government employees, appointed by the legislative council, one from each of the following departments: the department of education, the department of human rights, the department of human services, and the Iowa department of public health.
- e. Two public members appointed by the governor.
- f. Six to twelve public members, with one or two from each of the following seven categories, appointed by the legislative council, with expertise in the area of adolescent pregnancy prevention or the provision of services to pregnant adolescents or adolescent parents:
  - (1) Health care professionals.
  - (2) Psychologists or social workers.

- (3) Family planning service workers.
- (4) Appropriate public school professional staff.
- (5) Service providers for adolescents.
- (6) Job training and counseling workers.
- (7) Adolescent parents or adolescent peer counselors.

2. The legislative council shall designate a chairperson or co-chairpersons. The task force shall meet at the call of the chairperson or co-chairpersons or ten task force members. The public members appointed by the legislative council and the governor shall be paid their actual and necessary expenses pursuant to section 2.12. The lieutenant governor shall be reimbursed and compensated as provided in section 2.10, and the legislative members shall be reimbursed and compensated as provided in section 2.44.

3. The task force shall:

- a. Analyze problems confronting adolescents in this state and assess the symptoms of those problems, including but not limited to a review of problems relating to adolescent pregnancy, substance abuse, and suicide prevention.
- b. Investigate and promote the development of viable family units and adolescent self-worth and self-esteem.
- c. Assess the need for adolescent pregnancy prevention and services programs in Iowa.
- d. Inventory existing programs and services relating to adolescent pregnancy prevention and services.
- e. Investigate alternative funding sources relating to adolescent pregnancy prevention and services.
- f. Investigate existing and needed maternity care health benefit coverages for pregnant adolescents.
- g. Make legislative recommendations to the legislative council and issue a final report to the general assembly by January 1, 1988 regarding adolescent pregnancy prevention and services.

4. The legislative council shall authorize the legislative service bureau and the legislative fiscal bureau to provide assistance to the task force, and may authorize the use of

funds available to the legislative council to pay the expenses of the task force.

5. As used in this section, "adolescent" means a person under eighteen years of age or a person in attendance at an accredited school pursuing a course of study leading to a high school diploma, or its equivalent.

Sec. 431. PREGNANCY PREVENTION AND SERVICES GRANTS.

The commissioner of human services, the director of the department of education, the director of the department of human rights, and the director of public health, or their designees, shall jointly designate and award, and the department of human services shall administer grants, which may be awarded to public school corporations, adolescent service providers, and nonprofit organizations involved in adolescent issues for two-year pilot projects targeted toward those areas of the state with the highest incidence of adolescent pregnancy, from one or more of the following programmatic areas:

1. Pregnancy prevention programs for adolescents and workshops for parents of adolescents to improve parent-child communications regarding human sexuality.
2. Communications media campaigns to discourage adolescent sexual activity and to encourage the assumption of responsibility by adolescents, both male and female, for their sexual activity and for parenting.
3. Residential facilities for pregnant adolescents and adolescent parents in need of shelter.
4. Early pregnancy detection for adolescents and prenatal services and adoption counseling for pregnant adolescents.
5. Child care and case management services provided to adolescent parents, both male and female, for a predetermined fee under purchase-of-service contracts, which include child care services, instruction in child development and parenting skills, support services for completion of school and for job training and placement, and other personal services.

6. Teacher training, including transportation costs and workshop, conference, and course work expenses, designed to improve the teaching of components of the human growth and development curricula in grades kindergarten through twelve. A preference shall be given for the funding of teacher training grant projects which would qualify participating teachers for continuing education unit credits.

7. Pregnancy prevention programs which teach and encourage teen sexual abstinence.

As used in this section, "adolescent" means a person under eighteen years of age or a person in attendance at an accredited school pursuing a course of study leading to a high school diploma, or its equivalent. Pilot projects providing services to an adolescent under eighteen years of age may continue to provide the services beyond the adolescent's eighteenth birthday in accordance with guidelines adopted by the four state administrators authorized to award grants under this section. Pilot projects shall not use funds appropriated from the general fund of this state for the purpose of providing abortion services which are not medically necessary as defined under the medical assistance program administered pursuant to chapter 249A or for the purpose of dispensing or providing birth control items on property owned or controlled by a public school corporation.

Sec. 432. Section 255.16, Code 1987, is amended to read as follows:

255.16 COUNTY QUOTAS.

Subject to subsequent qualifications in this section, there shall be treated at the university hospital during each fiscal year a number of committed indigent patients from each county which shall bear the same relation to the total number of committed indigent patients admitted during the year as the population of such county shall bear to the total population of the state according to the last preceding official census. This standard shall apply to indigent patients, the expenses of whose commitment, transportation, care and treatment shall

be borne by appropriated funds and shall not govern the admission of either obstetrical patients under chapter 255A or obstetrical or orthopedic patients under this chapter in accordance with eligibility standards pursuant to section 255A.5. If the number of patients admitted from any county shall exceed by more than ten percent the county quota as fixed and ascertained under the first sentence of this section, the charges and expenses of the care and treatment of such patients in excess of ten percent of the quota shall be paid from the funds of such county at actual cost; but if the number of excess patients from any county shall not exceed ten percent, all costs, expenses, and charges incurred in their behalf shall be paid from the appropriation for the support of the hospital.

Sec. 433. Section 255.19, unnumbered paragraph 2, Code 1987, is amended to read as follows:

All of the provisions of this chapter except as to commitment of patients shall apply to such patients. The university hospital authorities shall collect from the person or persons liable for the support of such patients reasonable charges for hospital care and service and deposit the same with the treasurer of the university for the use and benefit of the university hospital except as specified for obstetrical patients pursuant to section 255A.9. Earnings of the hospital whether from private patients, cost patients, or indigents shall be administered so as to increase as much as possible, the service available for indigents, including the acquisition, construction, reconstruction, completion, equipment, improvement, repair, and remodeling of medical buildings and facilities and additions thereto and the payment of principal and interest on bonds issued to finance the cost thereof as authorized by the provisions of chapter 263A. The physicians and surgeons on the hospital staff who care for patients provided for in this section may charge for their medical services under such rules, regulations and plan therefor as approved by the state board of regents.

Sec. 434. Section 255.26, unnumbered paragraph 1, Code 1987, is amended to read as follows:

Warrants issued under section 255.25 shall be promptly drawn on the treasurer of state and forwarded by the director of revenue and finance to the treasurer of the state university, and the same shall be by the treasurer of the state university placed to the credit of the funds which are set aside for the support of said hospital. However, warrants shall not be paid unless the UB-82 claim required pursuant to section 255A.13 has been filed with the Iowa health data commission. The superintendent of the said university hospital shall certify to the auditor of state on the first day of January, April, July and October of each year, the amount as herein provided not previously certified by the superintendent due the state from the several counties having patients chargeable thereto, and the auditor of state shall thereupon charge the same to the county so owing. A duplicate certificate shall also be mailed to the auditor of each county having patients chargeable thereto. Expenses for obstetrical patients served under section 255A.9 shall be reimbursed as specified in section 255A.9.

Sec. 435. NEW SECTION. 255A.1 STATE POLICY.

It is the policy of the state to provide obstetrical and newborn care to medically indigent individuals in this state, at the appropriate and necessary level, at a licensed hospital or health care facility closest and most available to the residence of the indigent individual.

