

*Reprinted*

FILED APR 6 1990

SENATE FILE 2433  
BY COMMITTEE ON APPROPRIATIONS

Passed Senate, Date 4/7/90 (y 1665) Passed House, Date 4/7/90 (P.2297)  
Vote: Ayes 30 Nays 19 Vote: Ayes 53 Nays 40

*Approved*  
*[Signature]* May 7, 1990

A BILL FOR

1 An Act relating to the appropriations from and the reallocation of  
2 the moneys in the surplus account of the Iowa plan fund, to  
3 certain corporations appropriated moneys from the Iowa plan  
4 fund, and authorizing the creation of a disaster recovery  
5 program to provide low-interest and guaranteed loans to public  
6 and private entities for which an appropriation is made from  
7 the Iowa plan fund, and providing an effective date.

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

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SC 2433

1 Section 1. Section 15.284, subsection 4, Code Supplement  
2 1989, is amended to read as follows:

3 4. The finance division of the department shall rank the  
4 applicants according to financial need, cost-benefit of the  
5 project, percent of match, impact, including an increase in  
6 fire or public safety because of completion of the project,  
7 and ability to administer project.

8 Sec. 2. Section 18B.4, Code Supplement 1989, is amended to  
9 read as follows:

10 18B.4 AUTHORIZED CORPORATION -- STAFF.

11 The international network on trade shall be incorporated  
12 under chapter 504A. INTERNET shall not be regarded as a state  
13 agency, except for purposes of chapter 17A. A member of the  
14 board of directors is not considered a state employee, except  
15 for purposes of chapter 25A. If the executive director is a  
16 natural person acting as a salaried employee of the board, the  
17 executive director is a state employee except for purposes of  
18 the merit-system-provisions-of-chapter-19A-and-chapter-20 Iowa  
19 public employees' retirement system, state health and dental  
20 plans, and other state employee benefits and chapter 25A. A  
21 natural person hired by the executive director who is a  
22 salaried employee of the board is a state employee for  
23 purposes of the Iowa public employees' retirement system,  
24 state health and dental plans, and other state employee  
25 benefits and chapter 25A. However, if a person, including a  
26 staff member of INTERNET, is an independent contractor or an  
27 employee of an independent contractor, the person is not a  
28 state employee except for purposes of chapter 25A. Chapters  
29 8, 18, 19A, and 20, and other provisions of law that relate to  
30 requirements or restrictions dealing with state personnel or  
31 state funds do not apply to the INTERNET corporation, the  
32 executive director, and any employees of the board or the  
33 corporation, except to the extent provided in this chapter.

34 Sec. 3. Section 18B.11, unnumbered paragraphs 1, 3, and 4,  
35 Code Supplement 1989, are amended to read as follows:

1 ~~There is created within the state treasury,~~ shall be  
2 created by the board of directors of INTERNET an international  
3 network on trade fund. The fund is composed of money  
4 appropriated by the general assembly for that purpose, and  
5 moneys available to and obtained or accepted by the board  
6 under this chapter, including money from the United States,  
7 other states in the union, foreign nations, state agencies,  
8 political subdivisions, and private sources, and moneys from  
9 fees charged under this chapter.

10 ~~The auditor of state shall conduct regular~~ corporation  
11 shall arrange, at least annually, for regular independent  
12 audits of the fund and shall make submit a certified report  
13 relating to the condition of the fund to the treasurer of  
14 ~~state and to the executive director~~ governor and general  
15 assembly.

16 ~~The board and executive director shall administer the fund~~  
17 ~~in accordance with procedures of the treasurer of state.~~ In  
18 administering the fund, the board may do all of the following:

19 Sec. 4. Section 28.153, Code Supplement 1989, is amended  
20 to read as follows:

21 28.153 AUTHORIZED CORPORATION.

22 A Wallace technology transfer foundation of Iowa shall be  
23 incorporated under chapter 504A. The foundation shall not be  
24 regarded as a state agency, except for purposes of chapter  
25 17A. A member of the board of directors is not considered a  
26 state employee, except for purposes of chapter 25A. The  
27 executive director is a state employee except for purposes of  
28 ~~the merit system provisions of chapter 19A and chapter 28~~ Iowa  
29 public employees' retirement system, state health and dental  
30 plans, and other state employee benefits and chapter 25A. A  
31 natural person employed by the executive director is a state  
32 employee for purposes of the Iowa public employees' retirement  
33 system, state health and dental plans, and other state  
34 employee benefits plans and chapter 25A. Chapters 8, 18, 19A,  
35 and 20, and other provisions of law that relate to

1 requirements or restrictions dealing with state personnel or  
2 state funds do not apply to the foundation, the executive  
3 director, and any employees of the board or the foundation,  
4 except to the extent provided in this chapter.

5 Sec. 5. Section 28.156, subsection 3, paragraph g, Code  
6 Supplement 1989, is amended by striking the paragraph.

7 Sec. 6. NEW SECTION. 28.161 WALLACE TECHNOLOGY TRANSFER  
8 FOUNDATION FUND.

9 1. There shall be created by the board of directors a  
10 Wallace technology transfer foundation fund. The fund is  
11 composed of money appropriated by the general assembly for  
12 that purpose, and moneys available to and obtained or accepted  
13 by the board under this chapter, including money from the  
14 United States, other states in the union, foreign nations,  
15 state agencies, political subdivisions, and private sources,  
16 and moneys from fees charged under this chapter.

17 2. The fund shall be a revolving fund from which moneys  
18 may be used for purposes described in this chapter, including  
19 loans, grants, matching financing, and administrative costs.  
20 All interest earned on proceeds in the fund shall remain in  
21 the fund.

22 3. The foundation shall arrange, at least annually, for  
23 regular independent audits of the fund and shall submit a  
24 certified report relating to the condition of the fund to the  
25 governor and general assembly.

26 4. In administering the fund, the board may do all of the  
27 following:

28 a. Contract, sue and be sued, and adopt rules necessary to  
29 carry out the provisions of this section, but the board shall  
30 not in any manner, directly or indirectly pledge the credit of  
31 the state.

32 b. Authorize payment from the fund, from fees and from any  
33 income received by investment of money in the fund, for costs,  
34 commissions, attorney fees, and other reasonable expenses  
35 related to and necessary for making and protecting direct

1 loans under this section, and for the recovery of moneys  
2 loaned or the management of property acquired in connection  
3 with the loans.

4 5. Section 8.33 shall not apply to moneys in the fund.

5 Sec. 7. NEW SECTION. 29C.100 DISASTER RECOVERY PROGRAM -  
6 - FINANCING -- DEFINITIONS -- FUNDING -- BONDS AND NOTES.

7 1. As used in this subchapter, unless the context  
8 otherwise requires, "authority" means the Iowa finance  
9 authority.

10 2. The authority shall cooperate with the department of  
11 public defense in the creation, administration, and funding of  
12 the disaster recovery program established in this subchapter.

13 3. The authority may issue its bonds and notes for the  
14 purpose of funding guaranteed loans to eligible persons and  
15 projects as part of a disaster recovery action authorized  
16 pursuant to this subchapter.

17 4. The authority may issue its bonds and notes for the  
18 purposes of this subchapter and may enter into one or more  
19 lending agreements or purchase agreements with one or more  
20 bondholders or noteholders containing the terms and conditions  
21 of the repayment of and the security for the bonds or notes.  
22 The authority and the bondholders or noteholders or a trustee  
23 agent designated by the authority may enter into agreements to  
24 provide for any of the following:

25 a. That the proceeds of the bonds and notes and the  
26 investments of the proceeds may be received, held, and  
27 disbursed by the authority or by a trustee or agent designated  
28 by the authority.

29 b. That the bondholders or noteholders or a trustee or  
30 agent designated by the authority may collect, invest, and  
31 apply the amount payable under the loan agreements or any  
32 other instruments securing the debt obligations under the loan  
33 agreements.

34 c. That the bondholders or noteholders may enforce the  
35 remedies provided in the loan agreements or other instruments

1 on their own behalf without the appointment or designation of  
2 a trustee. If there is a default in the principal of or  
3 interest on the bonds or notes or in the performance of any  
4 agreement contained in the loan agreements or other  
5 instruments, the payment or performance may be enforced in  
6 accordance with the loan agreement or other instrument.

7 d. Other terms and conditions as deemed necessary or  
8 appropriate by the authority.

9 5. The powers granted the authority under this section are  
10 in addition to other powers contained in chapter 220. All  
11 other provisions of chapter 220, except section 220.28,  
12 subsection 4, apply to bonds or notes issued and powers  
13 granted to the authority under this section, except to the  
14 extent they are inconsistent with this section.

15 6. All bonds or notes issued by the authority in  
16 connection with the program are exempt from taxation by this  
17 state and the interest on the bonds or notes is exempt from  
18 state income tax, both personal and corporate.

19 Sec. 8. NEW SECTION. 29C.101 SECURITY -- RESERVE FUNDS -  
20 - PLEDGES -- NONLIABILITY -- IRREVOCABLE CONTRACTS.

21 1. The authority may provide in the resolution, trust  
22 agreement, or other instrument authorizing the issuance of its  
23 bonds or notes pursuant to section 29C.100 that the principal  
24 of, premium, and interest on the bonds or notes are payable  
25 from any of the following and may pledge the same to its bonds  
26 and notes:

27 a. The income and receipts or other moneys derived from  
28 the projects financed with the proceeds of the bonds or notes.

29 b. The income and receipts or other money derived from  
30 designated projects whether or not the projects are financed  
31 in whole or in part with the proceeds of the bonds or notes.

32 c. The amounts on deposit in the disaster recovery fund  
33 created in section 29C.100.

34 d. The amounts payable to the authority by jurisdictions  
35 or persons eligible for disaster recovery program assistance.

1 e. Any other funds or accounts established by the  
2 authority in connection with the program or the sale and  
3 issuance of its bonds or notes.

