

Chapter 2393  
Do Pass 6/25/93 (85)

FILED JUN 25 1992

SENATE FILE 2393

BY COMMITTEE ON APPROPRIATIONS

June 25 1992

Passed Senate, Date 6/25/92 (87) Passed House, Date 6/25/93 (85)

Vote: Ayes 38 Nays 6 Vote: Ayes 70 Nays 23

Approved June 25, 1992

A BILL FOR

1 An Act relating to state and local budgets by making  
2 appropriations from the general fund of the state and other  
3 funds and reductions in certain appropriations and changes in  
4 the sales and use tax, income tax thresholds, property tax  
5 assessments, revenue and finance provisions, and related  
6 statutory provisions, and providing effective dates and  
7 applicability provisions.

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

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SF 2393

DIVISION I

SALARIES

Section 101. STATE COURTS -- JUSTICES, JUDGES, AND  
MAGISTRATES.

1. There is appropriated from the general fund of the state to the judicial department for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the sum of \$1,100,000, or so much thereof as is necessary, to fund the following salary rates. The salary rates specified in this section are effective for the fiscal year beginning July 1, 1992, and for subsequent fiscal years until otherwise provided by the general assembly.

2. The following annual salary rates shall be paid to the persons holding the judicial positions indicated:

- a. Chief justice of the supreme court:  
..... \$ 93,700
- b. Each justice of the supreme court:  
..... \$ 90,300
- c. Chief judge of the court of appeals:  
..... \$ 90,200
- d. Each associate judge of the court of appeals:  
..... \$ 86,800
- e. Each chief judge of a judicial district:  
..... \$ 85,900
- f. Each district judge except the chief judge of a judicial district:  
..... \$ 82,500
- g. Each district associate judge:  
..... \$ 71,900
- h. Each judicial magistrate:  
..... \$ 18,100

Sec. 102. SALARY RATE LIMITS. Persons receiving the salary rates established under section 101 of this Act shall not receive any additional salary adjustments provided by this Act.

1     Sec. 103. APPOINTED STATE OFFICERS. The governor shall  
2 establish a salary for appointed nonelected persons in the  
3 executive branch of state government holding a position  
4 enumerated in section 104 of this Act within the range  
5 provided by considering, among other items, the experience of  
6 the individual in the position, changes in the duties of the  
7 position, the incumbent's performance of assigned duties, and  
8 subordinates' salaries. However, the attorney general shall  
9 establish the salary for the consumer advocate, the chief  
10 justice of the state supreme court shall establish the salary  
11 for the state court administrator, and the state fair board  
12 shall establish the salary of the secretary of the state fair  
13 board each within the salary range provided in section 104 of  
14 this Act. A person selected to act for another in an  
15 appointed nonelected position shall not receive more than the  
16 salary range allows for a person appointed to that nonelected  
17 position.

18     The governor, in establishing salaries as provided in  
19 section 104 of this Act, shall take into consideration other  
20 employee benefits which may be provided for an individual  
21 including, but not limited to, housing.

22     A person whose salary is established pursuant to section  
23 104 of this Act and who is a full-time permanent employee of  
24 the state shall not receive any other remuneration from the  
25 state or from any other source for the performance of that  
26 person's duties unless the additional remuneration is first  
27 approved by the governor or authorized by law. However, this  
28 provision does not exclude the reimbursement for necessary  
29 travel and expenses incurred in the performance of duties or  
30 fringe benefits normally provided to employees of the state.

31     In establishing salaries pursuant to section 104 of this  
32 Act, an appointed nonelected person shall not receive a salary  
33 increase of more than 5 percent over the person's salary as of  
34 June 30, 1992, for the same position.

35     Sec. 104. STATE OFFICERS -- SALARY RATES AND RANGES. The

1 following annual salary ranges are effective for the positions  
2 specified in this section for the fiscal year beginning July  
3 1, 1992, and for subsequent fiscal years until otherwise  
4 provided by the general assembly. The governor or other  
5 person designated in section 103 of this Act shall determine  
6 the salary to be paid to the person indicated at a rate within  
7 the salary ranges indicated from funds appropriated by the  
8 general assembly for that purpose.

9 1. The following salary ranges are effective beginning  
10 with the fiscal year beginning July 1, 1992, and as otherwise  
11 provided in this section:

12 SALARY RANGES	<u>Minimum</u>	<u>Maximum</u>
13 a. Range 1 .....	\$ 7,900	\$23,800
14 b. Range 2 .....	\$28,700	\$47,700
15 c. Range 3 .....	\$39,400	\$55,700
16 d. Range 4 .....	\$47,400	\$63,700
17 e. Range 5 .....	\$55,700	\$71,700

18 2. The following are range 1 positions: There are no  
19 range 1 positions as of the fiscal year beginning July 1,  
20 1992.

21 3. The following are range 2 positions: administrator of  
22 criminal and juvenile justice planning of the department of  
23 human rights, administrator of the arts division of the  
24 department of cultural affairs, administrators of the division  
25 of persons with disabilities, the division on the status of  
26 women, the division on the status of African-Americans, the  
27 division for deaf services, and the division of Latino affairs  
28 of the department of human rights, administrator of the  
29 division of professional licensure of the department of  
30 commerce, executive director of the commission of veterans  
31 affairs, and administrator of the division of emergency  
32 management of the department of public defense.

33 4. The following are range 3 positions: administrator of  
34 the library division of the department of education,  
35 administrator of the division of community action agencies of

1 the department of human rights, and chairperson and members of  
 2 the employment appeals board of the department of inspections  
 3 and appeals.

4 5. The following are range 4 positions: superintendent of  
 5 banking, superintendent of credit unions, superintendent of  
 6 savings and loan associations, administrator of the alcoholic  
 7 beverages division of the department of commerce, state public  
 8 defender, commandant of the veterans home, and chairperson and  
 9 members of the board of parole.

10 6. The following are range 5 positions: chairperson and  
 11 members of the utilities board, consumer advocate, job service  
 12 commissioner, labor commissioner, industrial commissioner,  
 13 commissioner of insurance, administrators of the historical  
 14 division and the public broadcasting division of the  
 15 department of education, the administrator of the state racing  
 16 and gaming commission of the department of inspection and  
 17 appeals, and secretary of the state fair board.

18 7. The following salary ranges are effective beginning  
 19 with the fiscal year beginning July 1, 1992, and as otherwise  
 20 provided in this section:

21 SALARY RANGES	<u>Minimum</u>	<u>Maximum</u>
22 a. Range 6 .....	\$43,100	\$ 57,800
23 b. Range 7 .....	\$58,900	\$ 72,300
24 c. Range 8 .....	\$63,100	\$ 84,000
25 d. Range 9 .....	\$70,500	\$ 99,900

26 8. The following are range 6 positions: director of the  
 27 department of human rights, director of the Iowa state civil  
 28 rights commission, executive director of the college student  
 29 aid commission, director of the law enforcement academy,  
 30 director of the department for the blind, and executive  
 31 secretary of the campaign finance disclosure commission.

32 9. The following are range 7 positions: director of the  
 33 department of cultural affairs, director of the department of  
 34 personnel, director of public health, executive director of  
 35 the department of elder affairs, commissioner of public

1 safety, director of the department of general services,  
2 director of the department of commerce, and director of the  
3 department of inspections and appeals.

4 10. The following are range 8 positions: executive  
5 director of the Iowa finance authority, director of revenue  
6 and finance, director of the department of natural resources,  
7 director of the department of corrections, and director of the  
8 department of employment services.

9 11. The following are range 9 positions: director of the  
10 department of education, director of human services, director  
11 of the department of economic development, executive director  
12 of the state board of regents, director of the state  
13 department of transportation, lottery commissioner, the state  
14 court administrator, and the director of the department of  
15 management.

16 Sec. 105. PUBLIC EMPLOYMENT RELATIONS BOARD.

17 1. The salary rates specified in this section are  
18 effective for the fiscal year beginning July 1, 1992, and for  
19 subsequent fiscal years until otherwise provided by the  
20 general assembly. The salaries provided for in this section  
21 shall be paid from funds appropriated to the department or  
22 agency specified in this section.

23 2. The following annual salary rates shall be paid to the  
24 persons holding the positions indicated:

- 25 a. Chairperson of the public employment relations board:
- 26 ..... \$ 55,700
- 27 b. Two members of the public employment relations board:
- 28 ..... \$ 51,700

29 Sec. 106. PAY RATES AND RANGES -- EFFECTIVE DATES. The  
30 annual salary rates or ranges provided in sections 101, 104,  
31 and 105 of this Act become effective for the fiscal year  
32 beginning July 1, 1992, with the pay period beginning July 3,  
33 1992.

34 Sec. 107. COLLECTIVE BARGAINING AGREEMENTS FUNDED --  
35 GENERAL FUND. There is appropriated from the general fund of

1 the state to the salary adjustment fund for distribution by  
2 the department of management to the various state departments,  
3 boards, commissions, councils, and agencies for the fiscal  
4 year beginning July 1, 1992, and ending June 30, 1993, the sum  
5 of \$62,900,000, or so much thereof as is necessary, to fully  
6 fund the following annual pay adjustments, expense  
7 reimbursements, and related benefits, except that the amount  
8 appropriated in this section shall be reduced by the amount of  
9 any other funds appropriated for any fiscal year to the salary  
10 adjustment fund pursuant to any other Act enacted by the  
11 Seventy-fourth General Assembly, 1992 Session:

12 1. The collective bargaining agreement negotiated pursuant  
13 to chapter 20 for employees in the blue collar bargaining  
14 unit.

15 2. The collective bargaining agreement negotiated pursuant  
16 to chapter 20 for employees in the state police officers  
17 council bargaining unit.

18 3. The collective bargaining agreement negotiated pursuant  
19 to chapter 20 for employees in the security bargaining unit.

20 4. The collective bargaining agreement negotiated pursuant  
21 to chapter 20 for employees in the technical bargaining unit.

22 5. The collective bargaining agreement negotiated pursuant  
23 to chapter 20 for employees in the professional fiscal and  
24 staff bargaining unit.

25 6. The collective bargaining agreement negotiated pursuant  
26 to chapter 20 for employees in the university of northern Iowa  
27 faculty bargaining unit.

28 7. The collective bargaining agreement negotiated pursuant  
29 to chapter 20 for employees in the clerical bargaining unit.

30 8. The collective bargaining agreement negotiated pursuant  
31 to chapter 20 for employees in the professional social  
32 services bargaining unit.

33 9. The collective bargaining agreement negotiated pursuant  
34 to chapter 20 for employees in the community-based corrections  
35 bargaining unit.

1 10. The collective bargaining agreement negotiated  
2 pursuant to chapter 20 for employees in the judicial branch of  
3 government bargaining unit.

4 Sec. 108. NONCONTRACT STATE EMPLOYEES -- GENERAL.

5 1. There is appropriated from the general fund of the  
6 state to the salary adjustment fund for distribution by the  
7 department of management to the various state departments,  
8 boards, commissions, councils, and agencies for the fiscal  
9 year beginning July 1, 1992, and ending June 30, 1993, the sum  
10 of \$32,000,000, or so much thereof as is necessary, to fund  
11 the following annual pay adjustments, expense reimbursements,  
12 and related benefits referred to in this section and section  
13 109 of this Act for employees not covered by a collective  
14 bargaining agreement.

15 2. a. The maximum salary levels of all pay plans provided  
16 for in section 19A.9, subsection 2, as they existed for the  
17 fiscal year ending June 30, 1991, shall be increased for  
18 employees who are not included in a collective bargaining  
19 agreement made final under chapter 20 and who are not  
20 otherwise specified in this Act, by 7.5 percent for the fiscal  
21 year beginning July 1, 1992, effective with the pay period  
22 beginning July 3, 1992. The department of personnel shall  
23 revise the pay plans as provided under section 19A.9,  
24 subsection 2, by increasing the maximum salary levels for the  
25 various grades by 7.5 percent and the minimum salary levels of  
26 the various grades in such a way, not to exceed 7.5 percent,  
27 as to achieve comparability with other executive branch pay  
28 plans excluding those of the state board of regents. In  
29 addition to the increases specified in this subsection, for  
30 the fiscal year beginning July 1, 1992, employees may receive  
31 a merit increase in accordance with policies to be adopted by  
32 the department of personnel for the reimplementation of merit  
33 increases.

34 b. Notwithstanding paragraph "a", those employees who are  
35 excluded from collective bargaining pursuant to section 20.4,



1 and who are employed in the same job title as employees  
2 covered by a collective bargaining agreement made final under  
3 chapter 20, shall receive, effective with the pay period  
4 beginning July 3, 1992, the same combined across-the-board  
5 percentage increases for the fiscal years beginning July 1,  
6 1991, and July 1, 1992; shall each receive a bonus of \$400  
7 payable in December 1992, if applicable; and may receive merit  
8 increases for the fiscal years beginning July 1, 1991, and  
9 July 1, 1992, if applicable; as though the employees were  
10 covered by the applicable collective bargaining agreement.  
11 However, this paragraph applies only to employees identified  
12 in this paragraph who are placed in a pay plan grade for which  
13 the minimum salary level is equal to or less than the minimum  
14 salary level for the pay plan grade for an employee with the  
15 same job title who is covered by a collective bargaining  
16 agreement made final under chapter 20.

17 3. The pay plans for state employees who are exempt from  
18 chapter 19A and who are included in the department of revenue  
19 and finance's centralized payroll system, and the board office  
20 employees of the state board of regents shall be increased by  
21 the same percent and in the same manner as provided in  
22 subsection 2, paragraph "a", including merit increases.

23 4. This section does not apply to members of the general  
24 assembly, board members, commission members, salaries of  
25 persons set by the general assembly pursuant to this Act, or  
26 set by the governor, employees designated under section 19A.3,  
27 subsection 5, and employees under the state board of regents,  
28 but subsection 3 does apply to office employees of the state  
29 board of regents.

30 5. The pay plans for the bargaining eligible employees of  
31 the state shall be increased by the same percent and in the  
32 same manner as provided in subsection 2, paragraph "a",  
33 including merit increases. As used in this section,  
34 "bargaining eligible employee" means an employee who is  
35 eligible to organize under chapter 20, but has not done so.

1 6. If an employee eligible for a salary increase under a  
2 pay plan revised pursuant to this section in the manner  
3 provided pursuant to subsection 2, paragraph "a", or provided  
4 pursuant to section 109, subsection 2, of this Act, would have  
5 received a greater annual salary if the pay plan had been  
6 revised by 6.0 percent for the fiscal year beginning July 1,  
7 1992, and the employee had received a bonus of \$400 in  
8 December 1992, the employee shall receive a one-time bonus in  
9 December 1992 equal to the annual salary difference between  
10 the employee's annualized salary under subsection 2, paragraph  
11 "a", or under section 109, subsection 2, of this Act, and the  
12 employee's annualized salary under a 6.0 percent pay plan  
13 revision and a \$400 bonus.

14 7. The policies for implementation of this section shall  
15 be approved by the governor.