Sec. 436. NEW SECTION. 255A.2 OBSTETRICAL AND NEWBORN INDIGENT PATIENT CARE PROGRAM.

A statewide obstetrical and newborn indigent patient care program is established for the purpose of providing obstetrical and newborn care to medically indigent residents of this state. Appropriations by the general assembly for this chapter shall be allocated for the obstetrical and newborn patient care fund within the Iowa department of public health and shall be utilized for the obstetrical and newborn

indigent patient care program as specified in this chapter. Indigent patients in need of such care residing in the counties of Cedar, Clinton, Iowa, Johnson, Keokuk, Louisa, Muscatine, Scott, and Washington shall be provided the care at the university hospitals under the nonquota obstetrical program under chapter 255.

Sec. 437. NEW SECTION. 255A.3 ADMINISTRATION OF PROGRAM.

The Iowa department of public health shall administer the statewide obstetrical and newborn indigent patient care program. The department shall adopt administrative rules to implement the program pursuant to chapter 17A. Administrative costs of the department shall not exceed three percent of the annual funds appropriated for the obstetrical and newborn patient care fund.

Sec. 438. NEW SECTION. 255A.4 PATIENT QUOTA FORMULA.

The Iowa department of public health shall establish a patient quota formula for determining the maximum number of obstetrical and newborn patients eligible for the program from each county. The formula shall be based upon the annual appropriation for the program, the average number of live births in each county during the most recent three-year period for which statistics are available, and the per capita income for each county during the most recent one-year period for which statistics are available. In accordance with this formula the department shall allocate a patient quota to each county at the beginning of each fiscal year. The department shall provide for the reassignment of an unused county quota allotment on April 1 of each year. The reassignment shall be taken only from a county which has an unused quota allotment for the portion of the fiscal year ending March 31. A county may utilize its quota allotment for a patient determined to be eligible before the end of the fiscal year but scheduled to need care after the end of the fiscal year. The reassignment of an unused county allotment shall be made to other counties on the basis of rules adopted by the department pursuant to chapter 17A.

A woman who resides in a county which exceeds the patient quota allocated for the county, and who has been deemed eligible under section 255A.5, shall be served at the University of Iowa hospitals and clinics pursuant to section 255.16.

Sec. 439. NEW SECTION. 255A.5 MINIMUM ELIGIBILITY STANDARDS.

The Iowa department of public health, in collaboration with the department of human services and in consultation with the Iowa state association of counties, shall adopt rules, pursuant to chapter 17A, establishing minimum standards for eligibility for obstetrical and newborn care, including physician examination, medical testing, ambulance services, and inpatient transportation costs, for indigent obstetrical and newborn care provided by the University of Iowa hospitals and clinics and by other licensed hospitals and physicians. The minimum standards for eligibility shall provide eligibility for persons with incomes at or below one hundred fifty percent of the annual revision of the poverty income guidelines published by the United States department of health and human services, and shall provide, but shall not be limited to providing, eligibility for uninsured and underinsured persons financially unable to pay for necessary obstetrical and newborn care and orthopedic care. The minimum standards may include a spend-down provision. The resource standards shall be set at or above the resource standards under the federal supplemental security income program. The resource exclusions allowed under the federal supplemental security income program shall be allowed and shall include resources necessary for self-employment.

Sec. 440. NEW SECTION. 255A.6 APPLICATION AND CERTIFICATION FOR CARE.

A person desiring obstetrical and newborn care, the cost of which is payable from the obstetrical and newborn patient care fund, or the parent or guardian of a minor desiring or in need of such care, may apply to the director of a maternal health

center, operated by the Iowa department of public health, to have the cost of such care paid from the fund. In counties not served by such a center, the department shall contract with another agency, institution or organization to receive and process applications for care. The director of the center shall first ascertain from the local office of the department of human services if the applicant would be eligible for medical assistance or for assistance under the medically needy program without any spend-down requirement, pursuant to chapter 249A. If the applicant is eligible for assistance pursuant to chapter 249A, or if the applicant is eligible for maternal and child health care services covered by a maternal and child health program, the obstetrical patient care program shall not provide such assistance, care, or covered services provided under other programs. The Iowa department of public health, with the department of human services, shall jointly develop a standardized application form and shall coordinate the determination of eligibility for medical assistance and the obstetrical patient care program. In counties in which the maternal and child health clinic processes the application, the clinic shall notify the county relief office of the application process.

Sec. 441. NEW SECTION. 255A.7 FREEDOM OF CHOICE OF PROVIDER.

A person certified for obstetrical and newborn care under this chapter may choose to receive the appropriate level of care at the University of Iowa hospitals and clinics or any other licensed hospital or health care facility.

Sec. 442. NEW SECTION. 255A.8 REIMBURSABLE COSTS OF CARE.

The obstetrical and newborn care costs of a person certified for such care under this chapter at a licensed hospital or health care facility or from licensed physicians shall be paid by the Iowa department of public health from the obstetrical and newborn patient care fund. However, a physician who provides obstetrical or newborn care at the

University of Iowa hospitals and clinics to a person certified for care under this chapter is not entitled to receive any compensation for the provision of such care in accordance with section 255.23.

Sec. 443. NEW SECTION. 255A.9 ALLOWABLE REIMBURSEMENTS.

All providers of services to obstetrical and newborn patients under this chapter shall agree to accept as full payment the reimbursements allowable under the medical assistance program established pursuant to chapter 249A, adjusted for intensity of care. However, the total reimbursement from the obstetrical and newborn patient care fund to providers of services for residents of a county is limited to that county's obstetrical and newborn patient quota multiplied by the medical assistance program's average reimbursement for obstetrical and newborn care for the most recent fiscal year except as otherwise provided in this section. The Iowa department of public health shall reserve ten percent of the fund annually for payment of the costs of care of a patient certified for care under this chapter in excess of the medical assistance program's average reimbursements if the nature and extent of the care justifies such additional reimbursement. The department shall adopt rules pursuant to chapter 17A, establishing the requirements for such additional reimbursement.

Sec. 444. NEW SECTION. 255A.10 PROCEDURES FOR PAYMENT.

The Iowa department of public health shall establish procedures for payment for providers of services to obstetrical and newborn patients under this chapter from the obstetrical and newborn patient care fund. All billings from such providers shall be submitted directly to the department. However, payment shall not be made unless the application and certification for care pursuant to section 255A.5 is performed.

Sec. 445. NEW SECTION. 255A.11 COUNTY RESPONSIBILITY FOR COSTS OF CARE.

A county shall not be held responsible for the costs of providing obstetrical and newborn care, including physician examination, medical testing, ambulance services, and transportation costs, to pregnant women and their newborn infants who meet the eligibility requirements adopted by the Iowa department of public health.

Sec. 446. NEW SECTION. 255A.12 REVERSION OR TRANSFER OF MONEYS IN THE OBSTETRICAL AND NEWBORN PATIENT CARE FUND.

Moneys encumbered prior to June 30 of a fiscal year for a certified eligible pregnant woman scheduled to deliver in the next fiscal year shall not revert from the obstetrical and newborn patient care fund to the general fund of the state. Moneys allocated to the obstetrical and newborn patient care fund shall not be transferred nor voluntarily reverted from the fund within a given fiscal year.