4 2. The authority may establish reserve funds to secure one  
5 or more issues of its bonds or notes. The authority may  
6 deposit in a reserve fund established under this subsection,  
7 the proceeds of the sale of its bonds or notes and other money  
8 which is made available from any other source. The authority  
9 shall establish a disaster recovery fund for the deposit of  
10 moneys appropriated for this program, and section 8.33  
11 notwithstanding, such moneys remaining in the disaster  
12 recovery fund, including interest and investment income, shall  
13 not revert to the general fund, but shall remain in the  
14 disaster recovery fund, and shall be a continuing  
15 appropriation for the purposes of this program. These moneys  
16 may be used to leverage additional private or public funds,  
17 including, by way of example, but not limitation, reducing the  
18 rate of interest or cost of money loaned to beneficiaries of  
19 the program.

20 3. A pledge made in respect of bonds or notes is valid and  
21 binding from the time the pledge is made. The money or  
22 property so pledged and received after the pledge by the  
23 authority is immediately subject to the lien of the pledge  
24 without physical delivery or further act. The lien of the  
25 pledge is valid and binding as against all persons having  
26 claims of any kind in tort, contract, or otherwise against the  
27 authority whether or not the parties have notice of the lien.  
28 Neither the resolution, trust agreement, or any other  
29 instrument by which a pledge is created needs to be recorded,  
30 filed, or perfected under chapter 554, to be valid, binding,  
31 or effective against all persons.

32 4. The members of the authority or persons executing the  
33 bonds or notes are not personally liable on the bonds or notes  
34 and are not subject to personal liability or accountability by  
35 reason of the issuance of the bonds or notes.

1 5. The state pledges to and agrees with the holders of  
2 bonds or notes issued under this subchapter that the state  
3 will not limit or alter the rights and powers vested in the  
4 authority to fulfill the terms of a contract made by the  
5 authority with respect to the bonds or notes, or in any way  
6 impair the rights and remedies of the holders until the bonds  
7 or notes, together with the interest on them including  
8 interest on unpaid installments of interest, and all costs and  
9 expenses in connection with an action or proceeding by or on  
10 behalf of the holders, are fully met and discharged. The  
11 authority is authorized to include this pledge and agreement  
12 of the state, as it refers to holders of bonds or notes of the  
13 authority, in a contract with the holders.

14 Sec. 9. NEW SECTION. 29C.102 RULES.

15 The authority shall adopt rules pursuant to chapter 17A to  
16 implement sections 29C.100 and 29C.101.

17 Sec. 10. NEW SECTION. 29C.103 DISASTER ASSISTANCE  
18 RECOVERY ACTION.

19 1. Upon the recommendation of the administrator, the  
20 governor may issue an order approving a disaster recovery  
21 action for persons affected by a disaster which meets all of  
22 the following criteria:

- 23 a. A major disaster has not been declared by the president  
24 of the United States.
- 25 b. Persons eligible for assistance pursuant to the order  
26 shall be limited to those who are not beneficiaries of state  
27 assistance approved pursuant to section 29C.6.

28 2. Subject to the terms and conditions of the disaster  
29 recovery action order, a political subdivision may obtain  
30 guaranteed financial assistance through the authority acting  
31 pursuant to sections 29C.100 through 29C.102 and this section.  
32 The authority may issue bonds or notes secured as provided by  
33 this subchapter including such moneys as may be pledged by the  
34 political subdivision and income from facilities or projects  
35 which are the subject of the financial assistance.

1 3. Subject to the terms and conditions of the disaster  
2 recovery action order, a private person who satisfies all of  
3 the following criteria may obtain guaranteed financial  
4 assistance through the authority action pursuant to sections  
5 29C.100 through 29C.102 and this section:

6 a. A person must have suffered a property casualty from a  
7 disaster.

8 b. The casualty must have been uninsured or underinsured.

9 Assistance to a private person is limited to the amount of  
10 the damages which were uninsured or underinsured. Assistance  
11 shall be in the form of a low-interest guaranteed loan, issued  
12 on such terms and conditions as may be required by the  
13 authority. The authority may issue such bonds or notes to  
14 finance these loans, secured as provided by this subchapter,  
15 including by the repayment of the loans and such other  
16 security as may be pledged by the private beneficiaries and  
17 income from facilities or projects which are the subject of  
18 the financial assistance.

19 4. The disaster recovery program authorized by this  
20 subchapter shall be for the public purpose of restoring  
21 political subdivisions and private persons adversely impacted  
22 by an uninsured or underinsured property casualty caused by a  
23 disaster which exceeds current economic resources. Through  
24 long-term financial assistance, beneficiaries of the program  
25 are to be restored in their life, property, and security,  
26 permitting continued operation of the affected instruments of  
27 government and civic and economic contributions by affected  
28 private persons.

29 Sec. 11. Section 99E.32, subsection 3, paragraph y, Code  
30 Supplement 1989, is amended to read as follows:

31 y. For the fiscal year beginning July 1, 1989, to the  
32 department of economic development for the sister state  
33 program the sum of eighty thousand dollars. Funds  
34 appropriated for the sister state program shall be matched on  
35 a-dollar-for-dollar-basis to the extent possible by private

1 sources. ~~in-kind-expenditures-from-the-private-sector-may-be~~  
2 ~~considered-as-a-portion-of-the-dollar-for-dollar-match.~~ The  
3 department shall secure the necessary private participation  
4 from groups and organizations most appropriate for this  
5 program.

6 Sec. 12. Section 99E.32, subsection 4, paragraph b,  
7 subparagraph (4), Code Supplement 1989, is amended to read as  
8 follows:

9 (4) (a) For the fiscal year beginning July 1, 1989, the  
10 amount appropriated is six million four hundred thousand  
11 dollars. Of the amount appropriated for the fiscal year  
12 beginning July 1, 1989, forty thousand dollars shall be  
13 allocated to the state library within the department of  
14 cultural affairs for purposes of the patent depository library  
15 and three hundred thousand dollars shall be allocated and used  
16 to operate the university and private industry research and  
17 development consortium at each of the state board of regents  
18 universities established under chapter 262B. Of the three  
19 hundred thousand dollars, one hundred thousand dollars is  
20 allocated to each of the consortiums. The department of  
21 economic development and the consortiums shall coordinate  
22 activities relating to purposes of chapter 262B. Of the  
23 amount appropriated in this subparagraph, five hundred  
24 thousand dollars is allocated to the University of Northern  
25 Iowa for the decision-making science institute; ~~one~~ two  
26 hundred thousand dollars is allocated to the department of  
27 economic development for an economic development training  
28 program at the school of business at the University of  
29 Northern Iowa which shall use these funds in consultation with  
30 the department, the university, and the professional  
31 developers of Iowa and which shall use one hundred thousand  
32 dollars of the funds for the development, with the involvement  
33 of the public and private sector, of a curriculum on  
34 international trade; one hundred thousand dollars is allocated  
35 to the decision-making science institute for the emerging

1 business opportunities analysis; six hundred fifty thousand  
2 dollars is allocated to the international network on trade  
3 fund of the INTERNET foundation, established in chapter 18B,  
4 which shall transfer four hundred thousand dollars of its  
5 allocation to the Wallace technology transfer foundation of  
6 Iowa established in section 28.152; sixty thousand dollars for  
7 grants under subparagraph subdivision (c); and three hundred  
8 thousand dollars, to be allocated equally, for support of the  
9 Iowa technology innovation centers at the University of Iowa  
10 and the Iowa State University of science and technology and  
11 the applied technology program at the University of Northern  
12 Iowa.

13 (b) Notwithstanding section 99E.31, subsection 4,  
14 paragraph "a", for the fiscal year beginning July 1, 1989, the  
15 department of economic development shall waive the matching  
16 funds requirement for programs under this subparagraph except  
17 for the Iowa State University of science and technology  
18 biotechnology research and development program, the technology  
19 innovation centers, and the applied technology program.

20 (c) For the fiscal year beginning July 1, 1989, the  
21 department of economic development shall provide a grant of  
22 thirty thousand dollars to each agricultural marketing  
23 resources cooperative that has qualified for a loan from the  
24 community economic betterment account under subsection 2 to  
25 insure the adequate capitalization of each cooperative.

26 Sec. 13. Section 99E.32, Code Supplement 1989, is amended  
27 by adding the following new subsection:

28 NEW SUBSECTION. 10. There is appropriated from the  
29 surplus account to the designated agency or office for the  
30 fiscal year beginning July 1, 1989, and ending June 30, 1990,  
31 the following amounts, or so much thereof as is necessary, to  
32 be used for the purposes designated:

33 a. To the department of public defense, the sum of two  
34 million dollars for purposes of the disaster recovery program  
35 created in sections 29C.100 through 29C.103.

1 b. To the Iowa civil rights commission, an amount up to  
2 thirty-five thousand dollars as a one-for-one match with  
3 private contributions for the purpose of conducting a week-  
4 long program of public education throughout the state to call  
5 attention to the mission and accomplishments of the commission  
6 over the past twenty-five years.

7 c. To the prosecuting attorneys training coordinator in  
8 the department of justice, the sum of fifty thousand dollars.  
9 This appropriation is conditional upon receiving a grant from  
10 the national institute of dispute resolution for the purpose  
11 of conducting a statewide survey of alternate dispute  
12 resolution services to evaluate their effectiveness, level of  
13 training, and success rates, and to make recommendations to  
14 the governor and general assembly concerning the development  
15 of a state mediation service.

16 d. To the department of agriculture and land stewardship,  
17 the sum of fifty thousand dollars for the establishment and  
18 operation of a foreign trade office in Taipei, Taiwan.

19 e. To the Iowa department of public health, the sum of one  
20 hundred thousand dollars for the rural health office for the  
21 purpose of rural health planning.

22 f. To the Iowa state fair board, the sum of forty-five  
23 thousand dollars to complete the Iowa state fair tourism  
24 building as begun pursuant to section 99E.32, subsection 5,  
25 paragraph "p".