16 Sec. 109. NONCONTRACT STATE EMPLOYEES -- STATE BOARD OF  
17 REGENTS. The funds allocated to the state board of regents  
18 for the purpose of providing increases for employees not  
19 covered by a collective bargaining agreement shall be used as  
20 follows:

21 1. The amount necessary to fund for the fiscal year  
22 beginning July 1, 1992, and ending June 30, 1993, an average  
23 base salary increase of 7.5 percent for the fiscal year  
24 beginning July 1, 1992, of the base salaries of professional  
25 and scientific staff members, except board office employees as  
26 provided for in section 108 of this Act, paid during the  
27 preceding fiscal year, to be allocated to professional and  
28 scientific staff members at the discretion of the state board  
29 of regents.

30 2. For employees under the state board of regents merit  
31 system who are not included in the collective bargaining  
32 agreement made final under chapter 20, except board office  
33 employees, the amount necessary to increase the state board of  
34 regents merit system pay plans as they existed for the fiscal  
35 year beginning July 1, 1991, and ending June 30, 1992, by

1 increasing the salary levels for each grade and step within  
2 the plans by 7.5 percent for the fiscal year beginning July 1,  
3 1992. In addition to the increases specified above, employees  
4 may receive a merit increase or the equivalent of a merit  
5 increase.

6 3. For faculty members who are not included in the  
7 collective bargaining agreement made final under chapter 20,  
8 for the fiscal year beginning July 1, 1992, and ending June  
9 30, 1993, an average base salary increase of 7.5 percent for  
10 the fiscal year beginning July 1, 1992, to be allocated at the  
11 discretion of the state board of regents.

12 Sec. 110. COMMUNITY COLLEGES -- SALARY INCREASES.

13 Notwithstanding chapter 286A, there is appropriated from the  
14 general fund of the state for allocation to community colleges  
15 the sum of \$2,000,000 for the fiscal year beginning July 1,  
16 1992, and ending June 30, 1993, to be used for pay adjustments  
17 for community college employees. The moneys appropriated in  
18 this section shall be allocated to community colleges based  
19 upon the proportion that the general state financial aid  
20 allocated to a community college in 1992 Iowa Acts, chapter  
21 1246, House File 2465, section 1, subsection 10, bears to the  
22 total general state financial aid appropriated in 1992 Iowa  
23 Acts, chapter 1246, House File 2465, section 1, subsection 10.  
24 However, the moneys allocated to community colleges under this  
25 section shall be included in the foundation support level of  
26 the community colleges under chapter 286A for the fiscal year  
27 beginning July 1, 1993.

28 Sec. 111. APPROPRIATIONS FROM ROAD FUNDS.

29 1. There is appropriated from the road use tax fund to the  
30 salary adjustment fund for the fiscal year beginning July 1,  
31 1992, and ending June 30, 1993, the following amount, or so  
32 much thereof as may be necessary, to be used for the purpose  
33 designated:

34 To supplement other funds appropriated by the general  
35 assembly:

1 ..... \$ 5,159,862

2 2. There is appropriated from the primary road fund to the  
3 salary adjustment fund, for the fiscal year beginning July 1,  
4 1992, and ending June 30, 1993, the following amount, or so  
5 much thereof as may be necessary, to be used for the purpose  
6 designated:

7 To supplement other funds appropriated by the general  
8 assembly:

9 ..... \$ 14,030,835

10 3. Except as otherwise provided in this Act, the amounts  
11 appropriated in subsections 1 and 2 shall be used to fund the  
12 annual pay adjustments, expense reimbursements, and related  
13 benefits for public employees as provided in this Act.

14 Sec. 112. BACK PAY. The moneys appropriated in section  
15 107 of this Act shall also be used to pay annual pay  
16 adjustments, interest, and related benefits due employees  
17 covered by collective bargaining agreements negotiated  
18 pursuant to chapter 20 for the fiscal year beginning July 1,  
19 1991, and ending June 30, 1992. The moneys appropriated in  
20 section 108 of this Act to fund annual pay adjustments,  
21 expense reimbursements, and related benefits for employees  
22 included in section 108 of this Act shall not be used to pay  
23 annual pay adjustments, interest, and related benefits to  
24 employees not covered by collective bargaining agreements  
25 negotiated pursuant to chapter 20 for the fiscal year  
26 beginning July 1, 1991, and ending June 30, 1992.

27 Sec. 113. SPECIAL FUNDS -- AUTHORIZATION. To departmental  
28 revolving, trust, or special funds, except for the primary  
29 road fund or the road use tax fund, for which the general  
30 assembly has established an operating budget, a supplemental  
31 expenditure authorization is provided, unless otherwise  
32 provided, in an amount necessary to fund salary adjustments as  
33 otherwise provided in this Act.

34 Sec. 114. GENERAL FUND SALARY MONEYS. Funds appropriated  
35 from the general fund of the state in this Act relate only to

1 salaries supported from general fund appropriations of the  
2 state.

3 Sec. 115. FEDERAL FUNDS APPROPRIATED. All federal grants  
4 to and the federal receipts of the agencies affected by this  
5 Act which are received and may be expended for purposes of  
6 this Act are appropriated for those purposes and as set forth  
7 in the federal grants or receipts.

8 Sec. 116. 1992 Iowa Acts, chapter 1201, House File 2450,  
9 section 76, as enacted by the Seventy-fourth General Assembly,  
10 1992 Session, is amended to read as follows:

11 SEC. 76. SENIOR JUDGES -- IMPLEMENTATION.

12 1. Section 73 of this Act takes effect January 1, 1993.

13 2. Notwithstanding the amendments to section 602.9204  
14 contained in section 73 of this Act, all judges whose names  
15 are entered on the roster of senior judges pursuant to section  
16 602.9203, subsection 3, as of ~~June-30~~ December 31, 1992, and  
17 all persons who are retired senior judges as of ~~June-30~~  
18 December 31, 1992, shall continue to receive an annuity  
19 calculated pursuant to section 602.9204, 1991 Code of Iowa,  
20 and shall not be subject to the amendments to that section  
21 contained in this Act. This Act shall not be construed in a  
22 manner which reduces benefits to persons who participated as  
23 senior judges prior to ~~July-1, 1992~~ January 1, 1993.

24 Sec. 117. 1992 Iowa Acts, chapter 1245, House File 2490,  
25 is repealed.

26 DIVISION II

27 SALES AND USE TAX

28 Sec. 201. Section 99E.10, subsection 1, paragraph b, Code  
29 Supplement 1991, is amended to read as follows:

30 b. An amount equal to ~~four-percent-of~~ the product of the  
31 state sales tax rate under section 422.43 multiplied by the  
32 gross sales price of each ticket or share sold shall be  
33 deducted as the sales tax on the sale of that ticket or share,  
34 remitted to the treasurer of state and deposited into the  
35 state general fund.

1 Sec. 202. Section 307B.26, Code 1991, is amended to read  
2 as follows:

3 307B.26 APPROPRIATION TO AUTHORITY.

4 Notwithstanding section 423.24 and prior to the application  
5 of section 423.24, subsection 1, paragraph "b c", there is  
6 appropriated to the authority from eighty percent of the  
7 revenues derived from the operation of section 423.7 the  
8 amounts certified by the authority under section 307B.25.  
9 However, the total amount credited to the Iowa railway finance  
10 authority under this section shall not exceed two million  
11 dollars annually. Moneys credited to the Iowa railway finance  
12 authority under this section are appropriated only for the  
13 payment of principal and interest on obligations or the  
14 payment of leases guaranteed by the authority as provided  
15 under section 307B.25.

16 Sec. 203. Section 312.1, subsection 3, Code 1991, is  
17 amended to read as follows:

18 3. Except-as To the extent provided in section 423.24,  
19 subsection 1, paragraph "c", from revenue derived from the use  
20 tax, under chapter 423 on motor vehicles, trailers, and motor  
21 vehicle accessories and equipment, ~~as same may be collected as~~  
22 ~~provided by section 423.7.~~

23 Sec. 204. Section 321.34, subsection 10, paragraph c, Code  
24 Supplement 1991, is amended to read as follows:

25 c. The fees for a collegiate registration plate are as  
26 follows:

- 27 (1) A registration fee of twenty-five dollars.
- 28 (2) A special collegiate registration fee of twenty-five  
29 dollars.

30 These fees are in addition to the regular annual  
31 registration fee. The fees collected by the director under  
32 this subsection shall be paid monthly to the treasurer of  
33 state and credited by the treasurer of state to the road use  
34 tax fund. Notwithstanding section 423.24 and prior to the  
35 application-of revenues being credited to the road use tax

1 fund under section 423.24, subsection 1, paragraph "b c", the  
2 treasurer of state shall credit monthly from those revenues  
3 ~~derived from the operation of section 423.77~~ respectively, to  
4 Iowa State University of science and technology, the  
5 University of Northern Iowa, and the state University of Iowa,  
6 the amount of the special collegiate registration fees  
7 collected in the previous month for collegiate registration  
8 plates designed for the university. The moneys credited are  
9 appropriated to the respective universities to be used for  
10 scholarships for students attending the universities.

11 Sec. 205. Section 321.34, subsection 14, paragraph c, Code  
12 Supplement 1991, is amended to read as follows:

13 c. The special sesquicentennial fee for letter number  
14 designated sesquicentennial plates is fifteen dollars. The  
15 fee for personalized sesquicentennial plates is twenty-five  
16 dollars which shall be paid in addition to the special  
17 sesquicentennial fee of fifteen dollars. The fees collected  
18 by the director under this subsection shall be paid monthly to  
19 the treasurer of state and credited to the road use tax fund.  
20 Notwithstanding section 423.24, and prior to the application  
21 of crediting of revenues to the road use tax fund under  
22 section 423.24, subsection 1, paragraph "b c", the treasurer  
23 of state shall credit monthly from the those revenues derived  
24 ~~from the operation of section 423.7~~ to the sesquicentennial  
25 fund established in section 7G.1, the amount of the special  
26 sesquicentennial fees collected in the previous month for the  
27 sesquicentennial plates.

28 Sec. 206. Section 422.43, subsections 1, 2, 4, 5, 6, 7,  
29 and 10, Code Supplement 1991, are amended to read as follows:

30 1. There is imposed a tax of ~~four~~ five percent upon the  
31 gross receipts from all sales of tangible personal property,  
32 consisting of goods, wares, or merchandise, except as  
33 otherwise provided in this division, sold at retail in the  
34 state to consumers or users; a like rate of tax upon the gross  
35 receipts from the sales, furnishing, or service of gas,

1 electricity, water, heat, pay television service, and  
2 communication service, including the gross receipts from such  
3 sales by any municipal corporation or joint water utility  
4 furnishing gas, electricity, water, heat, pay television  
5 service, and communication service to the public in its  
6 proprietary capacity, except as otherwise provided in this  
7 division, when sold at retail in the state to consumers or  
8 users; a like rate of tax upon the gross receipts from all  
9 sales of tickets or admissions to places of amusement, fairs,  
10 and athletic events except those of elementary and secondary  
11 educational institutions; and a like rate of tax upon that  
12 part of private club membership fees or charges paid for the  
13 privilege of participating in any athletic sports provided  
14 club members.

15 2. There is imposed a tax of four five percent upon the  
16 gross receipts derived from the operation of all forms of  
17 amusement devices and games of skill, games of chance,  
18 raffles, and bingo games as defined in chapter 99B, operated  
19 or conducted within the state of Iowa, the tax to be collected  
20 from the operator in the same manner as ~~is provided~~ for the  
21 collection of taxes upon the gross receipts of tickets or  
22 admission as provided in this section. The tax shall also be  
23 imposed upon the gross receipts derived from the sale of  
24 lottery tickets or shares pursuant to chapter 99E. The tax on  
25 the lottery tickets or shares shall be included in the sales  
26 price and distributed to the general fund as provided in  
27 section 99E.10.

28 4. There is imposed a ~~like-rate-of~~ tax of five percent  
29 upon the gross receipts from the sales of engraving,  
30 photography, retouching, printing, and binding services. For  
31 the purpose of this division, the sales of engraving,  
32 photography, retouching, printing, and binding services are  
33 sales of tangible property.

34 5. There is imposed a ~~like-rate-of~~ tax of five percent  
35 upon the gross receipts from the sales of vulcanizing,



1 recapping, and retreading services. For the purpose of this  
2 division, the sales of vulcanizing, recapping, and retreading  
3 services are sales of tangible property.

4 6. There is imposed a tax of ~~four~~ five percent upon the  
5 gross receipts from the sales of optional service or warranty  
6 contracts which provide for the furnishing of labor and  
7 materials and require the furnishing of any taxable service  
8 enumerated under this section. The gross receipts are subject  
9 to tax even if some of the services furnished are not  
10 enumerated under this section. For the purpose of this  
11 division, the sale of an optional service or warranty contract  
12 is a sale of tangible personal property. Additional sales,  
13 services, or use tax taxes shall not be levied on services,  
14 parts, or labor provided under optional service or warranty  
15 contracts which are subject to tax under this section.

16 7. ~~A-like-rate-of-tax~~ There is imposed a tax of five  
17 percent upon the gross receipts from the renting of rooms,  
18 apartments, or sleeping quarters in a hotel, motel, inn,  
19 public lodging house, rooming house, mobile home which is  
20 tangible personal property, or tourist court, or in any place  
21 where sleeping accommodations are furnished to transient  
22 guests for rent, whether with or without meals. "Renting" and  
23 "rent" include any kind of direct or indirect charge for such  
24 rooms, apartments, or sleeping quarters, or their use. For  
25 the purposes of this division, such renting is regarded as a  
26 sale of tangible personal property at retail. However, this  
27 tax does not apply to the gross receipts from the renting of a  
28 room, apartment, or sleeping quarters while rented by the same  
29 person for a period of more than thirty-one consecutive days.

30 10. There is imposed a tax of ~~four~~ five percent upon the  
31 gross receipts from the rendering, furnishing, or performing  
32 of services as defined in section 422.42.

33 Sec. 207. Section 422.43, subsection 12, unnumbered  
34 paragraph 1, Code Supplement 1991, is amended to read as  
35 follows:

1 A tax of four five percent is imposed upon the gross  
2 receipts from all sales of tangible personal property,  
3 consisting of goods, wares, or merchandise, except as  
4 otherwise provided in this division, sold at retail in the  
5 state to consumers or users within the state by retailers that  
6 meet any of the following criteria:

7 Sec. 208. Section 422.43, subsection 13, paragraph a,  
8 unnumbered paragraph 1, as enacted by 1992 Iowa Acts, chapter  
9 1232, Senate File 2116, section 404, as amended by 1992 Iowa  
10 Acts, chapter 1019, Senate File 2346, section 4, is amended to  
11 read as follows:

12 A tax of four five percent is imposed upon the gross  
13 receipts from the sales, furnishing, or service of solid waste  
14 collection and disposal service.

15 Sec. 209. Section 422.47, subsection 2, Code 1991, is  
16 amended to read as follows:

17 2. Construction contractors may make application to the  
18 department for a refund of the additional one percent tax paid  
19 under this division or the additional one percent tax paid  
20 under chapter 423 by reason of the increase in the tax from  
21 ~~three-to four~~ to five percent for taxes paid on goods, wares,  
22 or merchandise under the following conditions:

23 a. The goods, wares, or merchandise are incorporated into  
24 an improvement to real estate in fulfillment of a written  
25 contract fully executed prior to ~~March-17-1983~~ July 1, 1992.  
26 The refund shall not apply to equipment transferred in  
27 fulfillment of a mixed construction contract.

28 b. The contractor has paid to the department or to a  
29 retailer the full four five percent tax.