Sec. 447. NEW SECTION. 255A.13 DATA COLLECTION.

Beginning July 1, 1987, the University of Iowa hospitals and clinics shall submit, on a quarterly basis, UB-82 claims for all patients discharged after being served under the indigent patient program under chapter 255. The UB-82 claim shall include all data elements which are required by the Iowa health data commission.

Sec. 448. NEW SECTION. 279.50 HUMAN GROWTH AND DEVELOPMENT INSTRUCTION.

1. Each board of directors of a public school corporation shall appoint an advisory committee composed of at least one person from each of the following groups: parents, teachers, school administrators, school board directors, pupils, health care professionals, members of the clergy, and other residents of the school district. The advisory committee shall study the provision of instruction to pupils in grades kindergarten through twelve appropriate to the pupils' grade level, age, and level of maturity, in topics related to human growth and development in order to promote accurate and comprehensive knowledge in this area, to foster responsible decision making, based on cause and effect, and to support and enhance the ef-

forts of parents to provide moral guidance to their children. The advisory committee in its study shall address and make recommendations on the inclusion or exclusion of each of the following topics of instruction:

- a. Self-esteem, responsible decision making, and personal responsibility and goal setting.
- b. Interpersonal relationships.
- c. Discouragement of adolescent sexual activity.
- d. Family life and parenting skills.
- e. Human sexuality, reproduction, contraception and family planning, prenatal development, childbirth, adoption, available prenatal and postnatal support, and male and female responsibility.
- f. Sex stereotypes.
- g. Protective behaviors to prevent sexual abuse or sexual harassment.
- h. Sexually transmitted diseases, including acquired immune deficiency syndrome, and their causes and prevention.

2. The advisory committee shall make its recommendations regarding the implementation of human growth and development instruction for pupils in the school district, including the inclusion or exclusion of the instructional topics in subsection 1, paragraphs "a" through "h", to the school board at least every three years and shall file a written report with the state department of education indicating the date and contents of the advisory committee's recommendations to the school board.

3. The school board may designate the advisory committee appointed pursuant to section 280.12, subsection 2, as the advisory committee to perform the duties required by this section, provided the advisory committee appointed under section 280.12, subsection 2 meets the advisory committee composition requirements in subsection 1.

4. Each school board shall provide an instructional program in human growth and development in grades kindergarten through twelve. Each school board shall annually provide to a

parent or guardian of any pupil enrolled in the school district, an outline of the human growth and development curriculum used in the pupil's grade level and information regarding the procedure for inspection of the complete curriculum and instructional materials, including inspection prior to their use in the classroom. A pupil shall not be required to take instruction in human growth and development or in the specific topics under subsection 1, paragraphs "a" through "h", if the pupil's parent or guardian files with the pupil's teacher or principal a written request that the pupil be excused from the instruction.

Each school board or merged area school which offers general adult education classes or courses shall periodically offer an evening instructional program in human growth and development for parents, guardians, prospective biological and adoptive parents, and foster parents.

5. The state department of education shall make available model human growth and development curricula for grades kindergarten through twelve which shall include the instructional topics in subsection 1, paragraphs "a" through "h". The department of education shall distribute the model curricula to each school board and to each advisory committee appointed pursuant to subsection 1, and shall provide technical assistance to school boards and advisory committees in the use or adaptation of the curricula.

Sec. 449. Section 256.7, Code 1987, is amended by adding the following new subsection:

NEW SUBSECTION. 8. Adopt rules pursuant to chapter 17A relating to educational programs and budget limitations for educational programs pursuant to sections 282.28, 282.29, 282.30, and 282.31. The rules adopted pursuant to this subsection shall be written by June 30, 1987.

Sec. 450. NEW SECTION. 256.10A DUTIES OF CONSULTANTS.

Consultants employed by the director and paid from the fund created by section 8.41 from moneys received from Pub. L. No. 97-35, Title V, subtitle D, chapter 2, shall assist those

employees designated by the department as school improvement specialists in helping school districts to participate in school improvement activities identified as a result of the accreditation process conducted pursuant to section 256.11. The department shall assign consultants to assist school districts that the department determines are most in need of participation in school improvement activities.

For the purpose of this section, "school improvement specialist" means a consultant employed by the department who is responsible for the accreditation of school districts under section 256.11.

Sec. 451. Section 256.11, subsections 10, 11, and 12, Code 1987, are amended by striking the subsections and inserting in lieu thereof the following:

10. The state board shall establish an accreditation process for school districts and nonpublic schools seeking accreditation pursuant to this subsection and subsections 11 and 12. As required in section 256.17, by July 1, 1989, all school districts shall meet standards for accreditation. For the school year commencing July 1, 1989 and school years thereafter, the department of education shall use a two-phase process for the continued accreditation of schools and school districts.

Phase I consists of annual monitoring by the department of education of all accredited schools and school districts for compliance with accreditation standards adopted by the state board of education as provided by section 256.17. The phase I monitoring requires that accredited school districts and schools annually complete accreditation compliance forms adopted by the state board and file them with the department of education. In addition, employees of the department of education shall complete at least one onsite visit each year to each accredited school and school district to review the educational programs and the information included in the compliance forms.

Phase II requires the use of an accreditation committee, appointed by the director of the department of education, to conduct an onsite visit to an accredited school or school district if any of the following conditions exist:

a. When the annual monitoring of phase I indicates that a school or school district may be deficient or fails to be in compliance with accreditation standards.

b. In response to a petition filed with the director requesting such a committee visitation that is signed by twenty percent or more of the registered voters of a school district.

c. In response to a petition filed with the director requesting such a committee visitation that is signed by twenty percent or more of the parents or guardians who have children enrolled in the school or school district.

d. At the direction of the state board of education.

The number and composition of the membership of an accreditation committee shall be determined by the director and may vary due to the specific nature or reason for the visit. In all situations, however, the chairperson and a majority of the committee membership shall be from the instructional and administrative program specialty staff of the department of education. Other members may include instructional and administrative staff from school districts, area education agencies, institutions of higher education, local board members and the general public. An accreditation committee visit to a nonpublic school requires membership on the committee from nonpublic school instructional or administrative staff or board members. A member of a committee shall not have a direct interest in the nonpublic school or school district being visited.

Rules adopted by the state board may include provisions for coordination of the accreditation process under this section with activities of accreditation associations.

Prior to a visit to a school district or nonpublic school, members of the accreditation committee shall have access to

all annual accreditation report information filed with the department by that nonpublic school or school district.

After visiting the school district or nonpublic school, the accreditation committee shall determine whether the accreditation standards have been met and shall make a report to the director, together with a recommendation whether the school district or nonpublic school shall remain accredited. The accreditation committee shall report strengths and weaknesses, if any, for each standard and shall advise the school or school district of available resources and technical assistance to further enhance strengths and improve areas of weakness. A school district or nonpublic school may respond to the accreditation committee's report.

11. The director shall review the accreditation committee's report, and the response of the school district or nonpublic school, and provide a report and recommendation to the state board along with copies of the accreditation committee's report, the response to the report, and other pertinent information. The state board shall determine whether the school district or nonpublic school shall remain accredited. If the state board determines that a school district or nonpublic school should not remain accredited, the director, in cooperation with the board of directors of the school district, or authorities in charge of the nonpublic school, shall establish a plan prescribing the procedures that must be taken to correct deficiencies in meeting the standards, and shall establish a deadline date for completion of the procedures. The plan is subject to approval of the state board.