26 g. To the Terrace Hill commission, the sum of thirty  
27 thousand dollars for maintenance and repair at Terrace Hill  
28 and for .5 FTEs.

29 h. To Iowa state university of science and technology for  
30 the Iowa cooperative extension service in agriculture and home  
31 economics, the sum of one hundred thousand dollars to hire up  
32 to four horticultural specialists.

33 Sec. 14. NEW SECTION. 220.163 AUTHORITY TO ISSUE STATE  
34 DISASTER RECOVERY PROGRAM BONDS AND NOTES.

35 The authority shall assist the department of public defense

1 as provided in chapter 29C, subchapter II, and the authority  
2 shall have all of the powers delegated to it by the department  
3 of public defense or a public or private beneficiary of the  
4 program in a chapter 28E agreement with respect to the  
5 issuance and securing of bonds or notes and the carrying out  
6 of the purposes of chapter 29C, subchapter II.

7 Sec. 15.

8 1. All moneys in the surplus account of the Iowa plan fund  
9 on the effective date of this Act in excess of the amount  
10 needed to fund the appropriations made in section 99E.32,  
11 subsections 9 and 10, and the amount needed under subsection  
12 2, shall be reallocated to the community economic betterment  
13 account, jobs now account, and education and agriculture  
14 research and development account for the fiscal year beginning  
15 July 1, 1989, and ending June 30, 1990. From the amount  
16 allotted to the community economic betterment account, two  
17 hundred fifty thousand dollars shall be appropriated for the  
18 construction of a short term nonprofit rehabilitation facility  
19 for head-injured patients located in Ankeny, Iowa. The  
20 reallocation shall be made as provided in section 99E.32 for  
21 the fiscal year beginning July 1, 1989. The reallocation made  
22 under this section shall not increase the amounts allotted to  
23 the various accounts of the Iowa plan fund under section  
24 99E.32, subsection 1, paragraphs "a" and "b" for the fiscal  
25 year beginning July 1, 1989.

26 2. After the appropriations made in section 99E.32,  
27 subsection 9, have been met and an amount equal to the  
28 appropriations made in section 99E.32, subsection 10, has been  
29 set aside for those purposes, the treasurer of state shall  
30 make available from the surplus account to the education and  
31 agriculture research and development account the sum of one  
32 million six hundred twenty thousand dollars to be used as a  
33 prepayment of up to seventy-five percent of the appropriations  
34 made for the fiscal year beginning July 1, 1989, to the  
35 programs under section 99E.32, subsection 4, paragraph "b",

1 subparagraph (4), except to the Iowa state university of  
2 science and technology research and development program.  
3 Prepayments made under this subsection shall be repaid as the  
4 fiscal year beginning July 1, 1989, allocations to these  
5 programs become available. The repayments shall be reallocated  
6 as provided in subsection 1.

7 Sec. 16.

8 Moneys in the international network on trade fund created  
9 within the state treasury are appropriated and shall be  
10 transferred to the international network on trade fund created  
11 by the board of directors of INTERNET.

12 Sec. 17.

13 This Act, being deemed of immediate importance, is  
14 effective upon enactment.

15 EXPLANATION

16 The bill provides that the moneys in the surplus account of  
17 the Iowa plan fund in excess of the amount needed to fund the  
18 appropriations made from the surplus account for the fiscal  
19 years beginning July 1, 1988, and July 1, 1989, are to be  
20 reallocated for the fiscal year beginning July 1, 1989, to the  
21 community economic betterment account, jobs now account, and  
22 the education and agriculture research and development account  
23 as provided in section 99E.32 for the fiscal year beginning  
24 July 1, 1989. The bill increases the amount appropriated to  
25 certain programs and allows certain programs under the  
26 education and agriculture research and development account to  
27 receive their appropriations sooner.

28 The bill appropriates from the surplus account for the  
29 fiscal year beginning July 1, 1989, to the department of  
30 public defense for a disaster recovery program which is  
31 created in the bill, to the Iowa civil rights commission,  
32 prosecuting attorneys training coordinator, department of  
33 agriculture and land stewardship, Iowa department of public  
34 health, Iowa state fair board, the Terrace Hill commission,  
35 and the agriculture extension service.

1 The bill allows the boards of directors of the INTERNET  
2 corporation and the Wallace technology transfer foundation to  
3 set up their own funds for deposit of moneys received by them  
4 and specifies which state employee benefit programs and  
5 employee requirements and restrictions apply to the  
6 corporation's and foundation's directors and employees.

7 This bill would permit the Iowa finance authority to issue  
8 bonds to finance low-interest loans for persons and political  
9 subdivisions which suffer an uninsured or underinsured  
10 property casualty from a disaster which is not otherwise  
11 eligible for federal or state disaster assistance. Moneys  
12 appropriated to the disaster recovery fund would be used to  
13 leverage other public and private funds, including disaster  
14 recovery loan repayments. The Iowa finance authority would  
15 issue bonds or notes to be secured by the disaster recovery  
16 loan repayments, other income and property pledged by the  
17 beneficiaries. Eligibility requires a disaster recovery  
18 action order recommended by the disaster services division of  
19 the department of public defense and approved by the governor.

20 The bill takes effect upon enactment.

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## SENATE FILE 2433

S-5965

- 1 Amend Senate File 2433 as follows:  
2 1. Page 10, by inserting after line 25, the  
3 following:  
4 "Sec. \_\_\_\_ . Section 99E.32, subsection 5, paragraph  
5 p, Code Supplement 1989, is amended to read as  
6 follows:  
7 p. There is appropriated from the allotment to the  
8 jobs now capitals account under subsection 1 for the  
9 fiscal year beginning July 1, 1989, to the Iowa state  
10 fair board the sum of four five hundred thousand  
11 dollars to provide facilities to house booths,  
12 displays, and other promotional activities for local  
13 tourism groups and organizations."  
14 2. By renumbering as necessary.

By LEONARD L. BOSWELL

S-5965 FILED APRIL 6, 1990

*(w/10 4/7 (p. 1664))*

## SENATE FILE 2433

S-5980

- 1 Amend Senate File 2433 as follows:  
2 1. Page 10, by inserting after line 25, the  
3 following:  
4 "Sec. \_\_\_\_ . Section 99E.32, subsection 5, paragraph  
5 p, Code Supplement 1989, is amended to read as  
6 follows:  
7 p. There is appropriated from the allotment to the  
8 jobs now capitals account under subsection 1 for the  
9 fiscal year beginning July 1, 1989, to the Iowa state  
10 fair board the sum of four five hundred thousand  
11 dollars to provide facilities to house booths,  
12 displays, and other promotional activities for local  
13 tourism groups and organizations."  
14 2. Page 11, by striking lines 22 through 25.  
15 3. By renumbering as necessary.

By LEONARD L. BOSWELL

S-5980 FILED APRIL 6, 1990

*(Adopted 4/7 (p. 1664))*

## SENATE FILE 2433

S-5996

- 1 Amend Senate File 2433 as follows:  
2 1. Page 10, line 1, by striking the words "six  
3 hundred fifty" and inserting the following: "six  
4 seven hundred fifty ten".  
5 2. Page 10, by striking lines 6 and 7, and  
6 inserting the following: "Iowa established in section  
7 28.152; and three hundred".  
8 3. Page 10, line 33, by striking the word "a."  
9 4. Page 10, lines 33 and 34, by striking the  
10 words "two million" and inserting the following: "one  
11 million seven hundred thousand".  
12 5. Page 11, by striking lines 1 through 32.

By RICHARD RUNNING

S-5996 FILED APRIL 7, 1990

WITHDRAWN *(p. 1664)*

## SENATE FILE 2433

S-5985

- 1 Amend Senate File 2433 as follows:  
2 1. Page 12, by striking lines 15 through 21 and  
3 inserting the following: "July 1, 1989, and ending  
4 June 30, 1990. The reallocation made".  
By RICHARD VANDE HOEF

S-5985 FILED APRIL 7, 1990  
WITHDRAWN (p. 1665)

## SENATE FILE 2433

S-5986

- 1 Amend Senate File 2433 as follows:  
2 1. Page 11, by inserting after line 32 the  
3 following:  
4 "1. To the department of corrections for  
5 completion of the water system renovation at Port  
6 Madison, the sum of one million five hundred eighty-  
7 one thousand five hundred fifty dollars."  
By EUGENE FRAISE

S-5986 FILED APRIL 7, 1990  
WITHDRAWN (p. 1667)

## SENATE FILE 2433

S-5994

- 1 Amend Senate File 2433 as follows:  
2 1. Page 9, line 25, by striking the words "one  
3 two" and inserting the following: "one".  
By JOE J. WELSH

S-5994 FILED APRIL 7, 1990  
WITHDRAWN (p. 1665)

## SENATE FILE 2433

S-5995

- 1 Amend Senate File 2433 as follows:  
2 1. Page 11, by inserting after line 28 the  
3 following:  
4 "1. To the Terrace Hill commission, the sum of  
5 five thousand dollars for landscaping at Terrace  
6 Hill."  
By JOE J. WELSH

S-5995 FILED APRIL 7, 1990  
ADOPTED (p. 1665)

How Appropri. 4/7 Pass for 6191 4/7 (p. 2290)

SENATE FILE 2433  
BY COMMITTEE ON APPROPRIATIONS

(AS AMENDED AND PASSED BY THE SENATE APRIL 7, 1990)

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

Re Passed Senate, <sup>Sen 2433</sup> Date 4/8/90 (p. 1725) Passed House, Date 4/17/90 (p. 2297)  
 Vote: Ayes 31 Nays 14 Vote: Ayes 53 Nays 40  
 Approved May 7, 1990 Steve Vatach

A BILL FOR

1 An Act relating to the appropriations from and the reallocation of  
 2 the moneys in the surplus account of the Iowa plan fund, to  
 3 certain corporations appropriated moneys from the Iowa plan  
 4 fund, and authorizing the creation of a disaster recovery  
 5 program to provide low-interest and guaranteed loans to public  
 6 and private entities for which an appropriation is made from  
 7 the Iowa plan fund, and providing an effective date.