30 c. The claim is filed on forms provided by the department  
31 and is filed within one year of the date the tax is paid.

32 A contractor who makes an erroneous application for refund  
33 shall be liable for payment of the excess refund paid plus  
34 interest at the rate in effect under section 421.7. In  
35 addition, a contractor who willfully makes a false application

1 for refund is guilty of a simple misdemeanor and is liable for  
2 a penalty equal to fifty percent of the excess refund claimed.  
3 Excess refunds, penalties, and interest due under this  
4 subsection may be enforced and collected in the same manner as  
5 the tax imposed by this division.

6 Sec. 210. Section 422C.3, subsection 1, as enacted by 1992  
7 Iowa Acts, chapter 1006, House File 695, section 4, is amended  
8 to read as follows:

9 1. A tax of ~~four~~ five percent is imposed upon the rental  
10 price of an automobile if the rental transaction is subject to  
11 the sales and services tax under chapter 422, division IV, or  
12 the use tax under chapter 423. The tax shall not be imposed  
13 on any rental transaction not taxable under the state sales  
14 and services tax, as provided in section 422.45, or the state  
15 use tax, as provided in section 423.4, on automobile rental  
16 receipts.

17 Sec. 211. Section 423.2, Code 1991, is amended to read as  
18 follows:

19 423.2 IMPOSITION OF TAX.

20 An excise tax is imposed on the use in this state of  
21 tangible personal property purchased for use in this state, at  
22 the rate of ~~four~~ five percent of the purchase price of the  
23 property. The excise tax is imposed upon every person using  
24 the property within this state until the tax has been paid  
25 directly to the county treasurer or the state department of  
26 transportation, to a retailer, or to the department. An  
27 excise tax is imposed on the use in this state of services  
28 enumerated in section 422.43 at the rate of ~~four~~ five percent.  
29 This tax is applicable where services are rendered, furnished,  
30 or performed in this state or where the product or result of  
31 the service is used in this state. This tax is imposed on  
32 every person using the services or the product of the services  
33 in this state until the user has paid the tax either to an  
34 Iowa use tax permit holder or to the department.

35 Sec. 212. Section 423.24, subsection 1, Code Supplement

1 1991, is amended to read as follows:

2 1. Eighty percent of all revenues derived from the use tax  
3 on motor vehicles, trailers, and motor vehicle accessories and  
4 equipment as collected pursuant to section 423.7 shall be  
5 deposited and credited as follows:

6 a. ~~Twenty-five percent of all such revenue derived from~~  
7 ~~the use tax on motor vehicles, trailers, and motor vehicle~~  
8 ~~accessories and equipment as collected pursuant to section~~  
9 ~~423.7, up to a maximum of three million eight hundred twenty-~~  
10 ~~five thousand dollars per quarter, shall be deposited into and~~  
11 ~~credited to the Iowa comprehensive petroleum underground~~  
12 ~~storage tank fund created in section 455G.3, and the moneys so~~  
13 ~~deposited are a continuing appropriation for expenditure under~~  
14 ~~chapter 455G, and moneys so appropriated shall not be used for~~  
15 ~~other purposes.~~

16 b. Any such revenues remaining ~~revenue derived from the~~  
17 ~~use tax on motor vehicles, trailers, and motor vehicle~~  
18 ~~accessories and equipment as collected pursuant to section~~  
19 ~~423.7 shall be credited to the primary road fund to the extent~~  
20 ~~necessary to reimburse that fund for the expenditures, not~~  
21 ~~otherwise eligible to be made from the primary road fund, made~~  
22 ~~for repairing, improving and maintaining bridges over the~~  
23 ~~rivers bordering the state. Expenditures for those portions~~  
24 ~~of bridges within adjacent states may be included when they~~  
25 ~~are made pursuant to an agreement entered into under sections~~  
26 ~~313.63, 313A.34, and 314.10.~~

27 c. Any such revenues remaining ~~revenues derived from the~~  
28 ~~operation of section 423.7 shall be credited to the road use~~  
29 ~~tax fund.~~

30 Sec. 213. APPLICABILITY. This section applies in regard  
31 to the increase in the state sales, services, and use taxes  
32 from four to five percent. The five percent rate applies to  
33 all sales of taxable personal property, consisting of goods,  
34 wares, or merchandise if delivery occurs on or after July 1,  
35 1992. The use tax rate of five percent applies to motor

1 vehicles subject to registration which are registered on or  
 2 after July 1, 1992. The five percent use tax rate applies to  
 3 the use of property when the first taxable use in this state  
 4 occurs on or after July 1, 1992. The five percent rate  
 5 applies to the gross receipts from the sale, furnishing, or  
 6 service of gas, electricity, water, heat, pay television  
 7 service, and communication service if the date of billing the  
 8 customer is on or after July 1, 1992. In the case of a  
 9 service contract entered into prior to July 1, 1992, which  
 10 contract calls for periodic payments, the five percent rate  
 11 applies to those payments made or due on or after July 1,  
 12 1992. This periodic payment applies, but is not limited to,  
 13 tickets or admissions, private club membership fees, sources  
 14 of amusement, equipment rental, dry cleaning, reducing salons,  
 15 dance schools, and all other services subject to tax, except  
 16 the aforementioned utility services which are subject to a  
 17 special transitional rule. Unlike periodic payments under  
 18 service contracts, installment sales of goods, wares, and  
 19 merchandise are subject to the full amount of sales or use tax  
 20 when the sales contract is entered into or the property is  
 21 first used in Iowa.

22 Sec. 214. Sections 202 through 205 and 212 of this Act  
 23 apply to the revenues derived from the five percent use tax on  
 24 motor vehicles, trailers, and motor vehicle accessories and  
 25 equipment as collected on and after July 1, 1992, pursuant to  
 26 section 423.7.

27 INCOME TAX THRESHOLDS AND

28 LOW-INCOME PROPERTY TAX PROVISIONS

29 Sec. 215. Section 135D.22, subsection 2, paragraph a, Code  
 30 Supplement 1991, is amended to read as follows:

31 a- If the owner of the mobile home is an Iowa resident,  
 32 ~~was-totally-disabled,-as-defined-in-section-425-17,-subsection~~  
 33 ~~11-on-or-before-December-31-of-the-base-year,-is-a-surviving~~  
 34 ~~spouse-having-attained-the-age-of-fifty-five-years-on-or~~  
 35 ~~before-December-31,-1988-or has attained the age of sixty-five~~

1 eighteen years on or before December 31 of the base year, and  
2 has an income when included with that of a spouse which is  
3 less than six thousand dollars per year, the annual tax shall  
4 not be imposed on the mobile home. If the income is six  
5 thousand dollars or more but less than fourteen thousand  
6 dollars, the annual tax shall be computed as follows:

7	If the Household	Annual Tax Per
8	Income is:	Square Foot:
9	\$ 6,000 -- 6,999.99	3.0 cents
10	7,000 -- 7,999.99	6.0
11	8,000 -- 9,999.99	10.0
12	10,000 -- 11,999.99	13.0
13	12,000 -- 13,999.99	15.0

14 Sec. 216. Section 135D.22, subsection 2, paragraph b, Code  
15 Supplement 1991, is amended by striking the paragraph.

16 Sec. 217. Section 422.5, subsections 2 and 8, Code  
17 Supplement 1991, are amended to read as follows:

18 2. However, the tax shall not be imposed on a resident or  
19 nonresident whose net income, as defined in section 422.7, is  
20 seven thirteen thousand five hundred dollars or less in the  
21 case of married persons filing jointly or filing separately on  
22 a combined return, unmarried heads of household, and surviving  
23 spouses or five nine thousand dollars or less in the case of  
24 all other persons; but in the event that the payment of tax  
25 under this division would reduce the net income to less than  
26 seven thirteen thousand five hundred dollars or five nine  
27 thousand dollars as applicable, then the tax shall be reduced  
28 to that amount which would result in allowing the taxpayer to  
29 retain a net income of seven thirteen thousand five hundred  
30 dollars or five nine thousand dollars as applicable. The  
31 preceding sentence does not apply to estates or trusts. For  
32 the purpose of this subsection, the entire net income,  
33 including any part of the net income not allocated to Iowa,  
34 shall be taken into account. For purposes of this subsection,  
35 net income includes all amounts of pensions or other

1 retirement income received from any source which is not  
2 taxable under this division as a result of the government  
3 pension exclusions in section 422.7, or any other state law.  
4 If the combined net income of a husband and wife exceeds ~~seven~~  
5 thirteen thousand five hundred dollars, neither of them shall  
6 receive the benefit of this subsection, and it is immaterial  
7 whether they file a joint return or separate returns.  
8 However, if a husband and wife file separate returns and have  
9 a combined net income of ~~seven~~ thirteen thousand five hundred  
10 dollars or less, neither spouse shall receive the benefit of  
11 this paragraph, if one spouse has a net operating loss and  
12 elects to carry back or carry forward the loss as provided in  
13 section 422.9, subsection 3. A person who is claimed as a  
14 dependent by another person as defined in section 422.12 shall  
15 not receive the benefit of this subsection if the person  
16 claiming the dependent has net income exceeding ~~seven~~ thirteen  
17 thousand five hundred dollars or ~~five~~ nine thousand dollars as  
18 applicable or the person claiming the dependent and the  
19 person's spouse have combined net income exceeding ~~seven~~  
20 thirteen thousand five hundred dollars or ~~five~~ nine thousand  
21 dollars as applicable.

22 In addition, if the married persons', filing jointly or  
23 filing separately on a combined return, unmarried head of  
24 household's, or surviving spouse's net income exceeds ~~seven~~  
25 thirteen thousand five hundred dollars, the regular tax  
26 imposed under this division shall be the lesser of the maximum  
27 state individual income tax rate times the portion of the net  
28 income in excess of ~~seven~~ thirteen thousand five hundred  
29 dollars or the regular tax liability computed without regard  
30 to this sentence. Taxpayers electing to file separately shall  
31 compute the alternate tax described in this paragraph using  
32 the total net income of the husband and wife. The alternate  
33 tax described in this paragraph does not apply if one spouse  
34 elects to carry back or carry forward the loss as provided in  
35 section 422.9, subsection 3.

1 8. In addition to the other taxes imposed by this section,  
2 a tax is imposed on the amount of a lump sum distribution for  
3 which the taxpayer has elected under section 402(e) of the  
4 Internal Revenue Code to be separately taxed for federal  
5 income tax purposes for the tax year. The rate of tax is  
6 equal to twenty-five percent of the separate federal tax  
7 imposed on the amount of the lump sum distribution. A  
8 nonresident is liable for this tax only on that portion of the  
9 lump sum distribution allocable to Iowa. The total amount of  
10 the lump sum distribution subject to separate federal tax  
11 shall be included in net income for purposes of determining  
12 eligibility under the seven thirteen thousand five hundred  
13 dollar or less or five nine thousand dollar or less exclusion,  
14 as applicable.

15 Sec. 218. Section 422.5, Code Supplement 1991, is amended  
16 by adding the following new subsection:

17 NEW SUBSECTION. 11. For purposes of the net income  
18 exclusion in subsections 2 and 8 for tax years beginning on or  
19 after January 1, 1992, but before January 1, 1993, subsections  
20 2 and 8 shall be applied by striking from the section the  
21 words "seven thousand five hundred dollars" and substituting  
22 in lieu thereof the words "eleven thousand five hundred  
23 dollars" and by striking from the section the words "five  
24 thousand dollars" and substituting in lieu thereof the words  
25 "seven thousand five hundred dollars".

26 Sec. 219. Section 422.13, subsection 1, paragraphs a and  
27 b, Code 1991, are amended to read as follows:

28 ~~a. The individual is required to file a federal income tax~~  
29 ~~return under the Internal Revenue Code.~~

30 b. The individual has net income of five nine thousand  
31 dollars or more for the tax year from sources taxable under  
32 this division.

33 Sec. 220. Section 425.17, subsection 2, Code Supplement  
34 1991, is amended to read as follows:

35 2. "Claimant" means ~~either one of the following:~~



1 a--A a person filing a claim for credit or reimbursement  
2 under this division who has attained the age of sixty-five  
3 eighteen years on or before December 31 of the base year or  
4 who-is-a-surviving-spouse-having-attained-the-age-of-fifty-  
5 five-years-on-or-before-December-31-1987-or-who-is-totally  
6 disabled-and-was-totally-disabled-on-or-before-December-31-of  
7 the-base-year, and was domiciled in this state during the  
8 entire base year, and is domiciled in this state at the time  
9 the claim is filed or at the time of the person's death in the  
10 case of a claim filed by the executor or administrator of the  
11 claimant's estate and, in the case of a person who is not  
12 disabled and has not reached the age of sixty-five, was not  
13 claimed as a dependent on any other person's tax return for  
14 the base year.

15 b--A-person-filing-a-claim-for-credit-or-reimbursement  
16 under-this-division-who-has-attained-the-age-of-eighteen-years  
17 on-or-before-December-31-of-the-base-year-but-has-not-attained  
18 the-age-or-disability-status-described-in-paragraph-"a",-and  
19 was-domiciled-in-this-state-during-the-entire-base-year-and-is  
20 domiciled-in-this-state-at-the-time-the-claim-is-filed-or-at  
21 the-time-of-the-person's-death-in-the-case-of-a-claim-filed-by  
22 the-executor-or-administrator-of-the-claimant's-estate-and-was  
23 not-claimed-as-a-dependent-on-any-other-person's-tax-return  
24 for-the-base-year.

25 "Claimant" under-paragraph-"a"-or-"b" includes a vendee in  
26 possession under a contract for deed and may include one or  
27 more joint tenants or tenants in common. In the case of a  
28 claim for rent constituting property taxes paid, the claimant  
29 shall have rented the property during any part of the base  
30 year. If a homestead is occupied by two or more persons, and  
31 more than one person is able to qualify as a claimant, the  
32 persons may determine among them who will be the claimant. If  
33 they are unable to agree, the matter shall be referred to the  
34 director of revenue and finance not later than October 31 of  
35 each year and the director's decision is final.

1     Sec. 221. Section 425.23, subsection 1, paragraph a, Code  
2 Supplement 1991, is amended to read as follows:

3     a. The tentative credit or reimbursement for a claimant  
4 described in section 425.177, subsection 2, paragraph "a" shall  
5 be determined in accordance with the following schedule:

6		Percent of property taxes
7		due or rent constituting
8		property taxes paid
9	If the household	allowed as a credit or
10	income is:	reimbursement:

11	\$	0 -- 5,999.99.....	100%
12		6,000 -- 6,999.99.....	85
13		7,000 -- 7,999.99.....	70
14		8,000 -- 9,999.99.....	50
15		10,000 -- 11,999.99.....	35
16		12,000 -- 13,999.99.....	25

17     Sec. 222. Section 425.23, subsection 1, paragraph b, Code  
18 Supplement 1991, is amended by striking the paragraph.