12. During the period of time specified in the plan for its implementation by a school district or nonpublic school, the school or school district remains accredited. The accreditation committee shall revisit the school district or nonpublic school and shall determine whether the deficiencies in the standards have been corrected and shall make a report and recommendation to the director and the state board. The

state board shall review the report and recommendation, may request additional information, and shall determine whether the deficiencies have been corrected. If the deficiencies have not been corrected, the state board shall merge the territory of the school district with one or more contiguous school districts. Division of assets and liabilities of the school district shall be as provided in sections 275.29 through 275.31. Until the merger is completed, the school district shall pay tuition for its resident students to an accredited school district under section 282.24.

Sec. 452. NEW SECTION. 256.20 APPROPRIATION FOR SALARIES FOR AREA SCHOOL EMPLOYEES.

1. There is appropriated from the general fund of the state to the department for each fiscal year the sum of three million two hundred fifty thousand (3,250,000) dollars to be allocated to the merged area schools for pay adjustments for full-time nonadministrative employees in addition to any agreement negotiated under chapter 20 or other salary adjustments or agreements. The allocation shall be distributed to merged area schools as follows:

a. Merged Area I .....	\$	124,850
b. Merged Area II .....	\$	159,548
c. Merged Area III .....	\$	118,658
d. Merged Area IV .....	\$	44,496
e. Merged Area V .....	\$	372,808
f. Merged Area VI .....	\$	131,372
g. Merged Area VII .....	\$	152,560
h. Merged Area IX .....	\$	171,630
i. Merged Area X .....	\$	258,505
j. Merged Area XI .....	\$	897,675
k. Merged Area XII .....	\$	105,944
l. Merged Area XIII .....	\$	436,499
n. Merged Area XIV .....	\$	50,853
o. Merged Area XV .....	\$	125,015
o. Merged Area XVI .....	\$	99,587

2. Moneys appropriated in subsection 1 for a pay adjustment shall be added to the salary of a full-time nonadministrative employee and shall supplement, not supplant, the results of a collective bargaining agreement negotiated under chapter 20, if any. The amount of a pay adjustment is for the adjustment of base pay only.

In addition, this subsection applies to pay adjustments funded by moneys appropriated in 1985 Iowa Acts, chapter 254, section 2, subsection 1, for the fiscal year beginning July 1, 1986.

Sec. 453. NEW SECTION. 256.30 EDUCATIONAL EXPENSES FOR AMERICAN INDIANS.

The department of education shall provide moneys to pay the expense of educating American Indian children residing in the Sac and Fox Indian settlement on land held in trust by the secretary of the interior of the United States in excess of federal moneys paid to the tribal council for educating the American Indian children when moneys are appropriated for that purpose. The tribal council shall administer the moneys distributed to it by the department and shall submit an annual report and other reports as required by the department to the department on the expenditure of the moneys.

The tribal council shall first use moneys distributed to it by the department of education for the purposes of this section to pay the additional costs of salaries for certificated instructional staff for educational attainment and full-time equivalent years of experience to equal the salaries listed on the proposed salary schedule for the school at the Sac and Fox Indian settlement for the school year beginning July 1, 1987 as that salary schedule existed on May 1, 1987, but the salary for a certificated instructional staff member employed on a full-time basis shall not be less than eighteen thousand dollars. The department of management shall approve allotments of moneys appropriated in this section when the department of education certifies to the department of management that the requirements of this section have been met.

Sec. 454. Section 261.2, Code 1987, is amended by adding the following new subsection:

NEW SUBSECTION. 10. Prepare and administer the occupational therapists loan program under this chapter.

Sec. 455. Section 261.9, subsection 5, Code 1987, is amended by adding the following new paragraph:

NEW PARAGRAPH. e. Which was eligible to participate in the tuition grant program during the school year beginning July 1, 1986 under section 261.9, subsection 5, paragraph "c", Code 1987, and will continue to be eligible during the school year beginning July 1, 1987, and which is making satisfactory progress to achieve accreditation from the North Central Association of Colleges and Secondary Schools accrediting agency, and the institution meets the thirteen general institutional requirements of the North Central Association of Colleges and Secondary Schools accrediting agency by July 1, 1988 and meets the requirements for candidacy status of the North Central Association of Colleges and Secondary Schools accrediting agency by July 1, 1989, and attains full accreditation under a time period established by the North Central Association.

Sec. 456. Section 261.17, subsections 1 and 4, Code 1987, are amended to read as follows:

1. A vocational-technical tuition grant may be awarded to any resident of Iowa who is admitted and in attendance as a full-time student in a vocational-technical or career option program at an area school in the state, and who establishes financial need.

4. A vocational-technical tuition grant shall be awarded on an annual basis, requiring reapplication by the student for each year. Payments under the grant shall be allocated equally among the semesters or quarters of the year upon certification by the institution that the student is in full-time attendance in a vocational-technical or career option program, as defined under rules of the department of education. If the student discontinues attendance before the

end of any term after receiving payment of the grant, the entire amount of any refund due that student, up to the amount of any payments made under the annual grant, shall be paid by the institution to the state.

Sec. 457. Section 261.18, Code 1987, is amended by adding the following new subsection:

NEW SUBSECTION. 3. Of the funds appropriated for the subvention program, the commission shall provide three thousand dollars of subvention to the college of osteopathic medicine and surgery for each Iowa student, to be credited against the tuition charged for the Iowa student by the college of osteopathic medicine and surgery, and the remaining funds shall be allocated to the college of osteopathic medicine and surgery.

Sec. 458. Section 261.25, subsections 1 and 2, Code 1987, are amended to read as follows:

1. There is appropriated from the general fund of the state to the commission for each fiscal year the sum of twenty-four million ~~six~~ three hundred nineteen thousand eighty-four dollars for tuition grants.

2. There is appropriated from the general fund of the state to the commission for each fiscal year the sum of three hundred fifty thousand dollars for scholarships.

Sec. 459. Section 261.37, subsection 8, Code 1987, is amended to read as follows:

8. To develop and disseminate informational and educational materials to lenders, postsecondary institutions and borrowers. The commission shall provide applicants, as deemed necessary by the commission, with information about the past default rate of borrowers by postsecondary institutions.

Sec. 460. Section 261.45, unnumbered paragraph 3, Code 1987, is amended to read as follows:

There is appropriated from the general fund of the state to the Iowa college aid commission, the sum of thirty eighty-five thousand dollars, or as much thereof as is necessary, ~~for the fiscal years beginning July 1, 1983 and July 1, 1984, and the~~

~~sum of sixty thousand dollars, or as much thereof as is necessary, for the fiscal year beginning July 1, 1985 1987 and each succeeding fiscal year, to make the reimbursement payments required under this section.~~

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Sec. 461. NEW SECTION. 261.46 OCCUPATIONAL THERAPIST LOAN PAYMENTS.

An occupational therapist loan repayment program is established to be administered by the commission.

An occupational therapist is eligible for reimbursement payments under this section if the individual:

1. Has entered into a payment agreement with the commission on or after July 1, 1987.
2. Is a licensed occupational therapist under chapter 148B.
3. Is an Iowa resident employed in Iowa as an occupational therapist as certified by the board of physical and occupational therapy examiners.
4. Has an outstanding debt with an eligible lender under the Iowa guaranteed student loan program or has parents with an outstanding debt with an eligible lender under the Iowa PLUS loan program for the third and fourth years of an occupational therapist program.