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

S.F. 2433

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SENATE FILE 2433  
 H-6191  
 1 Amend Senate File 2433, as amended, passed, and  
 2 reprinted by the Senate, as follows:  
 3 1. Page 11, lines 6 and 7, by striking the words  
 4 "two million" and inserting the following: "one  
 5 million five hundred thousand".  
 6 2. Page 12, by inserting after line 3, the  
 7 following:  
 8 "\_\_\_\_\_. To the department of public defense, the sum  
 9 of five hundred thousand dollars for construction of a  
 10 STARG armory at Camp Dodge to house national guard  
 11 units and to use the basement area to continue state  
 12 government activities which include the state  
 13 alternate emergency operations center, the Iowa  
 14 communications network primary "HUB", and associated  
 15 disaster service divisions required to maintain  
 16 continuity of state government."  
 By COMMITTEE ON APPROPRIATIONS  
 JOCHUM of Dubuque, Chairperson  
 H-6191 FILED APRIL 7, 1990  
 ADOPTED (p. 2297)

1 Section 1. Section 15.284, subsection 4, Code Supplement  
2 1989, is amended to read as follows:

3 4. The finance division of the department shall rank the  
4 applicants according to financial need, cost-benefit of the  
5 project, percent of match, impact, including an increase in  
6 fire or public safety because of completion of the project,  
7 and ability to administer project.

8 Sec. 2. Section 18B.4, Code Supplement 1989, is amended to  
9 read as follows:

10 18B.4 AUTHORIZED CORPORATION -- STAFF.

11 The international network on trade shall be incorporated  
12 under chapter 504A. INTERNET shall not be regarded as a state  
13 agency, except for purposes of chapter 17A. A member of the  
14 board of directors is not considered a state employee, except  
15 for purposes of chapter 25A. If the executive director is a  
16 natural person acting as a salaried employee of the board, the  
17 executive director is a state employee except for purposes of  
18 the merit-system-provisions-of-chapter-19A-and-chapter-20 Iowa  
19 public employees' retirement system, state health and dental  
20 plans, and other state employee benefits and chapter 25A. A  
21 natural person hired by the executive director who is a  
22 salaried employee of the board is a state employee for  
23 purposes of the Iowa public employees' retirement system,  
24 state health and dental plans, and other state employee  
25 benefits and chapter 25A. However, if a person, including a  
26 staff member of INTERNET, is an independent contractor or an  
27 employee of an independent contractor, the person is not a  
28 state employee except for purposes of chapter 25A. Chapters  
29 8, 18, 19A, and 20, and other provisions of law that relate to  
30 requirements or restrictions dealing with state personnel or  
31 state funds do not apply to the INTERNET corporation, the  
32 executive director, and any employees of the board or the  
33 corporation, except to the extent provided in this chapter.  
34 Sec. 3. Section 18B.11, unnumbered paragraphs 1, 3, and 4,  
35 Code Supplement 1989, are amended to read as follows:

1 ~~There is created within the state treasury,~~ shall be  
2 created by the board of directors of INTERNET an international  
3 network on trade fund. The fund is composed of money  
4 appropriated by the general assembly for that purpose, and  
5 moneys available to and obtained or accepted by the board  
6 under this chapter, including money from the United States,  
7 other states in the union, foreign nations, state agencies,  
8 political subdivisions, and private sources, and moneys from  
9 fees charged under this chapter.

10 ~~The auditor of state shall conduct regular~~ corporation  
11 shall arrange, at least annually, for regular independent  
12 audits of the fund and shall make submit a certified report  
13 relating to the condition of the fund to the ~~treasurer of~~  
14 ~~state and to the executive director~~ governor and general  
15 assembly.

16 ~~The board and executive director shall administer the fund~~  
17 ~~in accordance with procedures of the treasurer of state.~~ In  
18 administering the fund, the board may do all of the following:

19 Sec. 4. Section 28.153, Code Supplement 1989, is amended  
20 to read as follows:

21 28.153 AUTHORIZED CORPORATION.

22 A Wallace technology transfer foundation of Iowa shall be  
23 incorporated under chapter 504A. The foundation shall not be  
24 regarded as a state agency, except for purposes of chapter  
25 17A. A member of the board of directors is not considered a  
26 state employee, except for purposes of chapter 25A. The  
27 executive director is a state employee ~~except~~ for purposes of  
28 ~~the merit system provisions of chapter 19A and chapter 20~~ Iowa  
29 public employees' retirement system, state health and dental  
30 plans, and other state employee benefits and chapter 25A. A  
31 natural person employed by the executive director is a state  
32 employee for purposes of the Iowa public employees' retirement  
33 system, state health and dental plans, and other state  
34 employee benefits plans and chapter 25A. Chapters 8, 18, 19A,  
35 and 20, and other provisions of law that relate to

1 requirements or restrictions dealing with state personnel or  
2 state funds do not apply to the foundation, the executive  
3 director, and any employees of the board or the foundation,  
4 except to the extent provided in this chapter.

5 Sec. 5. Section 28.156, subsection 3, paragraph g, Code  
6 Supplement 1989, is amended by striking the paragraph.

7 Sec. 6. NEW SECTION. 28.161 WALLACE TECHNOLOGY TRANSFER  
8 FOUNDATION FUND.

9 1. There shall be created by the board of directors a  
10 Wallace technology transfer foundation fund. The fund is  
11 composed of money appropriated by the general assembly for  
12 that purpose, and moneys available to and obtained or accepted  
13 by the board under this chapter, including money from the  
14 United States, other states in the union, foreign nations,  
15 state agencies, political subdivisions, and private sources,  
16 and moneys from fees charged under this chapter.

17 2. The fund shall be a revolving fund from which moneys  
18 may be used for purposes described in this chapter, including  
19 loans, grants, matching financing, and administrative costs.  
20 All interest earned on proceeds in the fund shall remain in  
21 the fund.

22 3. The foundation shall arrange, at least annually, for  
23 regular independent audits of the fund and shall submit a  
24 certified report relating to the condition of the fund to the  
25 governor and general assembly.

26 4. In administering the fund, the board may do all of the  
27 following:

28 a. Contract, sue and be sued, and adopt rules necessary to  
29 carry out the provisions of this section, but the board shall  
30 not in any manner, directly or indirectly pledge the credit of  
31 the state.

32 b. Authorize payment from the fund, from fees and from any  
33 income received by investment of money in the fund, for costs,  
34 commissions, attorney fees, and other reasonable expenses  
35 related to and necessary for making and protecting direct

1 loans under this section, and for the recovery of moneys  
2 loaned or the management of property acquired in connection  
3 with the loans.

4 5. Section 8.33 shall not apply to moneys in the fund.

5 Sec. 7. NEW SECTION. 29C.100 DISASTER RECOVERY PROGRAM -  
6 -FINANCING -- DEFINITIONS -- FUNDING -- BONDS AND NOTES.

7 1. As used in this subchapter, unless the context  
8 otherwise requires, "authority" means the Iowa finance  
9 authority.

10 2. The authority shall cooperate with the department of  
11 public defense in the creation, administration, and funding of  
12 the disaster recovery program established in this subchapter.

13 3. The authority may issue its bonds and notes for the  
14 purpose of funding guaranteed loans to eligible persons and  
15 projects as part of a disaster recovery action authorized  
16 pursuant to this subchapter.

17 4. The authority may issue its bonds and notes for the  
18 purposes of this subchapter and may enter into one or more  
19 lending agreements or purchase agreements with one or more  
20 bondholders or noteholders containing the terms and conditions  
21 of the repayment of and the security for the bonds or notes.  
22 The authority and the bondholders or noteholders or a trustee  
23 agent designated by the authority may enter into agreements to  
24 provide for any of the following:

25 a. That the proceeds of the bonds and notes and the  
26 investments of the proceeds may be received, held, and  
27 disbursed by the authority or by a trustee or agent designated  
28 by the authority.

29 b. That the bondholders or noteholders or a trustee or  
30 agent designated by the authority may collect, invest, and  
31 apply the amount payable under the loan agreements or any  
32 other instruments securing the debt obligations under the loan  
33 agreements.

34 c. That the bondholders or noteholders may enforce the  
35 remedies provided in the loan agreements or other instruments

1 on their own behalf without the appointment or designation of  
2 a trustee. If there is a default in the principal of or  
3 interest on the bonds or notes or in the performance of any  
4 agreement contained in the loan agreements or other  
5 instruments, the payment or performance may be enforced in  
6 accordance with the loan agreement or other instrument.

7 d. Other terms and conditions as deemed necessary or  
8 appropriate by the authority.

9 5. The powers granted the authority under this section are  
10 in addition to other powers contained in chapter 220. All  
11 other provisions of chapter 220, except section 220.28,  
12 subsection 4, apply to bonds or notes issued and powers  
13 granted to the authority under this section, except to the  
14 extent they are inconsistent with this section.

15 6. All bonds or notes issued by the authority in  
16 connection with the program are exempt from taxation by this  
17 state and the interest on the bonds or notes is exempt from  
18 state income tax, both personal and corporate.

19 Sec. 8. NEW SECTION. 29C.101 SECURITY -- RESERVE FUNDS -  
20 -PLEDGES -- NONLIABILITY -- IRREVOCABLE CONTRACTS.

21 1. The authority may provide in the resolution, trust  
22 agreement, or other instrument authorizing the issuance of its  
23 bonds or notes pursuant to section 29C.100 that the principal  
24 of, premium, and interest on the bonds or notes are payable  
25 from any of the following and may pledge the same to its bonds  
26 and notes:

27 a. The income and receipts or other moneys derived from  
28 the projects financed with the proceeds of the bonds or notes.