19     Sec. 223. Section 425.23, subsection 3, paragraph a, Code  
20 Supplement 1991, is amended to read as follows:

21     a. A person who is eligible to file a claim for credit for  
22 property taxes due and who has a household income of six  
23 thousand dollars or less and who has a special assessment  
24 levied against the homestead may file a claim with the county  
25 treasurer that the claimant had a household income of six  
26 thousand dollars or less and that a special assessment is  
27 presently levied against the homestead. The department shall  
28 provide to the respective county treasurers the forms  
29 necessary for the administration of this subsection. The  
30 claim shall be filed not later than September 30 of each year.  
31 Upon the filing of the claim, a penalty or interest for late  
32 payment shall not accrue against the amount of the special  
33 assessment due and payable. The claim filed by the claimant  
34 constitutes a claim for credit of an amount equal to the  
35 actual amount due and payable upon the special assessment

1 payable during the fiscal year against the homestead of the  
2 claimant or an amount equal to the annual payment of the  
3 special assessment levied against the homestead of the  
4 claimant and payable in annual installments through the period  
5 of years provided by the governing body of the city, whichever  
6 is less. ~~However, where the claimant is an individual~~  
7 ~~described in section 425.17, subsection 2, paragraph "b", the~~  
8 ~~claim filed constitutes a claim for credit of an amount equal~~  
9 ~~to one-half of the actual amount due and payable during the~~  
10 ~~fiscal year or equal to one-half of the annual payment,~~  
11 ~~whichever is less.~~ The department of revenue and finance  
12 shall, upon the filing of the claim with the department by the  
13 county treasurer, pay that amount of the special assessment  
14 during the current fiscal year to the county treasurer. The  
15 county treasurer shall submit the claims to the director of  
16 revenue and finance not later than October 15 of each year.  
17 The director of revenue and finance shall certify the amount  
18 of reimbursement due each county for special assessment  
19 credits allowed under this subsection. The amount of  
20 reimbursement due each county shall be paid by the director of  
21 revenue and finance on October 20 of each year, drawn upon  
22 warrants payable to the respective county treasurer. There is  
23 appropriated annually from the general fund of the state to  
24 the department of revenue and finance an amount sufficient to  
25 carry out the provisions of this subsection. The county  
26 treasurer shall credit any moneys received from the department  
27 against the amount of the special assessment due and payable  
28 on the homestead of the claimant.

29 Sec. 224. Section 217 of this Act takes effect January 1,  
30 1993, for tax years beginning on or after that date.

31 Sec. 225. Sections 215, 216, 220, 221, 222, and 223 of  
32 this Act take effect January 1, 1993, for mobile home tax  
33 claims and property tax claims filed on or after that date.  
34 Sections 220, 221, and 222 of this Act are applicable to rent  
35 reimbursement claims filed on or after January 1, 1994.

1     Sec. 226. Section 218 of this Act applies retroactively to  
2 January 1, 1992, for tax years beginning on or after January  
3 1, 1992, but before January 1, 1993.

4                     REVENUE AND FINANCE PROVISIONS

5     Sec. 227. Section 8.54, subsection 1, paragraph b, as  
6 enacted by 1992 Iowa Acts, chapter 1227, Senate File 2351,  
7 section 4, is amended to read as follows:

8     b. "New revenues" means moneys which are received by the  
9 state due to increased tax rates and fees or newly created  
10 taxes and fees over and above those moneys which are received  
11 due to state taxes and fees which are in effect as of January  
12 1 following the December state revenue estimating conference.  
13 "New revenues" also includes moneys received by the general  
14 fund of the state due to new transfers over and above those  
15 moneys received by the general fund of the state due to  
16 transfers which are in effect as of January 1 following the  
17 December state revenue estimating conference. The department  
18 of management shall obtain concurrence from the revenue  
19 estimating conference on the eligibility of transfers to the  
20 general fund of the state which are to be considered as new  
21 revenue in determining the state general fund expenditure  
22 limitation.

23     Sec. 228. Section 8.57, subsection 1, paragraph b, as  
24 enacted by 1992 Iowa Acts, chapter 1227, Senate File 2351,  
25 section 7, is amended to read as follows:

26     b. Commencing June 30, 1993, the surplus existing in the  
27 general fund of the state at the conclusion of the fiscal year  
28 is appropriated for distribution as provided in this section.  
29 As used in this paragraph, "surplus" means the positive-ending  
30 balance-in-the-general-fund, if any excess of revenues and  
31 other financing sources over expenditures and other financing  
32 uses for the general fund of the state in a fiscal year.

33     Sec. 229. Section 8.57, subsection 2, as enacted by the  
34 1992 Iowa Acts, chapter 1227, Senate File 2351, section 7, is  
35 amended to read as follows:

1 2. Moneys appropriated under subsection 1 shall be first  
2 credited to the cash reserve fund. To the extent that moneys  
3 appropriated under subsection 1 would make the moneys in the  
4 cash reserve fund exceed the cash reserve goal percentage of  
5 the adjusted revenue estimate for the fiscal year, the moneys  
6 are appropriated to the department of management to be spent  
7 for the purpose of eliminating Iowa's GAAP deficit. These  
8 moneys shall be deposited into a GAAP deficit reduction  
9 account established within the department of management.  
10 Unspent moneys in this account shall be available for  
11 expenditure for subsequent fiscal years. The department of  
12 management shall annually file with both houses of the general  
13 assembly at the time of the submission of the governor's  
14 budget a schedule of the items for which moneys appropriated  
15 under this subsection for the purpose of eliminating Iowa's  
16 GAAP deficit shall be spent in the fiscal year commencing July  
17 1 following the date of the filing of the report. The  
18 schedule shall list each item of expenditure and the maximum  
19 dollar amount of moneys to be spent on that item for the  
20 fiscal year. If moneys appropriated under this subsection are  
21 not enough to pay for all listed expenditures, the department  
22 of management shall allocate the payments among the listed  
23 expenditure items. Moneys appropriated to the department of  
24 management under this subsection shall not be spent on items  
25 other than those included in the filed schedule. After  
26 elimination of the GAAP deficit, any moneys in the GAAP  
27 deficit reduction account shall be appropriated to the Iowa  
28 economic emergency fund.

29 Sec. 230. Section 48.21, Code 1991, is amended to read as  
30 follows:

31 48.21 VOTER REGISTRATION FORMS IN INCOME TAX RETURNS AND  
32 BOOKLETS.

33 The For odd-numbered tax years, the director of the  
34 department of revenue and finance shall insert securely in  
35 each individual income tax return form or instruction booklet

1 two voter registration forms, designed according to rules  
2 adopted by the state voter registration commission.

3 Sec. 231. Section 99B.21, Code 1991, is amended to read as  
4 follows:

5 99B.21 TAX ON PRIZES.

6 All prizes awarded are Iowa earned income and are subject  
7 to state and federal income tax laws. A person conducting a  
8 game of skill, game of chance, or a raffle shall deduct state  
9 income taxes, pursuant to section 422.16, subsection 1, from a  
10 cash prize awarded to an individual ~~in-excess-of-six-hundred~~  
11 ~~dollars~~. An amount deducted from the prize for payment of a  
12 state tax shall be remitted to the state department of revenue  
13 and finance on behalf of the prize winner.

14 Sec. 232. Section 99D.16, Code 1991, is amended to read as  
15 follows:

16 99D.16 WITHHOLDING TAX ON WINNINGS.

17 All winnings provided in section 99D.11 are Iowa earned  
18 income and are subject to state and federal income tax laws.  
19 An amount deducted from winnings for payment of the state tax,  
20 pursuant to section 422.16, subsection 1, shall be remitted to  
21 the department of revenue and finance on behalf of the  
22 individual who won the wager.

23 Sec. 233. Section 99E.19, subsection 1, unnumbered  
24 paragraph 2, Code 1991, is amended to read as follows:

25 All prizes awarded are Iowa earned income, ~~---All-lottery~~  
26 winnings and are subject to state and federal income tax laws.  
27 An amount deducted from the prize for payment of a state tax,  
28 pursuant to section 422.16, subsection 1, shall be transferred  
29 by the commissioner to the department of revenue and finance  
30 on behalf of the prize winner.

31 Sec. 234. NEW SECTION. 99F.18 TAX ON WINNINGS.

32 All winnings derived from slot machines operated pursuant  
33 to this chapter are Iowa earned income and are subject to  
34 state and federal income tax laws. An amount deducted from  
35 winnings for payment of the state tax, pursuant to section

1 422.16, subsection 1, shall be remitted to the department of  
2 revenue and finance on behalf of the winner.

3 Sec. 235. Section 421.28, Code 1991, is amended to read as  
4 follows:

5 421.28 EXCEPTIONS TO SUCCESSOR LIABILITY.

6 The immediate successor to a licensee's or retailer's  
7 business or stock of goods under chapter 422A or 422B, or  
8 section 324.65, 422.52, 423.13, or 423.14 is not personally  
9 liable for the amount of delinquent tax, interest, or penalty  
10 due and unpaid if the immediate successor shows that the  
11 purchase of the business or stock of goods was made in good  
12 faith that no delinquent tax, interest, or penalty was due and  
13 unpaid. For purposes of this section the immediate successor  
14 shows good faith by evidence ~~that no tax liens were filed,~~  
15 that the department had ~~informed~~ provided the immediate  
16 successor with a certified statement that no delinquent tax,  
17 interest, or penalty is unpaid, or that the immediate  
18 successor had taken in good faith a certified statement from  
19 the licensee, or retailer, or seller that no delinquent tax,  
20 interest, or penalty is unpaid. When requested to do so by a  
21 person with whom the licensee or retailer is negotiating the  
22 sale of the business or stock of goods, the director of  
23 revenue and finance shall, upon being satisfied that such a  
24 situation exists, inform that person as to the amount of  
25 unpaid delinquent tax, interest, or penalty due by the  
26 licensee or the retailer. The giving of the information under  
27 this circumstance is not a violation of section 324.63,  
28 422.20, or 422.72.

29 Sec. 236. Section 422.15, subsection 1, Code 1991, is  
30 amended to read as follows:

31 1. Every person or corporation being a resident of or  
32 having a place of business in this state, ~~in whatever capacity~~  
33 ~~acting,~~ including lessees or mortgagors of real or personal  
34 property, fiduciaries, employers and all officers and  
35 employees of the state or of any political subdivision of the

1 state, or agent of the person or corporation, having the  
2 control, receipt, custody, disposal or payment of interest  
3 (other than interest coupons payable to bearer), rent,  
4 salaries, wages, premiums, annuities, compensations,  
5 remunerations, emoluments, unemployment compensation,  
6 royalties, patronage dividends, or other fixed or determinable  
7 annual or periodical gains, profits and income, amounting to  
8 one-thousand-dollars-or-over in an amount sufficient to  
9 require that an information return be filed under the Internal  
10 Revenue Code if the income is subject to federal tax, paid or  
11 payable during any year to any individual, whether a resident  
12 of this state or not, shall make a complete information return  
13 under such regulations and in such form and manner and to such  
14 extent as may be prescribed by the director. However, the  
15 person or corporation shall not be required to file an  
16 information return if the information is available to the  
17 department from the internal revenue service.

18 Sec. 237. Section 422.16, subsection 1, Code Supplement  
19 1991, is amended by adding the following new unnumbered  
20 paragraph:

21 NEW UNNUMBERED PARAGRAPH. For the purposes of this  
22 subsection, state income tax shall be withheld on winnings in  
23 excess of six hundred dollars derived from gambling activities  
24 authorized under chapter 99B or 99E. State income tax shall  
25 be withheld on winnings in excess of one thousand dollars from  
26 gambling activities authorized under chapter 99D. State  
27 income tax shall be withheld on winnings in excess of twelve  
28 hundred dollars derived from slot machines authorized under  
29 chapter 99F.

30 Sec. 238. Section 422.34, subsection 1, Code 1991, is  
31 amended to read as follows:

32 1. All state banks, as-defined-in-section-524-1037-and-all  
33 national, and private, co-operative, and savings banks, credit  
34 unions, title insurance and trust companies, building savings  
35 and loan associations, production credit associations,



1 insurance companies or insurance associations, reciprocal or  
2 inter-insurance exchanges, fraternal beneficiary associations,  
3 ~~now-or-hereafter-organized-or-incorporated-by-or-under-the~~  
4 ~~laws-of-this-state-or-lawfully-operating-in-the-state.~~

5 Sec. 239. Section 422.37, subsection 2, Code 1991, is  
6 amended to read as follows:

7 2. All members of the affiliated group shall join in the  
8 filing of an Iowa consolidated return to the extent they are  
9 subject to the tax imposed by section 422.33 ~~or-have~~  
10 ~~operations-which-constitute-a-part-of-the-unitary-business-of~~  
11 ~~one-or-more-members-which-are-subject-to-the-Iowa-tax.~~

12 Sec. 240. Section 422.42, subsection 9, Code 1991, is  
13 amended by adding the following new unnumbered paragraph:

14 NEW UNNUMBERED PARAGRAPH. For the purposes of this  
15 subsection, the sale of carpeting is not a sale of building  
16 materials. The sale of carpeting to owners, contractors, sub-  
17 contractors, or builders shall be treated as the sale of  
18 ordinary tangible personal property and subject to the tax  
19 imposed under section 422.43, subsection 1.

20 Sec. 241. Section 422.43, subsection 11, unnumbered  
21 paragraph 1, Code Supplement 1991, is amended to read as  
22 follows:

23 The following enumerated services are subject to the tax  
24 imposed on gross taxable services: Alteration and garment  
25 repair; armored car; automobile vehicle repair; battery, tire  
26 and allied; investment counseling; service charges of all  
27 financial institutions; barber and beauty; boat repair; car  
28 vehicle wash and wax; carpentry; roof, shingle, and glass  
29 repair; dance schools and dance studios; dry cleaning,  
30 pressing, dyeing, and laundering; electrical and electronic  
31 repair and installation; rental of tangible personal property,  
32 except mobile homes which are tangible personal property;  
33 excavating and grading; farm implement repair of all kinds;  
34 flying service; furniture, rug, upholstery repair and  
35 cleaning; fur storage and repair; golf and country clubs and

1 all commercial recreation; house and building moving;  
2 household appliance, television, and radio repair; jewelry and  
3 watch repair; machine operator; machine repair of all kinds;  
4 motor repair; motorcycle, scooter, and bicycle repair; oilers  
5 and lubricators; office and business machine repair; painting,  
6 papering, and interior decorating; parking facilities; pipe  
7 fitting and plumbing; wood preparation; licensed executive  
8 search agencies; private employment agencies, excluding  
9 services for placing a person in employment where the  
10 principal place of employment of that person is to be located  
11 outside of the state; sewing and stitching; shoe repair and  
12 shoeshine; storage warehousing of raw agricultural products;  
13 telephone answering service; test laboratories, except tests  
14 on humans or animals; termite, bug, roach, and pest  
15 eradicators; tin and sheet metal repair; turkish baths,  
16 massage, and reducing salons; weighing; welding; well  
17 drilling; wrapping, packing, and packaging of merchandise  
18 other than processed meat, fish, fowl and vegetables; wrecking  
19 service; wrecker and towing; pay television; campgrounds;  
20 carpet and upholstery cleaning; gun and camera repair;  
21 janitorial and building maintenance or cleaning; lawn care,  
22 landscaping and tree trimming and removal; pet grooming;  
23 reflexology; security and detective services; tanning beds or  
24 salons; and water conditioning and softening.

25 Sec. 242. Section 422.54, Code 1991, is amended by adding  
26 the following new subsection:

27 NEW SUBSECTION. 3. The five-year period of limitation  
28 provided in subsection 1 may be extended by a taxpayer by  
29 signing a waiver agreement form to be provided by the de-  
30 partment. The agreement shall stipulate the period of exten-  
31 sion and the tax period to which the extension applies. The  
32 agreement shall also provide that a claim for refund may be  
33 filed by the taxpayer at any time during the period of ex-  
34 tension.