The commission shall adopt rules under chapter 17A to provide for the administration of the program. The maximum annual reimbursement to an eligible occupational therapist for loan payments made during a year for loans qualifying under subsection 4 shall be equal to four thousand dollars or the remainder of a loan, whichever is less. Total payments for an eligible occupational therapist are limited to a two-year period and shall not exceed a total of eight thousand dollars.

If an occupational therapist fails to complete a year of employment as provided in subsection 3, the individual shall not be reimbursed for payments made during that year.

Sec. 462. Section 261.63, Code 1987, is amended to read as follows:

261.63 APPROPRIATION.

Commencing July 1, 1984 1987, there is appropriated from the general fund of the state to the commission for each fiscal year the sum of one-million eight hundred thousand dollars for supplemental grants.

Sec. 463. NEW SECTION. 261.85 APPROPRIATION.

There is appropriated from the general fund of the state to the commission for each fiscal year the sum of two million one hundred fifty thousand dollars for the work-study program.

From moneys appropriated in this section, one million one hundred fifty thousand dollars shall be allocated to institutions of higher education under the state board of regents and merged area schools and the remaining one million dollars shall be allocated by the commission on the basis of need as determined by the portion of the federal formula for distribution of work study funds that relates to the current need of institutions.

Sec. 464. Section 262.9, subsection 15, Code 1987, is amended by striking the subsection and inserting in lieu thereof the following:

15. In its discretion, adopt rules relating to the classification of students enrolled in institutions of higher education under the board who are residents of Iowa's sister states as residents or nonresidents for fee purposes.

Sec. 465. Section 262.9, Code 1987, is amended by adding the following new subsection:

NEW SUBSECTION. 17. Not less than thirty days prior to action by the board on any proposal to increase tuition, fees, or charges at one or more of the institutions of higher education under its control, send written notification of the amount of the proposed increase including a copy of the proposed tuition increase docket memorandum prepared for its consideration to the presiding officers of the student government organization of the affected institutions. The final decision on the increase in tuition for a fiscal year shall be made no later than the regular meeting held in November of the preceding fiscal year. The regular meeting held in

November shall be held in Ames, Cedar Falls, or Iowa City and shall not be held during the period in which classes have been suspended for Thanksgiving vacation.

Sec. 466. Section 262.44, subsection 1, unnumbered paragraph 1, Code 1987, is amended to read as follows:

Set aside and use portions of the respective campuses of the institutions of higher education under its control, namely, the state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa, as the board determines are suitable for the acquisition or construction of the following self-liquidating and revenue producing buildings and facilities which the board deems necessary for the students and suitable for the purposes for which the institutions were established including without limitation: Student unions, recreational buildings, auditoriums, stadiums, field houses, athletic buildings and areas, parking structures and areas, electric, heating, sewage treatment and communication utilities, research equipment if the debt incurred in its acquisition will be retired by federal, private, or other lawfully available nonappropriated funds, and additions to or alterations of existing buildings or structures.

Sec. 467. Section 262.44, subsection 1, unnumbered paragraph 2, Code 1987, is amended by striking the unnumbered paragraph.

Sec. 468. Section 262.61, Code 1987, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. If the amount of bonds or notes issued under this chapter exceeds the actual costs of the projects for which the bonds or notes were issued, the amount of the difference shall be used to pay the principal and interest due on bonds or notes issued under this chapter.

Sec. 469. Section 262A.9, Code 1987, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. If the amount of bonds issued under this chapter exceeds the actual costs of the projects

for which bonds were issued, the amount of the difference shall be used to pay the principal and interest due on bonds issued under this chapter.

Sec. 470. Section 263A.7, Code 1987, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. If the amount of bonds or notes issued under this chapter exceeds the actual costs of the projects for which the bonds or notes were issued, the amount of the difference shall be used to pay the principal and interest due on bonds or notes issued under this chapter.

Sec. 471. NEW SECTION. 269.3 CLASSROOM TEACHERS.

For purposes of chapter 20, classroom teachers employed by the Iowa braille and sight-saving school may be accreted to the faculty employee organization at the University of Northern Iowa or any other approved employee organization.

Sec. 472. NEW SECTION. 270.11 CLASSROOM TEACHERS.

For purposes of chapter 20, classroom teachers employed by the school for the deaf may be accreted to the faculty employee organization at the University of Northern Iowa or any other approved employee organization.

Sec. 473. Section 271.6, Code 1987, is amended to read as follows:

271.6 INTEGRATED TREATMENT OF UNIVERSITY HOSPITAL PATIENTS.

The authorities of the Oakdale campus may authorize patients for admission to the hospital on the Oakdale campus who are referred from the university hospitals and who shall retain the same status, classification, and authorization for care which they had at the university hospitals. Patients referred from the university hospitals to the Oakdale campus shall be deemed to be patients of the university hospitals. ~~The provisions of chapter~~ Chapters 255 and 255A and operating policies of the university hospitals shall apply to the patients and to the payment for their care the same as the provisions apply to patients who are treated on the premises of the university hospitals.

Sec. 474. Section 273.3, subsection 6, Code 1987, is amended to read as follows:

6. Area education agencies may co-operate and contract between themselves and with other public agencies to provide special education programs and services, media services, and educational services to schools and children residing within their respective areas. Area education agencies may provide print and nonprint materials to public and private colleges and universities that have teacher education programs approved by the state board of education.

Sec. 475. Section 273.3, subsection 10, Code 1987, is amended by striking the subsection.

Sec. 476. Section 280A.22, subsection 1, paragraph a, Code 1987, is amended to read as follows:

a. In addition to the tax authorized under section 280A.17, the voters in any merged area may at the annual school election vote a tax not exceeding twenty and one-fourth cents per thousand dollars of assessed value in any one year for a period not to exceed ten years for the purchase of grounds, construction of buildings, payment of debts contracted for the construction of buildings, purchase of buildings and equipment for buildings, and the acquisition of libraries, for the purpose of paying costs of utilities, and for the purpose of maintaining, remodeling, improving, or expanding the area vocational school or area community college of the merged area. If the tax levy is approved under this section, the costs of utilities shall be paid from the proceeds of the levy. The tax shall be collected by the county treasurers and remitted to the treasurer of the merged area as provided in section 331.552, subsection 29. The proceeds of the tax shall be deposited in a separate and distinct fund to be known as the voted tax fund, to be paid out upon warrants drawn by the president and secretary of the board of directors of the merged area district for the payment of costs incurred in providing the school facilities for which the tax was voted.

Sec. 477. Section 280A.22, Code 1987, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. The proceeds of the tax voted under subsection 1, paragraph "a", prior to July 1, 1987 shall be used for the purposes for which it was approved by the voters and may be used for the purpose of paying the costs of utilities.