29 b. The income and receipts or other money derived from  
30 designated projects whether or not the projects are financed  
31 in whole or in part with the proceeds of the bonds or notes.

32 c. The amounts on deposit in the disaster recovery fund  
33 created in section 29C.100.

34 d. The amounts payable to the authority by jurisdictions  
35 or persons eligible for disaster recovery program assistance.

1 e. Any other funds or accounts established by the  
2 authority in connection with the program or the sale and  
3 issuance of its bonds or notes.

4 2. The authority may establish reserve funds to secure one  
5 or more issues of its bonds or notes. The authority may  
6 deposit in a reserve fund established under this subsection,  
7 the proceeds of the sale of its bonds or notes and other money  
8 which is made available from any other source. The authority  
9 shall establish a disaster recovery fund for the deposit of  
10 moneys appropriated for this program, and section 8.33  
11 notwithstanding, such moneys remaining in the disaster  
12 recovery fund, including interest and investment income, shall  
13 not revert to the general fund, but shall remain in the  
14 disaster recovery fund, and shall be a continuing  
15 appropriation for the purposes of this program. These moneys  
16 may be used to leverage additional private or public funds,  
17 including, by way of example, but not limitation, reducing the  
18 rate of interest or cost of money loaned to beneficiaries of  
19 the program.

20 3. A pledge made in respect of bonds or notes is valid and  
21 binding from the time the pledge is made. The money or  
22 property so pledged and received after the pledge by the  
23 authority is immediately subject to the lien of the pledge  
24 without physical delivery or further act. The lien of the  
25 pledge is valid and binding as against all persons having  
26 claims of any kind in tort, contract, or otherwise against the  
27 authority whether or not the parties have notice of the lien.  
28 Neither the resolution, trust agreement, or any other  
29 instrument by which a pledge is created needs to be recorded,  
30 filed, or perfected under chapter 554, to be valid, binding,  
31 or effective against all persons.

32 4. The members of the authority or persons executing the  
33 bonds or notes are not personally liable on the bonds or notes  
34 and are not subject to personal liability or accountability by  
35 reason of the issuance of the bonds or notes.

1 5. The state pledges to and agrees with the holders of  
2 bonds or notes issued under this subchapter that the state  
3 will not limit or alter the rights and powers vested in the  
4 authority to fulfill the terms of a contract made by the  
5 authority with respect to the bonds or notes, or in any way  
6 impair the rights and remedies of the holders until the bonds  
7 or notes, together with the interest on them including  
8 interest on unpaid installments of interest, and all costs and  
9 expenses in connection with an action or proceeding by or on  
10 behalf of the holders, are fully met and discharged. The  
11 authority is authorized to include this pledge and agreement  
12 of the state, as it refers to holders of bonds or notes of the  
13 authority, in a contract with the holders.

14 Sec. 9. NEW SECTION. 29C.102 RULES.

15 The authority shall adopt rules pursuant to chapter 17A to  
16 implement sections 29C.100 and 29C.101.

17 Sec. 10. NEW SECTION. 29C.103 DISASTER ASSISTANCE  
18 RECOVERY ACTION.

19 1. Upon the recommendation of the administrator, the  
20 governor may issue an order approving a disaster recovery  
21 action for persons affected by a disaster which meets all of  
22 the following criteria:

23 a. A major disaster has not been declared by the president  
24 of the United States.

25 b. Persons eligible for assistance pursuant to the order  
26 shall be limited to those who are not beneficiaries of state  
27 assistance approved pursuant to section 29C.6.

28 2. Subject to the terms and conditions of the disaster  
29 recovery action order, a political subdivision may obtain  
30 guaranteed financial assistance through the authority acting  
31 pursuant to sections 29C.100 through 29C.102 and this section.  
32 The authority may issue bonds or notes secured as provided by  
33 this subchapter including such moneys as may be pledged by the  
34 political subdivision and income from facilities or projects  
35 which are the subject of the financial assistance.

1       3. Subject to the terms and conditions of the disaster  
2 recovery action order, a private person who satisfies all of  
3 the following criteria may obtain guaranteed financial  
4 assistance through the authority action pursuant to sections  
5 29C.100 through 29C.102 and this section:

6       a. A person must have suffered a property casualty from a  
7 disaster.

8       b. The casualty must have been uninsured or underinsured.  
9       Assistance to a private person is limited to the amount of  
10 the damages which were uninsured or underinsured. Assistance  
11 shall be in the form of a low-interest guaranteed loan, issued  
12 on such terms and conditions as may be required by the  
13 authority. The authority may issue such bonds or notes to  
14 finance these loans, secured as provided by this subchapter,  
15 including by the repayment of the loans and such other  
16 security as may be pledged by the private beneficiaries and  
17 income from facilities or projects which are the subject of  
18 the financial assistance.

19       4. The disaster recovery program authorized by this  
20 subchapter shall be for the public purpose of restoring  
21 political subdivisions and private persons adversely impacted  
22 by an uninsured or underinsured property casualty caused by a  
23 disaster which exceeds current economic resources. Through  
24 long-term financial assistance, beneficiaries of the program  
25 are to be restored in their life, property, and security,  
26 permitting continued operation of the affected instruments of  
27 government and civic and economic contributions by affected  
28 private persons.

29       Sec. 11. Section 99E.32, subsection 3, paragraph y, Code  
30 Supplement 1989, is amended to read as follows:

31       y. For the fiscal year beginning July 1, 1989, to the  
32 department of economic development for the sister state  
33 program the sum of eighty thousand dollars. Funds  
34 appropriated for the sister state program shall be matched on  
35 a-dollar-for-dollar-basis to the extent possible by private

1 sources. ~~In-kind-expenditures-from-the-private-sector-may-be~~  
2 ~~considered-as-a-portion-of-the-dollar-for-dollar-match.~~ The  
3 department shall secure the necessary private participation  
4 from groups and organizations most appropriate for this  
5 program.

6 Sec. 12. Section 99E.32, subsection 4, paragraph b,  
7 subparagraph (4), Code Supplement 1989, is amended to read as  
8 follows:

9 (4) (a) For the fiscal year beginning July 1, 1989, the  
10 amount appropriated is six million four hundred thousand  
11 dollars. Of the amount appropriated for the fiscal year  
12 beginning July 1, 1989, forty thousand dollars shall be  
13 allocated to the state library within the department of  
14 cultural affairs for purposes of the patent depository library  
15 and three hundred thousand dollars shall be allocated and used  
16 to operate the university and private industry research and  
17 development consortium at each of the state board of regents  
18 universities established under chapter 262B. Of the three  
19 hundred thousand dollars, one hundred thousand dollars is  
20 allocated to each of the consortiums. The department of  
21 economic development and the consortiums shall coordinate  
22 activities relating to purposes of chapter 262B. Of the  
23 amount appropriated in this subparagraph, five hundred  
24 thousand dollars is allocated to the University of Northern  
25 Iowa for the decision-making science institute; ~~one~~ two  
26 hundred thousand dollars is allocated to the department of  
27 economic development for an economic development training  
28 program at the school of business at the University of  
29 Northern Iowa which shall use these funds in consultation with  
30 the department, the university, and the professional  
31 developers of Iowa and which shall use one hundred thousand  
32 dollars of the funds for the development, with the involvement  
33 of the public and private sector, of a curriculum on  
34 international trade; one hundred thousand dollars is allocated  
35 to the decision-making science institute for the emerging

1 business opportunities analysis; six hundred fifty thousand  
2 dollars is allocated to the international network on trade  
3 fund of the INTERNET foundation, established in chapter 18B,  
4 which shall transfer four hundred thousand dollars of its  
5 allocation to the Wallace technology transfer foundation of  
6 Iowa established in section 28.152; sixty thousand dollars for  
7 grants under subparagraph subdivision (c); and three hundred  
8 thousand dollars, to be allocated equally, for support of the  
9 Iowa technology innovation centers at the University of Iowa  
10 and the Iowa State University of science and technology and  
11 the applied technology program at the University of Northern  
12 Iowa.

13 (b) Notwithstanding section 99E.31, subsection 4,  
14 paragraph "a", for the fiscal year beginning July 1, 1989, the  
15 department of economic development shall waive the matching  
16 funds requirement for programs under this subparagraph except  
17 for the Iowa State University of science and technology  
18 biotechnology research and development program, the technology  
19 innovation centers, and the applied technology program.

20 (c) For the fiscal year beginning July 1, 1989, the  
21 department of economic development shall provide a grant of  
22 thirty thousand dollars to each agricultural marketing  
23 resources cooperative that has qualified for a loan from the  
24 community economic betterment account under subsection 2 to  
25 insure the adequate capitalization of each cooperative.

26 Sec. 13. Section 99E.32, subsection 5, paragraph p, Code  
27 Supplement 1989, is amended to read as follows:

28 p. There is appropriated from the allotment to the jobs  
29 now capitals account under subsection 1 for the fiscal year  
30 beginning July 1, 1989, to the Iowa state fair board the sum  
31 of ~~four~~ five hundred thousand dollars to provide facilities to  
32 house booths, displays, and other promotional activities for  
33 local tourism groups and organizations.

34 Sec. 14. Section 99E.32, Code Supplement 1989, is amended  
35 by adding the following new subsection:

1 NEW SUBSECTION. 10. There is appropriated from the  
2 surplus account to the designated agency or office for the  
3 fiscal year beginning July 1, 1989, and ending June 30, 1990,  
4 the following amounts, or so much thereof as is necessary, to  
5 be used for the purposes designated:

6 a. To the department of public defense, the sum of two  
7 million dollars for purposes of the disaster recovery program  
8 created in sections 29C.100 through 29C.103.

9 b. To the Iowa civil rights commission, an amount up to  
10 thirty-five thousand dollars as a one-for-one match with  
11 private contributions for the purpose of conducting a week-  
12 long program of public education throughout the state to call  
13 attention to the mission and accomplishments of the commission  
14 over the past twenty-five years.