35 Sec. 243. Section 423.16, Code 1991, is amended to read as

1 follows:

2 423.16 DETERMINATION BY DEPARTMENT.

3 If any return required by this chapter is not filed, or if  
4 any return when filed is incorrect or insufficient, and the  
5 maker or person from whom it is due fails to file a corrected  
6 or sufficient return within twenty days after the same is  
7 required by notice from the department, the department shall  
8 have the same power to determine the amount due, as is vested  
9 in the department by sections 422.54, 422.55, and 422.57,  
10 subject to all of the provisions, and restrictions, and rights  
11 to seek judicial review provided in said the sections. Where  
12 If a return required by this chapter has been filed, the five-  
13 year period of limitation specified in section 422.54,  
14 subsection 1, shall apply to the making of a determination by  
15 the department of the amount of tax due hereunder and to the  
16 giving of notice to the taxpayer of such determination. The  
17 right to waive the five-year period of limitation as provided  
18 in section 422.54, subsection 3, is applicable to this  
19 chapter.

20 Sec. 244. Section 450.68, unnumbered paragraph 2, Code  
21 1991, is amended to read as follows:

22 Federal tax returns, copies of returns, and return  
23 information as defined in section 6103(b) of the Internal  
24 Revenue Code, and state inheritance tax returns, which are  
25 required to be filed with the department for the enforcement  
26 of the inheritance and estate tax laws of this state, shall be  
27 deemed and held as confidential by the department. However,  
28 such returns or return information, may be disclosed by the  
29 director to officers or employees of other state agencies,  
30 subject to the same confidentiality restrictions imposed on  
31 the officers and employees of the department.

32 Sec. 245. Section 450A.12, Code 1991, is amended to read  
33 as follows:

34 450A.12 APPLICABLE STATUTES.

35 All of the provisions of chapter 450 with respect to the

1 payment and collection of the tax imposed under that chapter,  
2 including penalty and interest upon delinquent taxes and the  
3 confidentiality of the tax return, are applicable to the  
4 provisions of this chapter, except as they are in conflict  
5 with this chapter. The director shall adopt and promulgate  
6 rules necessary for the enforcement of this chapter.

7 Sec. 246. Section 450B.7, Code 1991, is amended to read as  
8 follows:

9 450B.7 OTHER INHERITANCE TAX LAWS APPLICABLE.

10 All the provisions of chapter 450 with respect to the  
11 payment, collection and administration of the inheritance tax  
12 imposed under that chapter, including the confidentiality of  
13 the tax return, are applicable to the provisions of this  
14 chapter to the extent consistent. The director of revenue and  
15 finance shall adopt and promulgate all rules necessary for the  
16 enforcement and administration of this chapter.

17 Sec. 247. Section 451.12, Code 1991, is amended to read as  
18 follows:

19 451.12 APPLICABLE STATUTES.

20 All the provisions of chapter 450 with respect to the lien  
21 provisions of section 450.7, and the determination,  
22 imposition, payment and collection of the tax imposed under  
23 that chapter, including penalty and interest upon delinquent  
24 taxes and the confidentiality of the tax return, are  
25 applicable to this chapter, except as they are in conflict  
26 with this chapter. The director of revenue and finance shall  
27 adopt rules necessary for the enforcement of this chapter.

28 Sec. 248. Section 235 of this Act is applicable to sales  
29 of a business or stock of goods occurring on or after the  
30 effective date of this Act.

31 Sec. 249. Section 236 of this Act is effective January 1,  
32 1993, and applies to income payments made on or after that  
33 date.

34 Sec. 250. Section 238 of this Act is retroactively  
35 applicable to January 1, 1991, for tax years beginning on or

1 after that date.

2 Sec. 251. Section 239 of this Act is effective July 1,  
3 1992, for tax years beginning on or after that date.

4 DIVISION III  
5 PROPERTY TAX LIMITATION

6 Sec. 301. NEW SECTION. 444.25 PROPERTY TAX LIMITATIONS  
7 FOR 1994 AND 1995 FISCAL YEARS.

8 1. COUNTY LIMITATION. The maximum amount of property tax  
9 dollars which may be certified by a county for taxes payable  
10 in the fiscal year beginning July 1, 1993, shall not exceed  
11 the amount of property tax dollars certified by the county for  
12 taxes payable in the fiscal year beginning July 1, 1992, and  
13 the maximum amount of property tax dollars which may be  
14 certified by a county for taxes payable in the fiscal year  
15 beginning July 1, 1994, shall not exceed the amount of  
16 property tax dollars certified by the county for taxes payable  
17 in the fiscal year beginning July 1, 1993, for each of the  
18 levies for the following, except for the levies on the  
19 increase in taxable valuation due to new construction,  
20 additions or improvements to existing structures, remodeling  
21 of existing structures for which a building permit is  
22 required, annexation, and phasing out of tax exemptions, and  
23 on the increase in valuation of taxable property as a result  
24 of a comprehensive revaluation by a private appraiser under a  
25 contract entered into prior to January 1, 1992, or as a result  
26 of a comprehensive revaluation directed or authorized by the  
27 conference board prior to January 1, 1992, with documentation  
28 of the contract, authorization, or directive on the  
29 revaluation provided to the director of revenue and finance,  
30 if the levies are equal to or less than the levies for the  
31 previous year, levies on that portion of the taxable property  
32 located in an urban renewal project the tax revenues from  
33 which are no longer divided as provided in section 403.19,  
34 subsection 2, or as otherwise provided in this section:

35 a. General county services under section 331.422,

1 subsection 1.

2 b. Rural county services under section 331.422, subsection  
3 2.

4 c. Other taxes under section 331.422, subsection 4.

5 2. CITY LIMITATION. The maximum amount in property tax  
6 dollars which may be certified by a city for taxes payable in  
7 the fiscal year beginning July 1, 1993, shall not exceed the  
8 amount in property tax dollars certified by the city for taxes  
9 payable in the fiscal year beginning July 1, 1992, and the  
10 maximum amount of property tax dollars which may be certified  
11 by a city for taxes payable in the fiscal year beginning July  
12 1, 1994, shall not exceed the amount of property tax dollars  
13 certified by the city for taxes payable in the fiscal year  
14 beginning July 1, 1993, for each of the levies for the  
15 following, except for the levies on the increase in taxable  
16 valuation due to new construction, additions or improvements  
17 to existing structures, remodeling of existing structures for  
18 which a building permit is required, annexation, and phasing  
19 out of tax exemptions, and on the increase in valuation of  
20 taxable property as a result of a comprehensive revaluation by  
21 a private appraiser under a contract entered into prior to  
22 January 1, 1992, or as a result of a comprehensive revaluation  
23 directed or authorized by the conference board prior to  
24 January 1, 1992, with documentation of the contract,  
25 authorization, or directive on the revaluation provided to the  
26 director of revenue and finance, if the levies are equal to or  
27 less than the levies for the previous year, levies on that  
28 portion of the taxable property located in an urban renewal  
29 project the tax revenues from which are no longer divided as  
30 provided in section 403.19, subsection 2, or as otherwise  
31 provided in this section:

32 a. City government purposes under section 384.1.

33 b. Capital improvements reserve fund under section 384.7.

34 c. Emergency fund purposes under section 384.8.

35 d. Other city government purposes under section 384.12.

1 3. EXCEPTIONS. The limitations provided in subsections 1  
2 and 2 do not apply to the levies made for the following:

3 a. Debt service to be deposited into the debt service fund  
4 pursuant to section 331.430 or section 384.4.

5 b. Taxes approved by a vote of the people which are  
6 payable during the fiscal year beginning July 1, 1993, or July  
7 1, 1994.

8 c. Hospitals pursuant to chapters 37, 347, and 347A.

9 d. Unusual need for additional moneys to finance existing  
10 programs which would provide substantial benefit to city or  
11 county residents or compelling need to finance new programs  
12 which would provide substantial benefit to city or county  
13 residents. The increase in taxes levied under this exception  
14 for the fiscal year beginning July 1, 1993, is limited to no  
15 more than the product of the total tax dollars levied in the  
16 fiscal year beginning July 1, 1992, and the percent change in  
17 the price index for government purchases by type for state and  
18 local governments computed for calendar year 1992. The  
19 increase in taxes levied under this exception for the fiscal  
20 year beginning July 1, 1994, is limited to no more than the  
21 product of the total tax dollars levied in the fiscal year  
22 beginning July 1, 1993, and the percent change in the price  
23 index for government purchases by type for state and local  
24 governments computed for calendar year 1993. The price index  
25 for government purchases by type for state and local  
26 governments is defined by the bureau of economic analysis of  
27 the United States department of commerce and published in  
28 table 7.11 of the national income and products accounts. For  
29 purposes of this paragraph, tax dollars levied in the fiscal  
30 years beginning July 1, 1992, and July 1, 1993, shall not  
31 include funds levied for paragraphs "a", "b", and "c" of this  
32 subsection.

33 Application of this exception shall require an original  
34 publication of the budget and a public hearing and a second  
35 publication and a second hearing both in the manner and form

1 prescribed by the director of the department of management,  
2 notwithstanding the provisions of sections 331.434, 384.16,  
3 and 362.3. The publications and hearings prescribed in this  
4 paragraph shall be held and the budget certified no later than  
5 March 15. The taxes levied for cities and counties whose  
6 budgets are certified after March 15, 1993, shall be frozen at  
7 the fiscal year beginning July 1, 1992, level, and the taxes  
8 levied for cities and counties whose budgets are certified  
9 after March 15, 1994, shall be frozen at the fiscal year  
10 beginning July 1, 1993, level.

11 4. APPEAL PROCEDURES. In lieu of the procedures in  
12 sections 24.48 and 331.426, which procedures do not apply for  
13 taxes payable in the fiscal years beginning July 1, 1993, and  
14 July 1, 1994, if a city or county needs to raise property tax  
15 dollars from a tax levy in excess of the limitations imposed  
16 by subsection 1 or 2, the following procedures apply:

17 a. Not later than March 1, and after the publication and  
18 public hearing on the budget in the manner and form prescribed  
19 by the director of the department of management,  
20 notwithstanding sections 331.434, 384.16, and 362.3, the city  
21 or county shall petition the state appeal board for approval  
22 of a property tax increase in excess of the increase provided  
23 for in subsection 3, paragraph "d", on forms furnished by the  
24 director of the department of management. Applications  
25 received after March 1 shall be automatically ineligible for  
26 consideration by the board.

27 b. Additional costs incurred by the city or county due to  
28 any of the following circumstances shall be the basis for  
29 justifying the excess in property tax dollars:

- 30 (1) Natural disaster or other life-threatening  
31 emergencies.
- 32 (2) Unusual need for additional moneys to finance existing  
33 programs which would provide substantial benefit to city or  
34 county residents or compelling need to finance new programs  
35 which would provide substantial benefit to city or county



1 residents.

2 (3) Need for additional moneys for health care, treatment  
3 and facilities, including mental health and mental retardation  
4 care and treatment pursuant to section 331.424, subsection 1,  
5 paragraphs "a" through "h".

6 (4) Judgments, settlements, and related costs arising out  
7 of civil claims against the city or county and its officers,  
8 employees, and agents, as defined in chapter 613A.

9 c. The state appeal board shall approve, disapprove, or  
10 reduce the amount of excess property tax dollars requested.  
11 The board shall take into account the intent of this section  
12 to provide property tax relief. The decision of the board  
13 shall be rendered at a regular or special meeting of the board  
14 within twenty days of the board's receipt of an appeal.

15 d. Within seven days of receipt of the decision of the  
16 state appeal board, the city or county shall adopt and certify  
17 its budget under section 331.434 or 384.16, which budgets may  
18 be protested as provided in section 331.436 or 384.19. The  
19 budget shall not contain an amount of property tax dollars in  
20 excess of the amount approved by the state appeal board.

21 5. In addition to the requirement of the county auditor in  
22 section 444.3 to establish a rate of tax which does not exceed  
23 the rate authorized by law, the county auditor shall also  
24 adjust the rate if the amount of property tax dollars to be  
25 raised is in excess of the amount specified in subsection 1 or  
26 2, as may be adjusted pursuant to subsection 4.

27 Sec. 302. NEW SECTION. 444.26 PROPERTY TAX LEVY  
28 LIMITATIONS NOT AFFECTED.

29 Section 444.25 shall not be construed as removing or  
30 otherwise affecting the property tax limitations otherwise  
31 provided by law for any tax levy of the political subdivision,  
32 except that, upon an appeal from the political subdivision,  
33 the state appeal board may approve a tax levy consistent with  
34 the provisions of section 24.48 or 331.426.

35 Sec. 303. NEW SECTION. 444.27 SECTIONS VOID.

1 Sections 24.48 and 331.426 are void for the fiscal years  
2 beginning July 1, 1993, and July 1, 1994.

3 DIVISION IV  
4 APPROPRIATIONS

5 Sec. 401. GREEN THUMB PROGRAM. There is appropriated from  
6 the general fund of the state to the department of natural  
7 resources for the fiscal year beginning July 1, 1992, and  
8 ending June 30, 1993, the following amount, or so much thereof  
9 as is necessary, to be used for the purpose designated:

10 For the green thumb program for the employment of the  
11 elderly in conservation and outdoor recreation related fields  
12 in coordination with other agencies as provided by law, and  
13 for not more than the following full-time equivalent  
14 positions:

15 .....	\$	129,279
16 .....	FTEs	10.00

17 Sec. 402. LAKE PROJECT. There is appropriated from the  
18 general fund of the state to the department of natural  
19 resources for the fiscal year beginning July 1, 1992, and  
20 ending June 30, 1993, the following amount, or so much thereof  
21 as is necessary, to be used for the purpose designated:

22 For the purpose of supporting lake preservation efforts at  
23 Black Hawk Lake:

24 .....	\$	397,780
----------	----	---------

25 The moneys appropriated in this section shall be allocated  
26 by the department to continue lake preservation, including  
27 dredging operations, at Black Hawk Lake, located at Lake View,  
28 Iowa. Remaining moneys previously designated for Black Hawk  
29 Lake under the federal clean lakes program shall be allocated  
30 on a matching basis with moneys appropriated in this section  
31 for purposes of preserving Black Hawk Lake. The allocation of  
32 moneys shall be contingent upon land used as a spoil site for  
33 the lake being provided without financial obligation to the  
34 state and the active participation of a local entity in  
35 preparing the spoil site.