Sec. 478. Section 280A.23, subsection 2, Code 1987, is amended to read as follows:

2. Have authority to determine tuition rates for instruction. Tuition for residents of Iowa shall not exceed the lowest tuition rate per semester, or the equivalent, charged by an institution of higher education under the state board of regents for a full-time resident student. However, if a local school district pays tuition for a resident pupil of high school age, the limitation on tuition for residents of Iowa shall not apply, the amount of tuition shall be determined by the board of directors of the area school with the consent of the local school board, and the pupil shall not be included in the full-time equivalent enrollment of the area school for the purpose of computing general aid to the area school. Tuition for nonresidents of Iowa shall be not less than one hundred fifty percent and not more than two hundred percent of the tuition established for residents of Iowa. Tuition for resident or nonresident students may be set at a higher figure with the approval of the state board. A lower tuition for nonresidents may be permitted under a reciprocal tuition agreement between a merged area and an educational institution in another state, if the agreement is approved by the state board. The board may designate that portion of the tuition moneys collected from students be used for student aid purposes.

Sec. 479. Section 280A.42, Code 1987, is amended to read as follows:

280A.42 PAYMENT OF EXPENSES.

The board of directors of a merged area shall audit and allow all just claims against the area school and an order shall not be drawn upon the treasury until the claim has been audited and allowed. However, the board of directors, by resolution, may authorize the secretary of the board, when the board is not in session, to issue payments for salaries pursuant to the terms of a written contract and to issue payments upon the receipt of verification filed with the secretary for ~~expenses-for-freight;-drayage;-express;-postage;-printing;-utilities-including-electricity;-water;-waste collection;-heating;-air-conditioning;-telephone;-and telegraph-charges~~ all other general fund and plant fund expenses within limits established by resolution of the board; expenses involving auxiliary, agency, and scholarship and loan accounts; and refunds to students for tuition and fees. The secretary shall either deliver in person or mail the payments to the payees. A payment shall be made payable only to the person performing the service or furnishing the supplies for which the payment is issued. Payments issued prior to audit and allowance by the board shall be allowed by the board at the first meeting held after the issuance and shall be entered in the minutes of the meeting.

Sec. 480. Section 282.19, Code 1987, is amended to read as follows:

282.19 CHILD LIVING IN FOSTER CARE FACILITY.

A child who is living in a licensed child foster care facility as defined in section 237.1 in this state which is located in a school district other than the school district in which the child resided before receiving foster care may enroll in and attend an accredited school in the school district in which the child is living. ~~if a child does not require special education and was not counted in the basic enrollment of a school district for a budget year under section 442-4, the tuition and transportation, when required by law, shall be paid by the treasurer of state from funds in the state treasury not otherwise appropriated, and upon~~

~~warrants drawn by the director of revenue and finance upon requisition of the director of the department of education.~~  
The instructional costs for students who do not require special education shall be paid as provided in section 282.31, subsection 1, paragraph "b" or for students who require special education shall be paid as provided in section 282.31, subsections 2 or 3.

Sec. 481. NEW SECTION. 282.28 CHILDREN AT ELDORA AND TOLEDO.

Annually, the area education agency in which the state training school and the Iowa juvenile home are located and the department of human services on behalf of the training school and juvenile home shall submit an annual joint application by January 1 for the next succeeding school year to the department of education describing the proposed special education instructional and support programs and service improvements for the training school and juvenile home. The department of education shall review and approve or modify the program and proposed budget by February 1 and shall notify the area education agency and the department of human services of the approved budget. The moneys for the approved budget shall supplement and not supplant moneys equal to the moneys expended for education for the fiscal year beginning July 1, 1986 by the department of human services. The moneys for the approved budget shall be used to ensure that the training school and juvenile home comply with appropriate administrative rules relating to special education adopted by the department of education.

The area education agency shall submit a claim to the department of education by August 1 following the school year for the actual costs of the special education programs and services provided at the training school and juvenile home. The department shall review and approve or modify the claims by September 1 and shall notify the department of revenue and finance of the approved claim amount. The total amount of the approved claim shall be paid by the department of revenue and

finance to the area education agency by October 1. The total amount paid by the department of revenue and finance shall be deducted monthly from the state foundation aid paid under section 442.26 during the remainder of that fiscal year to all school districts in the state. The portion of the total amount of the approved claim that shall be deducted from the state aid of a school district shall be the same as the ratio that the budget enrollment for the budget year of the school district bears to the total budget enrollment in the state for that budget year. The department of revenue and finance shall transfer the total amount of the approved claim from the moneys appropriated under section 442.26 for payment to the area education agency.

Sec. 482. NEW SECTION. 282.29 CHILDREN PLACED BY DISTRICT COURT.

Notwithstanding section 282.31, subsection 1, a child who has been identified as requiring special education, who has been placed in a facility or home by the district court, and for whom parental rights have been terminated by the district court, shall be provided special education programs and services on the same basis as the programs and services are provided for children requiring special education who are residents of the school district in which the child has been placed. The special education instructional costs shall be paid as provided in section 282.31, subsections 2 or 3.

Sec. 483. NEW SECTION. 282.30 SPECIAL PROGRAMS.

1. a. An area education agency shall provide or make provision for an appropriate educational program for each child living in the following types of facilities located within its boundaries:

(1) An approved or licensed shelter care home, as defined in section 232.2, subsection 31.

(2) An approved juvenile detention home, as defined in section 232.2, subsection 28.

b. The area education agency shall provide the educational program by any one of, but not limited to, the following:

(1) Providing for the enrollment of the child in the district of residence of the child, subject to the approval of the district in which the child is living.

(2) Cooperating with the district of residence of the child and obtaining the course of study and textbooks of the child for use in the special facility into which the child has been placed.

(3) Providing for the enrollment of the child in the district in which the child is living, subject to the approval of the district in which the child is living.

An area education agency shall not provide educational services to a facility specified in paragraph "a" unless the facility makes a request for educational services to the area education agency by December 1 of the school year prior to the beginning of the school year for which the services are being requested.

2. The area education agency where the child is living, the school district of residence, the other appropriate area education agency or agencies, and other appropriate agencies involved with the care or placement of the child shall cooperate with the school district where the child is living in sharing educational information, textbooks, curriculum, assignments, and materials in order to plan and to provide for the appropriate education of the child living in such facility specified in subsection 1.

Sec. 484. NEW SECTION. 282.31 FUNDING FOR SPECIAL PROGRAMS.

1. a. A child who lives in a facility pursuant to section 282.30, subsection 1, paragraph "a", and who is not enrolled in the educational program of the district of residence of the child, shall receive appropriate educational services. The area education agency shall submit a proposed program and budget to the department of education by January 1 for the next succeeding school year. The department of education shall review and approve or modify the program and proposed budget and shall notify the area education agency by February

1. The area education agency shall submit a claim to the department of education by August 1 following the school year for the actual cost of the program. The department shall review and approve or modify all expenditures incurred in compliance with the guidelines pursuant to section 256.7, subsection 8, and shall notify the department of revenue and finance of the approved claim amount by September 1. The total amount of the approved claim shall be paid by the department of revenue and finance to the area education agency by October 1. The total amount paid by the department of revenue and finance shall be deducted monthly from the state foundation aid paid under section 442.26 during the remainder of that fiscal year to all school districts in the state. The portion of the total amount of the approved claims that shall be deducted from the state aid of a school district shall be the same as the ratio that the budget enrollment for the budget year of the school district bears to the total budget enrollment in the state for that budget year. The department of revenue and finance shall transfer the total amount of the approved claims from the moneys appropriated under section 442.26 for payment to the area education agencies.

b. A child who lives in a facility or home pursuant to section 282.19, and who does not require special education and who is not enrolled in the educational program of the district of residence of the child, shall be included in the basic enrollment of the school district in which the facility or home is located.