15 c. To the prosecuting attorneys training coordinator in  
16 the department of justice, the sum of fifty thousand dollars.  
17 This appropriation is conditional upon receiving a grant from  
18 the national institute of dispute resolution for the purpose  
19 of conducting a statewide survey of alternate dispute  
20 resolution services to evaluate their effectiveness, level of  
21 training, and success rates, and to make recommendations to  
22 the governor and general assembly concerning the development  
23 of a state mediation service.

24 d. To the department of agriculture and land stewardship,  
25 the sum of fifty thousand dollars for the establishment and  
26 operation of a foreign trade office in Taipei, Taiwan.

27 e. To the Iowa department of public health, the sum of one  
28 hundred thousand dollars for the rural health office for the  
29 purpose of rural health planning.

30 f. To the Terrace Hill commission, the sum of thirty  
31 thousand dollars for maintenance and repair at Terrace Hill  
32 and for .5 FTEs.

33 g. To the Terrace Hill commission, the sum of five  
34 thousand dollars for landscaping at Terrace Hill.

35 h. To Iowa state university of science and technology for

1 the Iowa cooperative extension service in agriculture and home  
2 economics, the sum of one hundred thousand dollars to hire up  
3 to four horticultural specialists.

4 Sec. 15. NEW SECTION. 220.163 AUTHORITY TO ISSUE STATE  
5 DISASTER RECOVERY PROGRAM BONDS AND NOTES.

6 The authority shall assist the department of public defense  
7 as provided in chapter 29C, subchapter II, and the authority  
8 shall have all of the powers delegated to it by the department  
9 of public defense or a public or private beneficiary of the  
10 program in a chapter 28E agreement with respect to the  
11 issuance and securing of bonds or notes and the carrying out  
12 of the purposes of chapter 29C, subchapter II.

13 Sec. 16.

14 1. All moneys in the surplus account of the Iowa plan fund  
15 on the effective date of this Act in excess of the amount  
16 needed to fund the appropriations made in section 99E.32,  
17 subsections 9 and 10, and the amount needed under subsection  
18 2, shall be reallocated to the community economic betterment  
19 account, jobs now account, and education and agriculture  
20 research and development account for the fiscal year beginning  
21 July 1, 1989, and ending June 30, 1990. From the amount  
22 allotted to the community economic betterment account, two  
23 hundred fifty thousand dollars shall be appropriated for the  
24 construction of a short term nonprofit rehabilitation facility  
25 for head-injured patients located in Ankeny, Iowa. The  
26 reallocation shall be made as provided in section 99E.32 for  
27 the fiscal year beginning July 1, 1989. The reallocation made  
28 under this section shall not increase the amounts allotted to  
29 the various accounts of the Iowa plan fund under section  
30 99E.32, subsection 1, paragraphs "a" and "b" for the fiscal  
31 year beginning July 1, 1989.

32 2. After the appropriations made in section 99E.32,  
33 subsection 9, have been met and an amount equal to the  
34 appropriations made in section 99E.32, subsection 10, has been  
35 set aside for those purposes, the treasurer of state shall

1 make available from the surplus account to the education and  
2 agriculture research and development account the sum of one  
3 million six hundred twenty thousand dollars to be used as a  
4 prepayment of up to seventy-five percent of the appropriations  
5 made for the fiscal year beginning July 1, 1989, to the  
6 programs under section 99E.32, subsection 4, paragraph "b",  
7 subparagraph (4), except to the Iowa state university of  
8 science and technology research and development program.  
9 Prepayments made under this subsection shall be repaid as the  
10 fiscal year beginning July 1, 1989, allocations to these  
11 programs become available. The repayments shall be reallocated  
12 as provided in subsection 1.

13 Sec. 17.

14 Moneys in the international network on trade fund created  
15 within the state treasury are appropriated and shall be  
16 transferred to the international network on trade fund created  
17 by the board of directors of INTERNET.

18 Sec. 18.

19 This Act, being deemed of immediate importance, is  
20 effective upon enactment.

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HOUSE AMENDMENT TO  
SENATE FILE 2433

S-6023

1 Amend Senate File 2433, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 11, lines 6 and 7, by striking the words  
4 "two million" and inserting the following: "one  
5 million five hundred thousand".

6 2. Page 12, by inserting after line 3, the  
7 following:

8 "\_\_\_\_\_. To the department of public defense, the sum  
9 of five hundred thousand dollars for construction of a  
10 STARC armory at Camp Dodge to house national guard  
11 units and to use the basement area to continue state  
12 government activities which include the state  
13 alternate emergency operations center, the Iowa  
14 communications network primary "HUB", and associated  
15 disaster service divisions required to maintain  
16 continuity of state government."

RECEIVED FROM THE HOUSE

S-6023 FILED APRIL 7, 1990  
CONCURRED (p. 1725)



OFFICE OF THE GOVERNOR

STATE CAPITOL

DES MOINES, IOWA 50319

515 281-5211

TERRY E. BRANSTAD  
GOVERNOR

May 7, 1990

The Honorable Elaine Baxter  
Secretary of State  
State Capitol Building  
L O C A L

Dear Madam Secretary:

I hereby transmit Senate File 2433, an act relating to the appropriations from and the reallocation of the moneys in the surplus account of the Iowa plan fund, to certain corporations appropriated moneys from the Iowa plan fund, and authorizing the creation of a disaster recovery program to provide low-interest and guaranteed loans to public and private entities for which an appropriation is made from the Iowa plan fund, and providing an effective date.

Senate File 2433 is, therefore, approved on this date with the following exceptions which I hereby disapprove.

I am unable to approve the items designated as Sections 7, 8, 9, and 10, in their entirety, Section 14, new subsection 10, paragraph a, in its entirety, and Section 15, in its entirety. These sections relate to the creation, administration and \$1.5 million appropriation for a new disaster recovery program. Particularly in light of our difficult fiscal situation, it would be unwise to embark on a new program with potentially unlimited exposure for the state as an insurer for non-insured or underinsured individuals. Moreover, creation of such a program could jeopardize our ability to receive federal disaster assistance in the future.

I am unable to approve the item designated as Section 14, new subsection 10, paragraph b, in its entirety. This provision appropriates \$35,000 to the Iowa Civil Rights Commission for a program to recognize twenty-five years of achievement. Certainly the commission has reason to be proud of its record of accomplishments, and I personally pledge to work with the Commission in garnering private sector support for the project. However, the use of tax dollars for this purpose cannot be justified at this time.

I am unable to approve the item designated as Section 14, new subsection 10, paragraph c, in its entirety. This provision appropriates \$50,000 to the Department of Justice for a study of dispute resolution services. Earlier this year I vetoed Senate File 2296, which would have created a council for dispute resolution, substantially changing the informal dispute resolution program currently administered in the Office of Prosecuting Attorneys Training Coordinator of the Department of Justice. This office should be able to provide recommendations without the necessity of a formal study.

I am unable to approve the item designated as Section 14, new subsection 10, paragraph d, in its entirety. This provision appropriates \$50,000 to the Department of Agriculture and Land Stewardship for the establishment and operation of a foreign trade office in Taipei, Taiwan. This action by the legislature is contrary to the marketing plan developed at the legislature's direction by the Agricultural Products Advisory Council. The plan calls for foreign offices to be attached to the Department of Economic Development whose Hong Kong office serves the Pacific Rim including Taiwan.

I am unable to approve the item designated as Section 14, new subsection 10, paragraph e, in its entirety. This provision appropriates \$100,000 to the Department of Public Health for rural health planning. Improving rural health care is one of my priorities. However, an additional appropriation is unnecessary since the Department received a \$100,000 increase in House File 2371 for rural health planning and may also access the Department of Economic Development's rural enterprise fund for this purpose. Rural health safety will be further augmented as a result of a \$250,000 appropriation for this purpose contained in House File 2569.

I am unable to approve the item designated as Section 14, new subsection 10, paragraph h, in its entirety. This provision appropriates \$100,000 to the Iowa State University Cooperative Extension Service for four horticultural specialists. This item was not included in the university's budget request nor in the Board of Regents' budget recommendation to me.

I am unable to approve the item designated as Section 16, subsection 1, in its entirety. This subsection would appropriate all remaining funds in the Iowa Plan surplus account to the items receiving Iowa Plan funds for fiscal year 1990 as specified in House File 785, 1989 Acts of the 73rd General Assembly. This provision cannot be approved in view of the state's difficult fiscal situation.

The Honorable Elaine Baxter  
May 7, 1990  
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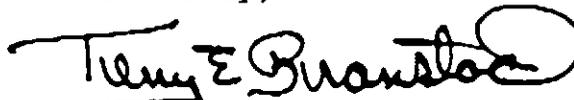
Section 16, subsection 1 also appropriates \$250,000 from the Community Economic Betterment account for construction of a rehabilitation center for head-injured patients located in Ankeny, Iowa. This project should stand on its own merits within the rules of the Community Economic Betterment program.

I am unable to approve the designated portion of Section 16, subsection 2. This language would reallocate repayments made in the subsection according to the provisions in subsection 1, which I have vetoed. The result of this veto will be to send the repayments back to the surplus account.

Because economic development is one of my most important priorities, the decision to exercise my veto authority in this bill is a very difficult one to make. However, it is clear that in order to provide a responsible budget, even my priority areas must be considered. As a result of the item vetoes in this message, it is estimated the balance in the lottery surplus account will be essentially "frozen" at \$6.8 million. This action will significantly enhance the ability of both the executive and legislative branches to construct a balanced budget for fiscal year 1992.

For the above reasons, I hereby respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in Senate File 2433 are hereby approved as of this date.