1     Sec. 403. HOUSING PROGRAMS. There is appropriated from  
2 the general fund of the state to the Iowa finance authority  
3 for the fiscal year beginning July 1, 1992, and ending June  
4 30, 1993, the following amount, or so much thereof as is  
5 necessary, for deposit in the housing improvement fund created  
6 in section 220.100, of which \$600,000 shall be allocated to  
7 programs for the homeless, and \$400,000 shall be allocated to  
8 rental rehabilitation programs:

9 ..... \$ 1,000,000

10    Sec. 404. DRUG ABUSE RESISTANCE EDUCATION. There is  
11 appropriated from the general fund of the state to the  
12 department of public safety for the fiscal year beginning July  
13 1, 1992, and ending June 30, 1993, in addition to other  
14 appropriations made for the following purpose for that fiscal  
15 year, the following amount, or so much thereof as is  
16 necessary, to be used for the purpose designated:

17     For use by the department to provide law enforcement  
18 officials for project D.A.R.E. (drug abuse resistance  
19 education) within local communities targeted to fifth and  
20 sixth grade students:

21 ..... \$ 28,500

22    Sec. 405. PILOT PROGRAMS FOR RUNAWAYS. There is  
23 appropriated from the general fund of the state to the  
24 department of human services for the fiscal year beginning  
25 July 1, 1992, and ending June 30, 1993, the following amounts,  
26 or so much thereof as is necessary, to be used for the  
27 purposes designated:

28     1. For a pilot program for runaways in Woodbury county:  
29 ..... \$ 20,000

30     2. For a pilot program for runaways in Polk county:  
31 ..... \$ 30,000

32     The pilot programs shall involve joint efforts by local  
33 courts, law enforcement agencies, shelter care facilities, and  
34 family-centered service providers which contract with the  
35 department of human services. The programs shall identify

1 runaways and children at risk of running away from home and  
2 shall identify available and needed services. The programs  
3 shall use a family-oriented approach intended to assist  
4 families in dealing with the various issues related to  
5 runaways. The local courts shall cooperate with the programs  
6 and shall enter appropriate orders to facilitate the  
7 implementation of the programs and the provision of services  
8 by the programs to runaways and children at risk of running  
9 away.

10 Sec. 406. CENTRALIZED JUVENILE INTAKE CENTER. There is  
11 appropriated from the general fund of the state to the  
12 department of human services for the fiscal year beginning  
13 July 1, 1992, and ending June 30, 1993, in addition to other  
14 appropriations made to the department for that fiscal year,  
15 the following amount, or so much thereof as is necessary, to  
16 be used for the purpose designated:

17 For the development of a centralized juvenile intake center  
18 in a county with a population of more than 300,000, as  
19 determined pursuant to the 1990 federal census:

20 ..... \$ 125,000

21 The department of human services shall work with the  
22 judicial department, local law enforcement agencies, youth  
23 service agencies, and other persons as necessary in the  
24 development and operation of a centralized juvenile intake  
25 center in a county with a population of more than 300,000, as  
26 determined pursuant to the 1990 federal census. The  
27 centralized juvenile intake center shall serve as a central  
28 location for the placement, prior to adjudication, of  
29 juveniles involved in delinquency or child in need of  
30 assistance proceedings pursuant to chapter 232. The center  
31 shall be staffed by a juvenile court officer and a youth  
32 services aide. The center shall be used to provide a safe and  
33 secure setting for juveniles prior to adjudication, during the  
34 assessment of their cases.

35 Sec. 407. SUMMER WORK AND LEARN ALTERNATIVE FOR INNER CITY

1 YOUTH.

2 1. There is appropriated from the general fund of the  
3 state to the judicial department for the fiscal year beginning  
4 July 1, 1992, and ending June 30, 1993, in addition to other  
5 appropriations made to the department for that fiscal year,  
6 the following amount, or so much thereof as is necessary, to  
7 be used for the purpose designated:

8 For the award of a grant to a model program managed by the  
9 Sioux City community school district, to provide a summer work  
10 and learn alternative for inner city youth:

11 ..... \$ 75,000

12 2. The judicial department shall award a grant to a model  
13 program managed by the Sioux City community school district,  
14 to provide a summer work and learn alternative for inner city  
15 youth. The judicial department shall develop criteria for the  
16 operation of the model program. At a minimum, the model  
17 program shall do each of the following:

- 18 a. Utilize existing resources to the greatest extent
- 19 possible.
- 20 b. Have the support and involvement of a broad array of
- 21 existing community programs.
- 22 c. Have a duration of at least ten weeks.
- 23 d. Provide a work or community service component.
- 24 e. Provide a career development component, including
- 25 intensive exploration of work options and related prerequisite
- 26 skills.
- 27 f. Provide a teaching and learning component, including
- 28 reading and language skills, mathematics skills, and basic
- 29 keyboard and computer literacy.
- 30 g. Provide a social skills training component.
- 31 h. Provide an athletics and physical fitness component.
- 32 i. Provide a health assessment component, including
- 33 referral to appropriate health care or service providers.
- 34 j. Provide a total program evaluation component.
- 35 Sec. 408. COUNTY DETENTION HOME -- 72-HOUR REIMBURSEMENT.

1 There is appropriated from the general fund of the state to  
2 the department of human services for the fiscal year beginning  
3 July 1, 1992, and ending June 30, 1993, the following amount,  
4 or so much thereof as is necessary, to be used for the purpose  
5 designated:

6 For reimbursement of counties in accordance with the pro-  
7 visions of this section:

8 ..... \$ 900,000

9 During the fiscal year beginning July 1, 1992, and ending  
10 June 30, 1993, if a child has been adjudicated delinquent and  
11 remains in a county detention home awaiting placement for more  
12 than 72 hours after the first dispositional hearing after  
13 adjudication, the department shall reimburse the county for  
14 any period from that time forward in which the child remains  
15 in the detention home, at the rate established by the  
16 detention home for holding juveniles from another county. If  
17 it is determined that reimbursements to counties in any  
18 quarter of the fiscal year would exceed that quarter's  
19 allotment of this appropriation, the payments to the counties  
20 for that quarter shall be prorated. The department may adopt  
21 emergency rules to implement the provisions of this section.

22 Sec. 409. MEDICAL ASSISTANCE. There is appropriated from  
23 the general fund of the state to the department of human  
24 services for the fiscal year beginning July 1, 1992, and  
25 ending June 30, 1993, the following amount, or so much thereof  
26 as is necessary, to be used for the purpose designated:

27 For medical assistance, including reimbursement for  
28 abortion services, which shall be available under the medical  
29 assistance program only for those abortions which are  
30 medically necessary:

31 ..... \$276,161,251

32 1. Medically necessary abortions are those performed under  
33 any of the following conditions:

34 a. The attending physician certifies that continuing the  
35 pregnancy would endanger the life of the pregnant woman.

1 b. The attending physician certifies that the fetus is  
2 physically deformed, mentally deficient, or afflicted with a  
3 congenital illness.

4 c. The pregnancy is the result of a rape which is reported  
5 within 45 days of the incident to a law enforcement agency or  
6 public or private health agency which may include a family  
7 physician.

8 d. The pregnancy is the result of incest which is reported  
9 within 150 days of the incident to a law enforcement agency or  
10 public or private health agency which may include a family  
11 physician.

12 e. Any spontaneous abortion, commonly known as a  
13 miscarriage, if not all of the products of conception are  
14 expelled.

15 2. Of the funds appropriated in this section, \$100,000 is  
16 allocated until January 31, 1993, for contingency assistance  
17 for the federal nutrition program for women, infants, and  
18 children and shall be transferred to the Iowa department of  
19 public health as necessary in order to fully utilize funding  
20 available for the program. Any moneys allocated in this  
21 subsection which are unexpended or unobligated on January 31,  
22 1993, shall be available during the remainder of the fiscal  
23 year to the department of human services for the purposes of  
24 this section.

25 3. Notwithstanding section 8.39, the department may  
26 transfer funds appropriated in this section to a separate  
27 account established in the department's case management unit  
28 for expenditures required to provide case management services  
29 pursuant to the appropriation made in 1992 Iowa Acts, chapter  
30 1241, Senate File 2355, section 27, for mental health, mental  
31 retardation, and developmental disabilities services under  
32 medical assistance which are jointly funded by the state and  
33 county, pending final settlement of the expenditures. Funds  
34 received by the case management unit in settlement of the  
35 expenditures shall be used to replace the transferred funds

1 and are available for the purposes for which the funds were  
2 appropriated in this section.

3 4. If implementing a procedure of purchase and  
4 distribution of vaccines to physicians participating in the  
5 medical assistance program is determined by the department of  
6 human services to be cost-effective for the department, the  
7 department of human services may use moneys appropriated in  
8 this section to contract with the Iowa department of public  
9 health for this purpose. In implementing the procedure, the  
10 department of human services shall adopt rules requiring  
11 physicians to obtain vaccines from the Iowa department of  
12 public health for immunization of medical assistance  
13 recipients. The department of human services may adopt  
14 emergency rules to implement the provisions of this  
15 subsection.

16 5. The department shall seek federal approval of a medical  
17 assistance waiver in order to expand the availability of the  
18 MediPASS program to an additional 27,000 enrollees. If  
19 federal approval is granted, the department may adopt  
20 emergency rules to implement the provisions of this  
21 subsection.

22 6. Of the funds appropriated in this section, \$60,000  
23 shall be used by the department for the fiscal year 1992-1993  
24 costs to establish and operate an HIV and AIDS insurance  
25 continuation assistance pilot program. The pilot program  
26 shall be administered by the medical services division to  
27 provide insurance continuation assistance to persons with AIDS  
28 or HIV-related illnesses who are unable to maintain health  
29 insurance premium payments due to illness. The pilot program  
30 shall operate for a two-year period beginning October 1, 1992.  
31 The funds shall be made available in a manner that provides  
32 the assistance, as needed, to recipients at any time until the  
33 end of the pilot program or until the appropriated funding is  
34 exhausted.

35 a. The department shall publicize the program for



1 enrollment of potential participants through provision of  
2 information through the Iowa department of public health, the  
3 regional AIDS coalitions funded by the Iowa department of  
4 public health, physicians, hospitals, social workers, and  
5 social service providers, and other groups identified by the  
6 coalitions.

7 b. The program shall provide all of the following:

8 (1) That an applicant is eligible for participation in the  
9 program if all of the following conditions are met:

10 (a) The applicant is a resident of the state.

11 (b) The applicant suffers from AIDS or an HIV-related  
12 illness.

13 (c) The applicant has an income of not more than 300  
14 percent of the federal poverty level as defined by the most  
15 recently revised poverty income guidelines published by the  
16 United States department of health and human services and cash  
17 assets of not more than \$10,000.

18 (d) The applicant is enrolled in an individual or group  
19 private health insurance plan.

20 (e) The applicant is or will be unable, due to AIDS or the  
21 HIV-related illness, to continue employment in the applicant's  
22 current position or the applicant must significantly reduce  
23 hours of employment.

24 (f) Enrollment in the program is the most cost-effective,  
25 available means of providing the applicant with health  
26 insurance coverage.

27 (2) That an applicant is required to provide the following  
28 to verify eligibility for participation in the program:

29 (a) Documentation of income and assets, as required by  
30 rule of the department.

31 (b) Documentation through submission of a statement by the  
32 applicant's physician that the applicant suffers from AIDS or  
33 an HIV-related illness and that the applicant is, or will  
34 within a period of six months be, unable to continue  
35 employment or be required to significantly reduce hours of

1 employment.

2 (3) An expedited eligibility determination process to  
3 ensure that an eligible applicant is not denied coverage under  
4 the applicant's existing policy due to nonpayment of premiums  
5 during the determination process period. This may include but  
6 is not limited to accepting preapplications from any HIV-  
7 infected person or the making of payments based on preliminary  
8 determinations.

9 (4) A requirement that following enrollment in the  
10 program, a person must apply for medical assistance, if the  
11 department determines that the person is likely to be eligible  
12 for payment of premiums under the medical assistance program.

13 (5) That all information relating to an applicant is  
14 confidential information and the provisions of chapter 141 are  
15 applicable to the information.

16 (6) Insurance premiums and medical expenses for which the  
17 applicant has no coverage, which are incurred in the month of  
18 application, shall be deducted from the applicant's gross  
19 income for the purpose of determining eligibility for the  
20 program.

21 c. The department shall provide a preliminary report to  
22 the general assembly by January 1, 1993, and a final report to  
23 the general assembly by January 1, 1994, regarding the cost-  
24 effectiveness of the pilot program, the impact of the  
25 requirements of federal law on the pilot program, and the  
26 current and projected costs to the state for payment of  
27 medical assistance for the health care costs of persons with  
28 AIDS or HIV-related illnesses.

29 d. For the purposes of this subsection, "AIDS" and "HIV"  
30 mean "AIDS" and "HIV" as defined in section 141.21.

31 e. For the purposes of this subsection, "health insurance  
32 plan" includes nonprofit health service corporation contracts  
33 regulated under chapter 514 and health maintenance  
34 organization evidences of coverage regulated under chapter  
35 514B.

1 f. Of the funds allocated in this subsection, the  
2 department may transfer not more than \$10,000 to the  
3 appropriation made in 1992 Iowa Acts, chapter 1241, section  
4 29, for general administration to be used for administrative  
5 costs associated with this program. The department is  
6 authorized a 0.5 FTE position in addition to the positions  
7 authorized in that appropriation made in this Act for general  
8 administration in order to administer the program.

9 g. The program shall start by October 1, 1992, and the  
10 department is authorized to adopt emergency rules to implement  
11 the provisions of this section by that date.

12 7. The department shall take action to provide for the  
13 continuing medical assistance eligibility without a spend down  
14 requirement for those persons whose eligibility is related to  
15 federal supplemental security income eligibility and who are  
16 eligible for the medically needy program without a spend down  
17 requirement. If providing for the continuing eligibility is  
18 permitted under federal requirements, the department may adopt  
19 emergency rules to implement the eligibility.

20 8. The department of human services shall work  
21 cooperatively with the department of elder affairs and the  
22 area agencies on aging to expedite and improve the assessment  
23 and eligibility determination process used for the medical  
24 assistance home and community-based waiver program for the  
25 elderly.

26 9. It is the intent of the general assembly that  
27 copayments shall not be charged to recipients for services  
28 which are mandatory under federal requirements for the medical  
29 assistance program.

30 10. The department shall actively pursue the potential to  
31 fund child welfare services under the early and periodic  
32 screening, diagnosis, and treatment (EPSDT) option of the  
33 medical assistance program. If the funding is implemented,  
34 the department may transfer moneys appropriated for foster  
35 care in 1992 Iowa Acts, chapter 1241, Senate File 2355,

1 section 12, or home-based services in 1992 Iowa Acts, chapter  
2 1241, Senate File 2355, section 14, as necessary to pay the  
3 nonfederal costs of services reimbursed under EPSDT which are  
4 provided to children who would otherwise receive services paid  
5 under those appropriations. The department may adopt  
6 emergency rules to implement the provisions of this  
7 subsection.

8 11. Except as otherwise provided in the appropriation made  
9 in 1992 Iowa Acts, chapter 1241, Senate File 2355, section 27,  
10 for mental health, mental retardation, and developmental  
11 disabilities services provided under medical assistance, if a  
12 medical assistance recipient is receiving care which is  
13 reimbursed under a federally approved home and community-based  
14 services waiver but would otherwise be approved for care in an  
15 intermediate care facility for the mentally retarded, the  
16 recipient's county of legal settlement shall reimburse the  
17 department on a monthly basis for the portion of the  
18 recipient's cost of care which is not paid from federal funds.

19 12. The department shall develop program standards,  
20 admission criteria, and reimbursement rates which are  
21 consistent with the day treatment needs of children and  
22 adolescents with severe psychiatric and behavioral disorders.  
23 The department may adopt emergency rules to implement the  
24 provisions of this subsection.