2. a. The actual special education instructional costs incurred for a child who lives in a facility pursuant to section 282.19 or for a child who is placed in a facility or home pursuant to section 282.29, who requires special education and who is not enrolled in the educational program of the district of residence of the child but who receives an educational program from the district in which the facility or home is located, shall be paid by the district of residence of the child to the district in which the facility or home is

located, and the costs shall include the cost of transportation.

b. A child shall not be denied special education programs and services because of a dispute over the determination of district of residence of the child. The director of the department of education shall determine the district of residence when a dispute arises regarding the determination of the district of residence for a child who requires special education pursuant to this subsection.

3. The actual special education instructional costs, including transportation, for a child who requires special education shall be paid by the department of revenue and finance to the school district in which the facility or home is located, only when a district of residence cannot be determined, and the child was not included in the weighted enrollment of any district pursuant to section 281.9, and the payment pursuant to paragraph "a" was not made by any district. The district shall submit a proposed program and budget to the department of education by January 1 for the next succeeding school year. The department of education shall review and approve or modify the program and proposed budget and shall notify the district by February 1. The district shall submit a claim by August 1 following the school year for the actual cost of the program. The department shall review and approve or modify the claim and shall notify the department of revenue and finance of the approved claim amount by September 1. The total amount of the approved claim shall be paid by the department of revenue and finance to the school district by October 1. The total amount paid by the department of revenue and finance shall be deducted monthly from the state foundation aid paid under section 442.26 during the remainder of that fiscal year to all school districts in the state. The portion of the total amount of the approved claims that shall be deducted from the state aid of a school district shall be the same as the ratio that the budget enrollment for the budget year of the school district bears to

the total budget enrollment in the state for the budget year. The department of revenue and finance shall transfer the total amount of the approved claims from moneys appropriated under section 442.26 for payment to the school district.

4. For purposes of this section, "district of residence" means the school district in which the parent or legal guardian of the child resides or the district in which the district court is located if the district court is the guardian of the child.

5. Programs may be provided during the summer and funded under this section if the school district or area education agency determines a valid educational reason to do so.

Sec. 485. NEW SECTION. 282.32 APPEAL.

An area education agency or local school district may appeal a decision made pursuant to section 282.28 or 282.31 to the state board of education. The decision of the state board is final.

Sec. 486. Sections 273.11, 281.12, and 282.27, Code 1987, are repealed.

Sec. 487. TRANSITION.

1. The expenditures submitted to the department of education and approved by the department for providing programs for students residing in a shelter care home or juvenile detention home by an area education agency for the school year beginning July 1, 1986 and ending June 30, 1987 shall be paid during the fiscal year beginning July 1, 1987 and ending June 30, 1988 within sixty days after July 1, 1987. These payments shall be made to area education agencies pursuant to the payment method within section 282.31.

2. Notwithstanding section 282.28, the area education agency in which the state training school and the Iowa juvenile home are located and the department of human services shall submit the joint application for the special education program to the department of education by August 15, 1987 for the school year beginning July 1, 1987.

3. Notwithstanding section 282.30, a facility specified in section 282.30, subsection 1, paragraph "a" shall make a request to be served by an area education agency for the school year beginning July 1, 1987 by July 10, 1987. Notwithstanding section 282.31, an area education agency or local school district shall submit a proposed program and budget for a program under section 282.31 by July 20, 1987 for the school year beginning July 1, 1987 and ending June 30, 1988.

Sec. 488. Section 285.1, Code 1987, is amended by adding the following new subsection:

NEW SUBSECTION. 22. Notwithstanding subsection 1, paragraph "a", a parent or guardian of an elementary pupil entitled to transportation pursuant to subsection 1, may request that a child day care facility be designated for purposes of subsection 9 rather than the residence of the pupil. The request shall be submitted for a period of time of at least one semester and may not be submitted more than twice during a school year.

Sec. 489. Section 286A.8, Code 1987, is amended to read as follows:

**286A.8 LIBRARY FUNCTION COST.**

The library function cost for a base budget year for an area school is determined by the department of education by multiplying the total of the area school's support for the five instructional cost centers, for the general institutional support function, for the student services function, and for the physical plant function for that year by three and thirty-three hundredths percent, which is the average percent of the area schools' support expended for the library function cost. The department shall notify the department of management.

The foundation support level for the library services function for an area school for a base year is sixty-five percent of the area school's library function cost for that year.

~~For the budget year beginning July 1, 1986 and each succeeding budget year the foundation support level for the library function for an area school is the foundation support level for the base year plus a library allowable growth amount. The allowable growth amount is determined by the department of education by multiplying the state percent of growth for the budget year by the state average library function cost for the base year for each area school. The department shall notify the department of management.~~

Sec. 490. NEW SECTION. 303.18 LOAN FOR EXHIBITS.

Notwithstanding sections 302.1 and 302.1A, and after moneys appropriated under section 99E.32, subsection 5, for the fiscal year beginning July 1, 1987 and ending June 30, 1988 have been expended or obligated, the administrator of the historical division of the department of cultural affairs may obtain a loan of not exceeding three million fifty thousand dollars from moneys designated as the permanent school fund of the state in section 302.1, to be used to pay for equipment, planning, and construction costs of educational exhibits for the state historical museum. The exhibits will teach common school children of Iowa about Iowa's history, culture, and heritage. The department of revenue and finance shall make the payment upon receipt of a written request from the administrator of the historical division. Moneys received under this section as a loan that are not expended are available for expenditure during the fiscal year beginning July 1, 1988.

The historical division shall repay a portion of the amount of the loan together with annual interest payments due on the balance of the loan over a ten-year period commencing with the fiscal year beginning July 1, 1987. Payments shall be made from gross receipts and other moneys available to the historical division. Annual payments shall not be less than the amount of interest on the permanent school fund required to be transferred to the first in the nation in education foundation under section 302.1A or seventy-five percent of the

gross receipts, whichever is greater. Payments of both principal and interest made by the state historical division under this section shall be paid quarterly and shall be considered interest earned on the permanent school fund to the extent necessary for payment of interest to the first in the nation in education foundation under section 302.1A.

The treasurer of state shall determine the rate of interest that the historical division shall pay on the loan.

Sec. 491. NEW SECTION. 294A.25 APPROPRIATION.

1. For each fiscal year commencing with the fiscal year beginning July 1, 1987, there is appropriated from the general fund of the state to the department of education the amount of ninety-two million one hundred thousand eighty-five dollars to be used to improve teacher salaries. The moneys shall be distributed as provided in this section.

2. The amount of one hundred fifteen thousand five hundred dollars to be paid to the department of human services for distribution to its certificated classroom teachers at institutions under the control of the department of human services for payments for phase II based upon the average student yearly enrollment at each institution as determined by the department of human services.

3. The amount of ninety-four thousand six hundred dollars to be paid to the state board of regents for distribution to certificated classroom teachers at the Iowa braille and sight-saving school and the Iowa school for the deaf for payments of minimum salary supplements for phase I and payments for phase II based upon the average yearly enrollment at each school as determined by the state board of regents.