Sincerely,

  
Terry E. Branstad  
Governor

TEB/ps

cc: Secretary of the Senate  
Chief Clerk of the House

Item VETO  
Portions highlighted  
in Pink

SENATE FILE 2433

AN ACT

RELATING TO THE APPROPRIATIONS FROM AND THE REALLOTMENT OF THE MONEYS IN THE SURPLUS ACCOUNT OF THE IOWA PLAN FUND, TO CERTAIN CORPORATIONS APPROPRIATED MONEYS FROM THE IOWA PLAN FUND, AND AUTHORIZING THE CREATION OF A DISASTER RECOVERY PROGRAM TO PROVIDE LOW-INTEREST AND GUARANTEED LOANS TO PUBLIC AND PRIVATE ENTITIES FOR WHICH AN APPROPRIATION IS MADE FROM THE IOWA PLAN FUND, AND PROVIDING AN EFFECTIVE DATE.

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

Section 1. Section 15.284, subsection 4, Code Supplement 1989, is amended to read as follows:

4. The finance division of the department shall rank the applicants according to financial need, cost-benefit of the project, percent of match, impact, including an increase in fire or public safety because of completion of the project, and ability to administer project.

Sec. 2. Section 18B.4, Code Supplement 1989, is amended to read as follows:

18B.4. AUTHORIZED CORPORATION -- STAFF.

The international network on trade shall be incorporated under chapter 504A. INTERNET shall not be regarded as a state agency, except for purposes of chapter 17A. A member of the board of directors is not considered a state employee, except for purposes of chapter 25A. If the executive director is a natural person acting as a salaried employee of the board, the executive director is a state employee except for purposes of the merit-system-provisions-of-chapter-19A-and-chapter-20 Iowa public employees' retirement system, state health and dental plans, and other state employee benefits and chapter 25A. A natural person hired by the executive director who is a

salaried employee of the board is a state employee for purposes of the Iowa public employees' retirement system, state health and dental plans, and other state employee benefits and chapter 25A. However, if a person, including a staff member of INTERNET, is an independent contractor or an employee of an independent contractor, the person is not a state employee except for purposes of chapter 25A. Chapters 8, 18, 19A, and 20, and other provisions of law that relate to requirements or restrictions dealing with state personnel or state funds do not apply to the INTERNET corporation, the executive director, and any employees of the board or the corporation, except to the extent provided in this chapter.

Sec. 3. Section 18B.11, unnumbered paragraphs 1, 3, and 4, Code Supplement 1989, are amended to read as follows:

~~There is created within the state treasury, shall be created by the board of directors of INTERNET~~ an international network on trade fund. The fund is composed of money appropriated by the general assembly for that purpose, and moneys available to and obtained or accepted by the board under this chapter, including money from the United States, other states in the union, foreign nations, state agencies, political subdivisions, and private sources, and moneys from fees charged under this chapter.

~~The auditor-of-state-shall-conduct-regular corporation shall arrange, at least annually, for regular independent audits of the fund and shall make submit a certified report relating to the condition of the fund to the treasurer-of state-and-to-the-executive-director~~ governor and general assembly.

~~The-board-and-executive-director-shall-administer-the-fund in-accordance-with-procedures-of-the-treasurer-of-state.~~ In administering the fund, the board may do all of the following:

Sec. 4. Section 28.153, Code Supplement 1989, is amended to read as follows:

28.153 AUTHORIZED CORPORATION.

A Wallace technology transfer foundation of Iowa shall be incorporated under chapter 504A. The foundation shall not be regarded as a state agency, except for purposes of chapter 17A. A member of the board of directors is not considered a state employee, except for purposes of chapter 25A. The executive director is a state employee except for purposes of the merit-system-provisions-of-chapter-19A-and-chapter-20 Iowa public employees' retirement system, state health and dental plans, and other state employee benefits and chapter 25A. A natural person employed by the executive director is a state employee for purposes of the Iowa public employees' retirement system, state health and dental plans, and other state employee benefits plans and chapter 25A. Chapters 8, 18, 19A, and 20, and other provisions of law that relate to requirements or restrictions dealing with state personnel or state funds do not apply to the foundation, the executive director, and any employees of the board or the foundation, except to the extent provided in this chapter.

Sec. 5. Section 28.156, subsection 3, paragraph g, Code Supplement 1989, is amended by striking the paragraph.

Sec. 6. NEW SECTION. 28.161 WALLACE TECHNOLOGY TRANSFER FOUNDATION FUND.

1. There shall be created by the board of directors a Wallace technology transfer foundation fund. The fund is composed of money appropriated by the general assembly for that purpose, and moneys available to and obtained or accepted by the board under this chapter, including money from the United States, other states in the union, foreign nations, state agencies, political subdivisions, and private sources, and moneys from fees charged under this chapter.

2. The fund shall be a revolving fund from which moneys may be used for purposes described in this chapter, including loans, grants, matching financing, and administrative costs. All interest earned on proceeds in the fund shall remain in the fund.

3. The foundation shall arrange, at least annually, for regular independent audits of the fund and shall submit a certified report relating to the condition of the fund to the governor and general assembly.

4. In administering the fund, the board may do all of the following:

a. Contract, sue and be sued, and adopt rules necessary to carry out the provisions of this section, but the board shall not in any manner, directly or indirectly pledge the credit of the state.

b. Authorize payment from the fund, from fees and from any income received by investment of money in the fund, for costs, commissions, attorney fees, and other reasonable expenses related to and necessary for making and protecting direct loans under this section, and for the recovery of moneys loaned or the management of property acquired in connection with the loans.

5. Section 8.33 shall not apply to moneys in the fund.

Sec. 7. NEW SECTION. 29C.100 DISASTER RECOVERY PROGRAM -  
- FINANCING -- DEFINITIONS -- FUNDING -- BONDS AND NOTES.

1. As used in this subchapter, unless the context otherwise requires, "authority" means the Iowa finance authority.

2. The authority shall cooperate with the department of public defense in the creation, administration, and funding of the disaster recovery program established in this subchapter.

3. The authority may issue its bonds and notes for the purpose of funding guaranteed loans to eligible persons and projects as part of a disaster recovery action authorized pursuant to this subchapter.

4. The authority may issue its bonds and notes for the purposes of this subchapter and may enter into one or more lending agreements or purchase agreements with one or more bondholders or noteholders containing the terms and conditions of the repayment of and the security for the bonds or notes.

The authority and the bondholders or noteholders or a trustee agent designated by the authority may enter into agreements to provide for any of the following:

a. That the proceeds of the bonds and notes and the investments of the proceeds may be received, held, and disbursed by the authority or by a trustee or agent designated by the authority.

b. That the bondholders or noteholders or a trustee or agent designated by the authority may collect, invest, and apply the amount payable under the loan agreements or any other instruments securing the debt obligations under the loan agreements.

c. That the bondholders or noteholders may enforce the remedies provided in the loan agreements or other instruments on their own behalf without the appointment or designation of a trustee. If there is a default in the principal of or interest on the bonds or notes or in the performance of any agreement contained in the loan agreements or other instruments, the payment or performance may be enforced in accordance with the loan agreement or other instrument.

d. Other terms and conditions as deemed necessary or appropriate by the authority.

5. The powers granted the authority under this section are in addition to other powers contained in chapter 220. All other provisions of chapter 220, except section 220.28, subsection 4, apply to bonds or notes issued and powers granted to the authority under this section, except to the extent they are inconsistent with this section.

6. All bonds or notes issued by the authority in connection with the program are exempt from taxation by this state and the interest on the bonds or notes is exempt from state income tax, both personal and corporate.

Sec. 8. NEW SECTION. 29C.101 SECURITY -- RESERVE FUNDS -- PLEDGES -- NONLIABILITY -- IRREVOCABLE CONTRACTS.

1. The authority may provide in the resolution, trust agreement, or other instrument authorizing the issuance of its bonds or notes pursuant to section 29C.100 that the principal of, premium, and interest on the bonds or notes are payable from any of the following and may pledge the same to its bonds and notes:

a. The income and receipts or other moneys derived from the projects financed with the proceeds of the bonds or notes.

b. The income and receipts or other money derived from designated projects whether or not the projects are financed in whole or in part with the proceeds of the bonds or notes.

c. The amounts on deposit in the disaster recovery fund created in section 29C.100.

d. The amounts payable to the authority by jurisdictions or persons eligible for disaster recovery program assistance.

e. Any other funds or accounts established by the authority in connection with the program or the sale and issuance of its bonds or notes.

2. The authority may establish reserve funds to secure one or more issues of its bonds or notes. The authority may deposit in a reserve fund established under this subsection, the proceeds of the sale of its bonds or notes and other money which is made available from any other source. The authority shall establish a disaster recovery fund for the deposit of moneys appropriated for this program, and section 8.33 notwithstanding, such moneys remaining in the disaster recovery fund, including interest and investment income, shall not revert to the general fund, but shall remain in the disaster recovery fund, and shall be a continuing appropriation for the purposes of this program. These moneys may be used to leverage additional private or public funds, including, by way of example, but not limitation, reducing the rate of interest or cost of money loaned to beneficiaries of the program.

3. A pledge made in respect of bonds or notes is valid and binding from the time the pledge is made. The money or property so pledged and received after the pledge by the authority is immediately subject to the lien of the pledge without physical delivery or further act. The lien of the pledge is valid and binding as against all persons having claims of any kind in tort, contract, or otherwise against the authority whether or not the parties have notice of the lien. Neither the resolution, trust agreement, or any other instrument by which a pledge is created needs to be recorded, filed, or perfected under chapter 554, to be valid, binding, or effective against all persons.

4. The members of the authority or persons executing the bonds or notes are not personally liable on the bonds or notes and are not subject to personal liability or accountability by reason of the issuance of the bonds or notes.

5. The state pledges to and agrees with the holders of bonds or notes issued under this subchapter that the state will not limit or alter the rights and powers vested in the authority to fulfill the terms of a contract made by the authority with respect to the bonds or notes, or in any way impair the rights and remedies of the holders until the bonds or notes, together with the interest on them including interest on unpaid installments of interest, and all costs and expenses in connection with an action or proceeding by or on behalf of the holders, are fully met and discharged. The authority is authorized to include this pledge and agreement of the state, as it refers to holders of bonds or notes of the authority, in a contract with the holders.