25 13. Administrative rules adopted by the department  
26 establishing intermediate care facility for the mentally  
27 retarded (ICFMR) standards relating to family scale and size,  
28 location, and community inclusion, including, but not limited  
29 to, rules adopted pursuant to 1991 Iowa Acts, chapter 267,  
30 section 103, subsection 5, and 1992 Iowa Acts, chapter 1043,  
31 Senate File 2311, shall not prohibit any ICFMR with eight beds  
32 or less.

33 14. This subsection applies to services provided on or  
34 after July 1, 1992. The department shall expand utilization  
35 review of medical assistance recipient visits to physician and

1 family and pediatric nurse practitioners, federally qualified  
2 health centers, rural health clinics, other clinics, and  
3 emergency rooms. The review shall not apply to medical  
4 assistance recipients who are enrolled in the MediPASS program  
5 or a health maintenance organization or are children under 21  
6 years of age or residents of a nursing facility. If a medical  
7 assistance recipient utilizes more than 24 visits in any 12-  
8 month period, the recipient shall be subject to utilization  
9 review. If found to be cost-effective, the department shall  
10 implement a prospective system for limiting the number of  
11 physician-related visits eligible for reimbursement under the  
12 medical assistance program. For the purposes of this  
13 subsection, the term "physician" does not include a  
14 psychiatrist. The department may adopt emergency rules to  
15 implement the provisions of this subsection.

16 Sec. 410. MEDICAL CONTRACTS -- PRIOR AUTHORIZATION. There  
17 is appropriated from the general fund of the state to the  
18 department of human services for the fiscal year beginning  
19 July 1, 1992, and ending June 30, 1993, the following amount,  
20 or so much thereof as is necessary, to be used for the purpose  
21 designated:

22 In addition to the funds appropriated for medical contracts  
23 in 1992 Iowa Acts, chapter 1241, Senate File 2355, section 4,  
24 for costs associated with implementation of a prior  
25 authorization program under the medical assistance program for  
26 selected drugs in accordance with the provisions of this  
27 section:

28 ..... \$ 120,000

29 1. Effective October 1, 1992, the department shall  
30 implement a program of prior authorization for drugs which are  
31 reimbursed under the medical assistance program. Drug  
32 selection shall be based upon medical effectiveness and the  
33 selections shall be made by the department with the assistance  
34 of the Iowa medicaid drug utilization review commission. The  
35 drugs selected may include but are not limited to anti-ulcer

1 and anti-arthritic agents and benzodiazepines. The department  
2 shall consult with the Iowa pharmacists association during  
3 implementation of the program. The program shall fully comply  
4 with the federal Omnibus Budget Reconciliation Act of 1990.

5 2. The department may implement a point-of-service claims  
6 transmission system for the prescription drug component of the  
7 medical assistance program.

8 3. The department may adopt emergency rules to implement  
9 the provisions of subsection 1.

10 Sec. 411. IOWA VETERANS HOME. There is appropriated from  
11 the general fund of the state to the department of human  
12 services for the fiscal year beginning July 1, 1992, and  
13 ending June 30, 1993, the following amount, or so much thereof  
14 as is necessary, for the purpose designated:

15 In addition to the funds appropriated for the operation of  
16 the Iowa veterans home in 1992 Iowa Acts, chapter 1241, Senate  
17 File 2355, section 18:

18 ..... \$ 10,000

19 Sec. 412. FAMILY PLANNING -- REPRODUCTIVE HEALTH SERVICES  
20 INTEGRATION WITH SUBSTANCE ABUSE PROGRAMS. There is  
21 appropriated from the general fund of the state to the  
22 department of human services for the fiscal year beginning  
23 July 1, 1992, and ending June 30, 1993, the following amount,  
24 or so much thereof as is necessary, to be used for the  
25 purposes designated:

26 1. For the provision of family planning services to  
27 eligible women as specified in this subsection:

28 ..... \$ 350,000

29 To be eligible for family planning services under this  
30 subsection, the following criteria apply: the woman has an  
31 income which is equal to or less than 185 percent of the  
32 federal poverty level as defined by the most recently  
33 published guidelines issued by the United States department of  
34 health and human services; the woman was receiving medical  
35 assistance at the time the child was born; the woman is no

1 longer eligible for medical assistance; and the woman is not  
2 covered by health insurance for family planning services. The  
3 family planning services shall be provided for not more than  
4 12 months from the date of expiration of an eligible woman's  
5 postpartum medical assistance coverage. The department shall  
6 include information concerning the availability of the family  
7 planning services at the time the department notifies a  
8 recipient that her 60 days of postpartum medical assistance  
9 coverage will expire. The department may adopt emergency  
10 rules to implement the provisions of this subsection.

11 2. For the use of the Iowa department of public health,  
12 division of substance abuse and health promotion, for the  
13 integration of reproductive health services with substance  
14 abuse programs:

15 ..... \$ 100,000

16 To be eligible for funding under this subsection, a program  
17 shall be a residential treatment provider which provides  
18 services to a large number of women of childbearing age.

19 3. Nothing in this section shall be construed or is  
20 intended as, or shall imply, a grant of entitlement for  
21 services to persons who are eligible for services in  
22 accordance with the provisions of this section. Any state  
23 obligation to provide services pursuant to this section is  
24 limited to the extent of the funds appropriated in this  
25 section.

26 Sec. 413. MEDICAL ASSISTANCE -- ENHANCED SERVICES FOR  
27 HIGH-RISK PREGNANCIES. There is appropriated from the general  
28 fund of the state to the department of human services for the  
29 fiscal year beginning July 1, 1992, and ending June 30, 1993,  
30 the following amount, or so much thereof as is necessary, to  
31 be used for the purposes designated:

32 1. For provider costs to perform risk assessments for  
33 pregnant women eligible for medical assistance:

34 ..... \$ 71,000

35 2. For medical assistance costs to provide enhanced

1 services for high-risk pregnancies in accordance with this  
2 section:

3 ..... \$ 72,000

4 The department of human services and the Iowa department of  
5 public health shall jointly develop risk assessment criteria  
6 which shall be applied to all pregnant women eligible for  
7 medical assistance. If a pregnant woman is determined to have  
8 a high-risk pregnancy by use of the risk assessment, enhanced  
9 services shall be made available to the woman. Enhanced  
10 services shall include care coordination, health education,  
11 social services, nutrition education, and a postpartum home  
12 visit. The department of human services may adopt emergency  
13 rules to implement the provisions of this section.

14 Sec. 414. INFANT MORTALITY AND MORBIDITY PREVENTION PILOT  
15 PROJECT. The Iowa department of public health shall award  
16 grants to establish an infant mortality and morbidity  
17 prevention pilot project beginning October 1, 1992, and ending  
18 June 30, 1995, in the designated areas of Polk, Scott, and  
19 Woodbury counties. The recipient of a grant shall establish a  
20 resource mothers program or coordinate existing resource  
21 mothers programs in the targeted areas and shall do all of the  
22 following:

23 1. Identify barriers to positive birth outcomes and  
24 encourage cooperation in the targeted area to reduce infant  
25 mortality and morbidity.

26 2. Develop an inventory of existing community resources,  
27 including both public and private organizations, which are  
28 designed to reduce infant mortality.

29 3. Collaborate with local chambers of commerce,  
30 businesses, and civic organizations, including both public and  
31 private organizations, to establish a coupon bonus program for  
32 pregnant women residing in the targeted area to encourage the  
33 pregnant women to seek prenatal care and to encourage mothers  
34 of children through one year of age to utilize the early and  
35 periodic screening, diagnosis, and treatment program. The



1 coupon bonus program shall provide for the validation of  
2 coupons by health care providers, following the provision of  
3 prenatal care or care provided to a child through one year of  
4 age, which may be exchanged for the provision of goods or  
5 services by sponsors within the community.

6 Sec. 415. PRENATAL TO PRESCHOOL FAMILY AND CHILD  
7 PROTECTION SERVICES PROGRAM.

8 1. The Iowa department of public health shall develop a  
9 program for the awarding of a grant to a statewide child abuse  
10 prevention organization for the development and implementation  
11 of the prenatal to preschool family and child protection  
12 services program to be implemented beginning October 1, 1992,  
13 and ending October 1, 1995, in at least three urban and three  
14 rural counties, three of which shall be coordinated with the  
15 existing infant mortality and morbidity programs in Polk,  
16 Scott, and Woodbury counties, and all of which shall be  
17 implemented through the use of existing nonprofit home health  
18 programs. The department shall make a request for proposals  
19 application available to any organization requesting an  
20 application by August 1, 1992, and shall require the completed  
21 application to be returned to the department by September 1,  
22 1992.

23 2. The department shall adopt rules which establish the  
24 criteria for the awarding of a grant to an applicant. The  
25 criteria shall include but are not limited to the required  
26 match of one dollar provided by the organization for each two  
27 dollars provided by the state.

28 3. A grant recipient shall do all of the following:

29 a. Implement the proposed program by October 1, 1992.

30 b. Coordinate the program with the infant mortality and  
31 morbidity prevention programs in existence in Polk, Scott, and  
32 Woodbury counties.

33 c. To the maximum extent possible, utilize existing  
34 programs and services necessary for implementation of the  
35 program.

1 d. Utilize nonprofit home health programs in the  
2 development and implementation of the program.

3 4. The Iowa department of public health shall submit an  
4 evaluation of the program, by January 15, annually, to the  
5 governor and the general assembly.

6 Sec. 416. APPROPRIATION -- INFANT MORTALITY AND MORBIDITY  
7 -- HEALTHY FAMILY PROGRAM. There is appropriated from the  
8 general fund of the state to the Iowa department of public  
9 health, for the fiscal year beginning July 1, 1992, and ending  
10 June 30, 1993, the following amount, or so much thereof as is  
11 necessary, for the purposes designated:

12 ..... \$ 665,000

13 1. Of the moneys appropriated in this section, not more  
14 than \$165,000 shall be used to award grants to establish  
15 infant mortality and morbidity prevention pilot projects in  
16 Polk, Scott, and Woodbury counties in the areas designated by  
17 the Iowa department of public health as areas with the highest  
18 infant mortality rates. Of the amount appropriated, not more  
19 than 15 percent shall be used for administrative expenses.

20 2. Of the moneys appropriated in this section, not more  
21 than \$335,000 shall be used to award a grant to a statewide  
22 child abuse prevention organization for the development and  
23 implementation of the prenatal to preschool family and child  
24 protection services program to be implemented beginning  
25 October 1, 1992.

26 3. Of the moneys appropriated in this section, not more  
27 than \$25,000 shall be used for departmental staff support of a  
28 multidisciplinary team conducting research concerning the  
29 causes of individual infant deaths in the state. Funding of  
30 the multidisciplinary team concerning an individual case shall  
31 be used solely for research purposes.

32 4. Of the moneys appropriated in this section, not more  
33 than \$140,000 shall be used to increase the use of mid-level  
34 practitioners to improve access to prenatal health care. The  
35 funds shall be used to issue three grants in equal amounts to

1 hospitals, public health programs, or maternal health clinics  
2 to develop programs to provide services to pregnant women,  
3 utilizing nurse midwives with hospital privileges and  
4 physician support, in areas of the state with insufficient  
5 availability of obstetrical services.

6 Sec. 417. IOWA CENTER FOR HEALTH ISSUES -- ESTABLISHED.

7 There is appropriated from moneys collected by the division of  
8 insurance pursuant to section 505.7, subsection 3, from the  
9 amount collected in excess of \$310,815, to the division of  
10 insurance for the fiscal year beginning July 1, 1992, and  
11 ending June 30, 1993, the following amount, or so much thereof  
12 as is necessary to be used for the purposes designated:

13 For the awarding of a grant, by the division, to a private  
14 institution to establish a center for use as a forum for the  
15 purposes of community discussion and consensus building,  
16 public education, and research in the area of health care and  
17 health-related issues, particularly in the area of ethical  
18 decision making:

19 ..... \$ 75,000

20 Criteria for the awarding of a grant includes but is not  
21 limited to:

22 1. That the recipient be a private institution which is  
23 centrally located in the state, which does not directly  
24 provide medical or health services, and which has developed  
25 credibility among the health care and business community.

26 2. That the institution is able to draw from a variety of  
27 disciplines including but not limited to the health services,  
28 law, sociology, insurance, economics, education, and public  
29 administration in carrying out the purpose of the center.

30 3. That the institution provide physical space for the  
31 holding of meetings, forums, and other activities of the  
32 center, and that the institution be capable of holding  
33 meetings, forums, and other activities throughout the state.

34 4. That the institution provide or develop independent  
35 funding, in an amount which is one dollar for every state

1 dollar provided, from sources including but not limited to  
2 private contributions or federal funding.

3 The grant recipient shall cooperate with the division in  
4 establishing the center. The division shall perform ongoing  
5 evaluation of the activities of the center and shall make  
6 recommendations to the grant recipient regarding improved  
7 effectiveness of the activities of the center.

8 Sec. 418. VERIFICATION OF SPENDING REDUCTIONS. The  
9 department of human services, the Iowa department of public  
10 health, and the commissioner of insurance, shall submit  
11 reports to the governor and the general assembly by January  
12 15, 1993, regarding the effectiveness or proposed  
13 effectiveness of the initiatives established in this division  
14 in reducing health care costs.

15 Sec. 419. NEW SECTION. 135.106 IOWA HEALTHY FAMILY  
16 PROGRAM -- ESTABLISHED.

17 1. The Iowa department of public health shall establish an  
18 Iowa healthy family program to provide services to families  
19 and children during the prenatal through preschool years. The  
20 program shall be designed to promote optimal child  
21 development, improve family coping skills and functioning, and  
22 promote positive parenting skills and intrafamilial  
23 interaction, with the goal of prevention of child abuse and  
24 neglect.

25 2. The program shall include the following components  
26 which shall be developed and implemented to provide for  
27 coordination of services to the greatest extent possible:

28 a. An infant mortality and morbidity prevention program.

29 b. A prenatal to preschool family and child protection  
30 services program.

31 3. The infant mortality and morbidity prevention program  
32 shall include, but is not limited to, the following  
33 components:

34 a. The establishment of pilot projects, through the  
35 awarding of grants, in three counties of the state which have

1 areas with the state's highest infant mortality rates, to  
2 identify barriers to positive birth outcomes, to encourage  
3 collaboration and cooperation among providers of health care,  
4 social services, and other services to pregnant women and  
5 infants, and to encourage pregnant women and women of  
6 childbearing years to seek health care and other services  
7 which result in positive birth outcomes.

8 b. The establishment of a resource mothers program to  
9 provide pregnant and postpartum women with individual  
10 guidance, information, and access to health care. As used in  
11 this section, "resource mothers program" means a community  
12 outreach program which provides for home visits by women who  
13 have experience as mothers and who have knowledge of health  
14 care services, social services, or related fields of services  
15 and who provide pregnant and postpartum women with information  
16 and access to health care and other services necessary for  
17 positive birth outcomes.

18 4. The prenatal to preschool family and child protection  
19 services program shall be developed and implemented by the  
20 recipient of a grant awarded by the department and shall  
21 include but is not limited to all of the following components:

22 a. Systematic hospital-based screening for the highest  
23 percent of high-risk families of newborns in specific  
24 geographic areas. The systematic hospital-based screening  
25 component shall provide that a resource mother identifies  
26 hospital admissions data for childbirths to determine high-  
27 risk families, based upon risk indicators developed by rule of  
28 the department. The woman who is a member of a family which  
29 is identified to be at high-risk shall be interviewed by the  
30 resource mother to encourage the woman to accept services  
31 including but not limited to home visits, support services,  
32 and instruction in child care and development.