4. For the fiscal year beginning July 1, 1987 only, the amount of two hundred thousand dollars for pilot projects for sabbaticals for teachers.

Notwithstanding section 256.21, if House File 499 is enacted by the Seventy-second General Assembly, 1987 Session, and becomes law, the department shall establish pilot projects for sabbatical programs for the school year beginning July 1,

1987. Notwithstanding section 8.33, moneys appropriated in this subsection and not expended for pilot projects by June 30, 1987 shall not revert on June 30, 1987, but shall carry over and may be expended during the fiscal year beginning July 1, 1988. It is the intent of the general assembly that projects authorized by this subsection shall meet requirements which are similar to the requirements specified in section 256.21 if House File 499 is enacted by the Seventy-second General Assembly, 1987 Session, and becomes law. Procedures for making applications for projects authorized by this subsection shall be established by the state board of education by rule under chapter 17A. The department shall send notification to school districts as soon as practicable concerning the requirements for applications for sabbaticals and shall encourage school districts to develop their own sabbatical programs using moneys available to them under phase III if House File 499 is enacted by the Seventy-second General Assembly, 1987 Session, and becomes law.

5. For each fiscal year, the remainder of moneys appropriated in subsection 1 to the department of education shall be deposited in the educational excellence fund to be allocated in an amount to meet the minimum salary requirements of this chapter for phase I, in an amount of thirty-eight million five hundred thousand dollars for phase II, and the remainder of the appropriation for phase III.

As a condition of the appropriation in this section, and notwithstanding section 8.31, if at any time between July 1, 1987 and February 1, 1988, the governor determines that the estimated budget resources of the state will be insufficient to pay all appropriations in full for the fiscal year beginning July 1, 1987 and ending June 30, 1988, in lieu of using section 8.31 to modify allotments on a uniform basis, the governor shall certify to the department of education the amount by which budget resources are insufficient. The department of education shall notify the governor of the amount of moneys allocated for phase III under this chapter

and pursuant to the appropriation made in this section. The governor shall order that the allocation for phase III be reduced by an amount equal to the amount that the budget resources are insufficient or by the amount contained in the department of education's notification to the governor under this section, whichever is less and shall certify to the department of education the amount of money available for phase III.

Sec. 492. Section 303.83, Code 1987, is amended to read as follows:

**303.83 REVENUE FROM CONTRACTS.**

The board shall retain for its use revenues generated through contracts with nonprofit organizations or their affiliated organizations from the use of the educational radio and television facility and other educational communications services, and interest earned on all funds credited to the division except funds appropriated to the division from the general fund of the state. The administrator may receive services from other divisions and state agencies.

Sec. 493. Section 422.9, subsection 2, Code 1987, is amended by adding the following new lettered paragraph:

**NEW LETTERED PARAGRAPH.** Add the amount the taxpayer has paid to others, not to exceed one thousand dollars for each dependent in grades kindergarten through twelve, for tuition and textbooks of each dependent in attending an elementary or secondary school situated in Iowa, which school is accredited or approved under section 256.11, which is not operated for profit, and which adheres to the provisions of the United States Civil Rights Act of 1964 and chapter 601A. As used in this paragraph, "textbooks" means books and other instructional materials and equipment used in elementary and secondary schools in teaching only those subjects legally and commonly taught in public elementary and secondary schools in this state and does not include instructional books and materials used in the teaching of religious tenets, doctrines, or worship, the purpose of which is to inculcate those tenets,

doctrines, or worship, and does not include books or materials for extracurricular activities including sporting events, musical or dramatic events, speech activities, driver's education, or programs of a similar nature. The deduction in this paragraph does not apply to a taxpayer whose adjusted gross income, as properly computed for federal tax purposes, is forty-five thousand dollars or more. In the case where the taxpayer is married, whether filing jointly or separately, the deduction does not apply if the combined adjusted gross income of the taxpayer and spouse is forty-five thousand dollars or more.

As used in this paragraph, "tuition" means any charges for the expenses of personnel, buildings, equipment and materials other than textbooks, and other expenses of elementary or secondary schools which relate to the teaching only of those subjects legally and commonly taught in public elementary and secondary schools in this state and which do not relate to the teaching of religious tenets, doctrines, or worship, the purpose of which is to inculcate those tenets, doctrines, or worship, and which do not relate to extracurricular activities including sporting events, musical or dramatic events, speech activities, driver's education, or programs of a similar nature.

Sec. 494. Section 422.12, Code 1987, is amended by adding the following new subsection:

**NEW SUBSECTION.** For those who do not itemize their deduction, a tuition credit equal to five percent of the first one thousand dollars which the taxpayer has paid to others for each dependent in grades kindergarten through twelve, for tuition and textbooks of each dependent in attending an elementary or secondary school situated in Iowa, which school is accredited or approved under section 256.11, which is not operated for profit, and which adheres to the provisions of the United States Civil Rights Act of 1964 and chapter 601A. As used in this paragraph, "textbooks" means books and other instructional materials and equipment used in elementary and

secondary schools in teaching only those subjects legally and commonly taught in public elementary and secondary schools in this state and does not include instructional books and materials used in the teaching of religious tenets, doctrines, or worship, the purpose of which is to inculcate those tenets, doctrines, or worship, and does not include books or materials for extracurricular activities including sporting events, musical or dramatic events, speech activities, driver's education, or programs of a similar nature. Notwithstanding any other provision, all other credits allowed under section 422.10 through 422.12 shall be deducted before the tuition credit under this subsection. The credit in this subsection does not apply to a taxpayer whose adjusted gross income, as properly computed for federal tax purposes, is forty-five thousand dollars or more. In the case where the taxpayer is married, whether filing jointly or separately, the credit does not apply if the combined adjusted gross income of the taxpayer and spouse is forty-five thousand dollars or more.

As used in this subsection, "tuition" means any charges for the expenses of personnel, buildings, equipment and materials other than textbooks, and other expenses of elementary or secondary schools which relate to the teaching only of those subjects legally and commonly taught in public elementary and secondary schools in this state and which do not relate to the teaching of religious tenets, doctrines, or worship, the purpose of which is to inculcate those tenets, doctrines, or worship, and which do not relate to extracurricular activities including sporting events, musical or dramatic events, speech activities, driver's education, or programs of a similar nature.

Sec. 495. Section 427.1, Code 1987, is amended by adding the following new subsection:

NEW SUBSECTION. 40. PUBLIC TELEVISION STATION. All grounds and buildings used or under construction for a public television station and not leased or otherwise used or under construction for pecuniary profit.

Sec. 496. All federal grants to and the federal receipts of agencies appropriated funds under this division of this Act are appropriated for the purposes set forth in such federal grants or receipts.

Sec. 497. Moneys appropriated by this division of this Act shall not be used for capital improvements.

Sec. 498. Sections 122, 207, 209, 210, 211, 220, 304, 305, 409, 411, 412, and 449 of this Act, being deemed of immediate importance, take effect upon their enactment. Sections 493 and 494 of this Act are retroactive to January 1, 1987 and apply to tax years beginning on or after that date.

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JO ANN ZIMMERMAN  
President of the Senate

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DONALD D. AVENSON  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 511, Seventy-second General Assembly.

Approved *John F. Dwyer* June 9, 1987

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JOHN F. DWYER  
Secretary of the Senate

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TERRY E. BRANSTAD  
Governor

S.F. 511