Sec. 9. NEW SECTION. 29C.102 RULES.

The authority shall adopt rules pursuant to chapter 17A to implement sections 29C.100 and 29C.101.

Sec. 10. NEW SECTION. 29C.103 DISASTER ASSISTANCE RECOVERY ACTION.

1. Upon the recommendation of the administrator, the governor may issue an order approving a disaster recovery action for persons affected by a disaster which meets all of the following criteria:

a. A major disaster has not been declared by the president of the United States.

b. Persons eligible for assistance pursuant to the order shall be limited to those who are not beneficiaries of state assistance approved pursuant to section 29C.6.

2. Subject to the terms and conditions of the disaster recovery action order, a political subdivision may obtain guaranteed financial assistance through the authority acting pursuant to sections 29C.100 through 29C.102 and this section. The authority may issue bonds or notes secured as provided by this subchapter including such moneys as may be pledged by the political subdivision and income from facilities or projects which are the subject of the financial assistance.

3. Subject to the terms and conditions of the disaster recovery action order, a private person who satisfies all of the following criteria may obtain guaranteed financial assistance through the authority action pursuant to sections 29C.100 through 29C.102 and this section:

a. A person must have suffered a property casualty from a disaster.

b. The casualty must have been uninsured or underinsured. Assistance to a private person is limited to the amount of the damages which were uninsured or underinsured. Assistance shall be in the form of a low-interest guaranteed loan, issued on such terms and conditions as may be required by the authority. The authority may issue such bonds or notes to finance these loans, secured as provided by this subchapter, including by the repayment of the loans and such other security as may be pledged by the private beneficiaries and income from facilities or projects which are the subject of the financial assistance.

4. The disaster recovery program authorized by this subchapter shall be for the public purpose of restoring political subdivisions and private persons adversely impacted by an uninsured or underinsured property casualty caused by a disaster which exceeds current economic resources. Through long-term financial assistance, beneficiaries of the program are to be restored in their life, property, and security, permitting continued operation of the affected instruments of government and civic and economic contributions by affected private persons.

Sec. 11. Section 99E.32, subsection 3, paragraph y, Code Supplement 1989, is amended to read as follows:

y. For the fiscal year beginning July 1, 1989, to the department of economic development for the sister state program the sum of eighty thousand dollars. Funds appropriated for the sister state program shall be matched on a-dollar-for-dollar-basis to the extent possible by private sources. ~~In-kind-expenditures-from-the-private-sector-may-be-considered-as-a-portion-of-the-dollar-for-dollar-match.~~ The department shall secure the necessary private participation from groups and organizations most appropriate for this program.

Sec. 12. Section 99E.32, subsection 4, paragraph b, subparagraph (4), Code Supplement 1989, is amended to read as follows:

(4) (a) For the fiscal year beginning July 1, 1989, the amount appropriated is six million four hundred thousand dollars. Of the amount appropriated for the fiscal year beginning July 1, 1989, forty thousand dollars shall be allocated to the state library within the department of cultural affairs for purposes of the patent depository library and three hundred thousand dollars shall be allocated and used to operate the university and private industry research and development consortium at each of the state board of regents universities established under chapter 262B. Of the three

hundred thousand dollars, one hundred thousand dollars is allocated to each of the consortiums. The department of economic development and the consortiums shall coordinate activities relating to purposes of chapter 262B. Of the amount appropriated in this subparagraph, five hundred thousand dollars is allocated to the University of Northern Iowa for the decision-making science institute; one two hundred thousand dollars is allocated to the department of economic development for an economic development training program at the school of business at the University of Northern Iowa which shall use these funds in consultation with the department, the university, and the professional developers of Iowa and which shall use one hundred thousand dollars of the funds for the development, with the involvement of the public and private sector, of a curriculum on international trade; one hundred thousand dollars is allocated to the decision-making science institute for the emerging business opportunities analysis; six hundred fifty thousand dollars is allocated to the international network on trade fund of the INTERNET foundation, established in chapter 18B, which shall transfer four hundred thousand dollars of its allocation to the Wallace technology transfer foundation of Iowa established in section 28.152; sixty thousand dollars for grants under subparagraph subdivision (c); and three hundred thousand dollars, to be allocated equally, for support of the Iowa technology innovation centers at the University of Iowa and the Iowa State University of science and technology and the applied technology program at the University of Northern Iowa.

(b) Notwithstanding section 99E.31, subsection 4, paragraph "a", for the fiscal year beginning July 1, 1989, the department of economic development shall waive the matching funds requirement for programs under this subparagraph except for the Iowa State University of science and technology biotechnology research and development program, the technology innovation centers, and the applied technology program.

(c) For the fiscal year beginning July 1, 1989, the department of economic development shall provide a grant of thirty thousand dollars to each agricultural marketing resources cooperative that has qualified for a loan from the community economic betterment account under subsection 2 to insure the adequate capitalization of each cooperative.

Sec. 13. Section 99E.32, subsection 5, paragraph p, Code Supplement 1989, is amended to read as follows:

p. There is appropriated from the allotment to the jobs now capitals account under subsection 1 for the fiscal year beginning July 1, 1989, to the Iowa state fair board the sum of four five hundred thousand dollars to provide facilities to house booths, displays, and other promotional activities for local tourism groups and organizations.

Sec. 14. Section 99E.32, Code Supplement 1989, is amended by adding the following new subsection:

NEW SUBSECTION. 10. There is appropriated from the surplus account to the designated agency or office for the fiscal year beginning July 1, 1989, and ending June 30, 1990, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. To the department of public defense, the sum of one million five hundred thousand dollars for purposes of the disaster recovery program created in sections 29C.100 through 29C.103.

b. To the Iowa civil rights commission, an amount up to thirty-five thousand dollars as a one-for-one match with private contributions for the purpose of conducting a week-long program of public education throughout the state to call attention to the mission and accomplishments of the commission over the past twenty-five years.

c. To the prosecuting attorneys training coordinator in the department of justice, the sum of fifty thousand dollars. This appropriation is conditional upon receiving a grant from the national institute of dispute resolution for the purpose

of conducting a statewide survey of alternate dispute resolution services to evaluate their effectiveness, level of training, and success rates, and to make recommendations to the governor and general assembly concerning the development of a state mediation service.

d. To the department of agriculture and land stewardship, the sum of fifty thousand dollars for the establishment and operation of a foreign trade office in Taipei, Taiwan.

e. To the Iowa department of public health, the sum of one hundred thousand dollars for the rural health office for the purpose of rural health planning.

f. To the Terrace Hill commission, the sum of thirty thousand dollars for maintenance and repair at Terrace Hill and for .5 PTEs.

g. To the Terrace Hill commission, the sum of five thousand dollars for landscaping at Terrace Hill.

h. To Iowa state university of science and technology for the Iowa cooperative extension service in agriculture and home economics, the sum of one hundred thousand dollars to hire up to four horticultural specialists.

i. To the department of public defense, the sum of five hundred thousand dollars for construction of a STARC armory at Camp Dodge to house national guard units and to use the basement area to continue state government activities which include the state alternate emergency operations center, the Iowa communications network primary "HUB", and associated disaster service divisions required to maintain continuity of state government.

Sec. 15. NEW SECTION. 220.163 AUTHORITY TO ISSUE STATE DISASTER RECOVERY PROGRAM BONDS AND NOTES.

The authority shall assist the department of public defense as provided in chapter 29C, subchapter II, and the authority shall have all of the powers delegated to it by the department of public defense or a public or private beneficiary of the program in a chapter 28E agreement with respect to the

issuance and securing of bonds or notes and the carrying out of the purposes of chapter 29C, subchapter II.

Sec. 16.

1. All moneys in the surplus account of the Iowa plan fund on the effective date of this Act in excess of the amount needed to fund the appropriations made in section 99E.32, subsections 9 and 10, and the amount needed under subsection 2, shall be reallocated to the community economic betterment account, jobs now account, and education and agriculture research and development account for the fiscal year beginning July 1, 1989, and ending June 30, 1990. From the amount allotted to the community economic betterment account, two hundred fifty thousand dollars shall be appropriated for the construction of a short term nonprofit rehabilitation facility for head-injured patients located in Ankeny, Iowa. The reallocation shall be made as provided in section 99E.32 for the fiscal year beginning July 1, 1989. The reallocation made under this section shall not increase the amounts allotted to the various accounts of the Iowa plan fund under section 99E.32, subsection 1, paragraphs "a" and "b" for the fiscal year beginning July 1, 1989.

2. After the appropriations made in section 99E.32, subsection 9, have been met and an amount equal to the appropriations made in section 99E.32, subsection 10, has been set aside for those purposes, the treasurer of state shall make available from the surplus account to the education and agriculture research and development account the sum of one million six hundred twenty thousand dollars to be used as a prepayment of up to seventy-five percent of the appropriations made for the fiscal year beginning July 1, 1989, to the programs under section 99E.32, subsection 4, paragraph "b", subparagraph (4), except to the Iowa state university of science and technology research and development program. Prepayments made under this subsection shall be repaid as the fiscal year beginning July 1, 1989, allocations to these

programs become available. The repayments shall be reallocated as provided in subsection 1.

Sec. 17.

Moneys in the international network on trade fund created within the state treasury are appropriated and shall be transferred to the international network on trade fund created by the board of directors of INTERNET.

Sec. 18.

This Act, being deemed of immediate importance, is effective upon enactment.

JO ANN ZIMMERMAN  
President of the Senate

DONALD D. AVENSON  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2433, Seventy-third General Assembly.

JOHN P. DWYER  
Secretary of the Senate

Approved  1990

TERRY E. BRANSTAD  
Governor