33 b. Community-based home visiting family support services.  
34 Following identification of a family as high-risk and  
35 acceptance of a family of services under the program, the

1 resource mother shall initiate home visits to assess the needs  
2 of the family and to refer the family to appropriate services.

3 c. Individualization of the intensity of services based  
4 upon the family's need and level of risk. The resource mother  
5 shall assess the specific needs of the participating family to  
6 ensure appropriate access to services and necessary frequency  
7 of services.

8 d. Linkage to a "medical home". The resource mother shall  
9 assist participating families in the selection of a primary  
10 care provider in order to promote preventive health care and  
11 positive child development. The resource mother assigned to a  
12 family shall track the scheduling and completion of and the  
13 provision of transportation to health care visits. The  
14 resource mother shall also review the results of health care  
15 visits and coordinate future visits or referrals to necessary  
16 services.

17 e. Coordination of a range of health and social services  
18 for at-risk families, including the provision of the  
19 appropriate levels or types of immunizations to children  
20 participating in the program.

21 f. Continuous follow-up with the family until the  
22 identified child reaches age three, except in the case of  
23 high-risk families in which case the follow-up shall continue  
24 to age four.

25 g. A structured training program in the dynamics of abuse  
26 and neglect. The grant recipient shall provide a training  
27 program to establish uniform standards for service delivery.

28 h. Provision of crisis child care through utilization of  
29 existing child care services to participants in the program.

30 i. Evaluation of the program, including an evaluation of  
31 the effects on the reduction in risk factors for the  
32 participants, an evaluation of the services provided, and  
33 recommendations for changes in or expansion of the program.

34 j. To the extent possible, private party, third party, and  
35 medical assistance including the early and periodic screening,

1 diagnosis, and treatment (EPSDT) program, shall be utilized as  
2 a reimbursement to defray the costs of services provided.

3 5. The department shall adopt rules to establish and  
4 implement the healthy family program which address all of the  
5 following:

6 a. The entering of an interagency agreement with the  
7 department of human services by which the department may refer  
8 a family at high-risk, based upon reports to the department of  
9 human services, of the need for services.

10 b. The criteria for the awarding of a grant for the  
11 development and implementation of the infant mortality and  
12 morbidity prevention pilot program and for the development and  
13 implementation of the prenatal to preschool family and child  
14 protection services program.

15 c. The components required of a grant applicant for  
16 inclusion in an infant mortality and morbidity prevention  
17 pilot program proposal and in a prenatal to preschool family  
18 and child protection services program proposal.

19 d. Establishment of risk indicators to be used in the  
20 systematic hospital-based screening component of the prenatal  
21 to preschool family and child protection services program.

22 e. Designation of the areas of the counties selected for  
23 implementation of the infant mortality and morbidity  
24 prevention pilot program which have the highest infant  
25 mortality rate based on census tracts.

26 f. Designation, in cooperation with the grant recipient,  
27 of the counties of the state for implementation of the  
28 prenatal to preschool family and child protection services  
29 program.

30 Sec. 420. Section 249A.3, subsection 7, Code Supplement  
31 1991, is amended to read as follows:

32 7. In determining the eligibility of an individual for  
33 medical assistance under this chapter, the department shall  
34 consider resources transferred to the individual's spouse on  
35 ~~or-after-October-17-1989~~ or to a person other than the

1 individual's spouse on or after July 1, ~~1989~~ 1992, as-provided  
2 under which are nonexempt resources or interests in resources,  
3 owned by the transferor within the preceding sixty months  
4 which the transferor gave away or sold at less than fair  
5 market value for the purpose of establishing eligibility for  
6 medical assistance under this chapter, to the extent  
7 consistent with the federal Social Security Act, section  
8 1917(c), as codified in 42 U.S.C. § 1396p(c), as amended.

9 Sec. 421. EMERGENCY RULES. If specifically authorized by  
10 a provision of this Act, the department of human services may  
11 adopt administrative rules under section 17A.4, subsection 2,  
12 and section 17A.5, subsection 2, paragraph "b", to implement  
13 the provisions and the rules shall become effective  
14 immediately upon filing, unless a later effective date is  
15 specified in the rules. Any rules adopted in accordance with  
16 the provisions of this section shall also be published as  
17 notice of intended action as provided in section 17A.4.

18 DIVISION V

19 ACROSS-THE-BOARD REDUCTIONS

20 Sec. 501. REDUCTIONS OF FISCAL YEAR 1992-1993

21 APPROPRIATIONS.

22 1. Moneys appropriated from the general fund of the state  
23 for the fiscal year beginning July 1, 1992, by the Seventy-  
24 fourth General Assembly, and standing unlimited appropriations  
25 from the general fund of the state subject to the provisions  
26 of section 8.31 for the fiscal year beginning July 1, 1992,  
27 are reduced by 5 percent. However, moneys appropriated from  
28 the general fund of the state for the fiscal year beginning  
29 July 1, 1992, shall not be reduced by this subsection if the  
30 appropriation is made in this Act or is listed in subsection 2  
31 or 3.

32 2. The following appropriations from the general fund of  
33 the state for the fiscal year beginning July 1, 1992, are  
34 reduced by 2 percent: 1992 Iowa Acts, chapter 1243, House  
35 File 2459, section 16, subsection 1; 1992 Iowa Acts, chapter



1 1244, House File 2462, sections 8 and 9; 1992 Iowa Acts,  
2 chapter 1246, House File 2465, section 1, subsection 10; 1992  
3 Iowa Acts, chapter 1246, House File 2465, section 3,  
4 subsection 1; 1992 Iowa Acts, chapter 1246, House File 2465,  
5 section 8; 1992 Iowa Acts, chapter 1246, House File 2465,  
6 section 10; 1992 Iowa Acts, chapter 1240, Senate File 2348,  
7 sections 7 and 8; Code Supplement 1991, section 261.25,  
8 subsections 1, 2, and 3, as amended by 1992 Iowa Acts, chapter  
9 1246, House File 2465, section 30; Code Supplement 1991,  
10 section 261.85, as amended by 1992 Iowa Acts, chapter 1246,  
11 House File 2465, section 33; 1991 Iowa Acts, chapter 267,  
12 section 202, subsection 1; 1992 Iowa Acts, chapter 1240,  
13 Senate File 2348, section 1, subsections 1, 2, 5, and 6,  
14 sections 2 and 3, section 5, subsections 1 through 4, and  
15 section 6; Code Supplement 1991, section 663A.5; and Code  
16 1991, section 815.1.

17 3. The appropriation reduction in subsections 1 and 2  
18 shall not apply to the following appropriations: 1992 Iowa  
19 Acts, chapter 1247, House File 2486, section 21; 1992 Iowa  
20 Acts, chapter 1243, House File 2459, section 16, subsections 2  
21 through 6; 1992 Iowa Acts, chapter 1237, House File 2457; 1992  
22 Iowa Acts, chapter 1241, Senate File 2355, except for section  
23 29; Code 1991, section 229.35; Code 1991, section 230.8; Code  
24 1991, section 230.11; 1992 Iowa Acts, chapter 1240, Senate  
25 File 2348, section 4, and section 5, subsections 5 and 6; 1992  
26 Iowa Acts, chapter 1242, House File 2455, section 7,  
27 subsections 1 and 2; Code 1991, section 19.10; Code 1991,  
28 section 19.29; Code 1991, sections 25.2 and 25A.11; 1991 Code  
29 Supplement, section 257.16, as amended by the following: 1992  
30 Iowa Acts, chapter 1232, Senate File 2116, section 303, and  
31 1992 Iowa Acts, chapter 1208, Senate File 2371, section 1;  
32 1991 Code Supplement, section 257.20, as amended by the  
33 following: 1992 Iowa Acts, chapter 1227, Senate File 2351,  
34 section 16, and 1992 Iowa Acts, chapter 1230, Senate File  
35 2320, section 8; Code Supplement 1991, section 96.7,

1 subsection 7, paragraph "d"; and section 503 of this Act.

2 4. The reductions in appropriations in subsections 1 and 2  
3 shall be carried out uniformly and proportionately in the  
4 manner specified in section 8.31. Upon implementing the  
5 reductions specified in subsections 1 and 2, the department of  
6 management shall submit a report to the chairpersons and  
7 ranking members of the appropriations committees of each house  
8 and to the legislative fiscal bureau detailing how the  
9 reductions in subsections 1 and 2 were implemented.

10 Sec. 502. Section 602.8106, subsection 4, Code Supplement  
11 1991, is amended to read as follows:

12 4. The clerk shall deposit all other fines and forfeited  
13 bail received from a magistrate in the court revenue  
14 distribution account established in section 602.8108, ~~except~~  
15 ~~that-annually-the-first-two-million-five-hundred-thousand~~  
16 ~~dollars-in~~ including those fines which are imposed through  
17 vehicle violation citations issued by motor vehicle division  
18 personnel at portable and fixed weigh stations in the state  
19 ~~which-shall-be-credited-to-the-road-use-tax-fund.~~

20 Sec. 503. 1992 Iowa Acts, chapter 1246, House File 2465,  
21 section 4, subsection 1, is amended to read as follows:

22 1. Notwithstanding section 294A.25, for the educational  
23 excellence program:

24 .....	\$ 92,297,891
25 .....	<u>80,297,891</u>
26 .....	FTEs 1.00

27 Sec. 504. 1992 Iowa Acts, chapter 1247, House File 2486,  
28 section 26, is amended to read as follows:

29 SEC. 26. RECOMMENDATIONS OF THE GOVERNOR'S COMMITTEE ON  
30 GOVERNMENT SPENDING REFORM. The general assembly encourages  
31 and authorizes the governor to implement the following  
32 recommendations of the governor's committee on government  
33 spending reform:

34 1. Consolidate and provide for common management of state  
35 data processing centers.

1     2. Provide through the state department of transportation  
2 for renewal of drivers' licenses by mail.

3     3. Establish state collection standards and policy.

4     4. Identify unrecognized receivables owed the state.

5     5. Review personal computer acquisitions by the state.

6     6. Initiate local government coordination of information  
7 systems, subject to approval of the legislative council.

8     7. Consolidate state printing facilities.

9     8. Eliminate the state aircraft pool or consolidate the  
10 Iowa state university aircraft pool.

11    9. Develop a uniform financial reporting and accounting  
12 system.

13    10. Develop a statewide system for delivery of state-  
14 offered services.

15    11. Implement a system for management of federal funds.

16    12. Expand the use of voice mail telephone answering  
17 systems.

18    13. Establish an enterprise plan for technology.

19    The cost savings realized under implementation of recom-  
20 mendations pursuant to this section during the fiscal year  
21 beginning July 1, 1992, shall not be less than \$500,000.

22    In addition the governor shall submit to the general  
23 assembly by February 1, 1993, a status report delineating the  
24 implementation status of all of the recommendations of the  
25 governor's committee on government spending and reform.

26    Sec. 505. 1990 Iowa Acts, chapter 1271, section 1701,  
27 subsection 3, is amended to read as follows:

28    3. For the fiscal year beginning July 1, 1992, and ending  
29 June 30, 1993:

30 ..... \$ 3,791,376.00  
31 ..... 0

32    Sec. 506. REVERSION OF GENERAL FUND MONEYS. For those  
33 departments and agencies for which the general administration  
34 moneys appropriated from the general fund of the state were  
35 reduced by less than five percent in section 501 of this Act,

1 the director of the department of management shall reduce the  
2 allotment of general fund moneys for general administration  
3 proportionally to achieve a savings in out-of-state travel and  
4 equipment purchases of \$6,000,000 for the fiscal year  
5 beginning July 1, 1992.

6 Sec. 507. Section 328.56, Code 1991, is repealed.

7 Sec. 508. The state department of transportation shall  
8 sell all aircraft in the state aircraft pool. Any moneys  
9 derived from the sale of the aircraft shall be deposited in  
10 the general fund of the state. Any unencumbered moneys  
11 existing in the state aircraft revolving fund shall be  
12 transferred to the general fund of the state. The sale of  
13 aircraft in the state's aircraft pool shall be completed by  
14 January 1, 1993.

15 DIVISION VI

16 EFFECTIVE DATE

17 Sec. 601. EFFECTIVE DATE. Except as otherwise provided in  
18 this Act, this Act takes effect July 1, 1992.

19 EXPLANATION

20 Division I of this bill provides salary increases for state  
21 officials and employees. Division I provides annual salary  
22 increases of 7.5 percent for justices, judges, and  
23 magistrates. The salary rates and ranges for appointed  
24 nonelected state officers are increased by 5 percent.

25 Division I funds the collective bargaining agreements for  
26 state employees for the fiscal year beginning July 1, 1992,  
27 provides for the payment of back pay, and provides an average  
28 annual salary increase of 7.5 percent plus eligibility for a  
29 merit increase for noncontract state employees, including the  
30 judicial department. The state board of regents' professional  
31 and scientific staff are provided an average salary base  
32 increase of 7.5 percent. The state board of regents' merit  
33 system shall receive a 7.5 percent increase and may receive a  
34 merit increase and the noncontract faculty are provided an  
35 average base salary increase of 7.5 percent.

1 Division I also provides for equal across-the-board pay  
2 increases, a \$400 bonus, if applicable, and eligibility for  
3 merit increases for the 1991-1992 and 1992-1993 fiscal years,  
4 if applicable, for employees who are excluded from collective  
5 bargaining but have the same job title as employees who are  
6 covered by collective bargaining agreements and are paid at  
7 the same or a lesser rate than their covered counterpart  
8 employees.

9 Division I also provides a one-time bonus for certain other  
10 employees who otherwise would have benefited from a lower  
11 across-the-board percentage increase and a \$400 bonus.

12 Division I also appropriates moneys from the general fund  
13 of the state to be used by the community colleges for  
14 additional salary increases for employees and includes those  
15 moneys in the foundation support level for purposes of the  
16 community college funding formula.

17 Division I also repeals the salary bill, 1992 Iowa Acts,  
18 chapter 1245, House File 2490, which funded salary increases  
19 for contract and noncontract state employees, excluding  
20 judicial officers and executive department heads.

21 Division I amends retirement legislation enacted during the  
22 regular session, so that the eligibility dates for a provision  
23 pertaining to capping the escalator in retirement benefits for  
24 senior judges are changed.

25 Division II, sections 201 through 214, increase the sales  
26 and use tax rate from 4 to 5 percent effective July 1, 1992.  
27 In addition, changes are made in certain provisions so that  
28 the amount of additional use tax collected all goes to the  
29 state general fund.

30 Division II, sections 215 through 226, increase the amount  
31 of net income below which no state individual income tax is  
32 imposed. The amounts are increased from \$7,500 to \$13,500 for  
33 married persons filing jointly, unmarried head of households,  
34 and surviving spouses, and from \$5,000 to \$9,000 for all other  
35 persons. These increases are effective beginning with the

1 1993 tax year. A provision is added to temporarily increase  
2 the amounts for the 1992 tax year from \$7,500 to \$11,500 and  
3 from \$5,000 to \$7,500. The amount of the additional homestead  
4 credit and reimbursement of rent constituting property taxes  
5 for those between 18 and 64 or who are not disabled are  
6 increased to a level that is presently provided for persons  
7 who are totally disabled or 65 or over. These provisions are  
8 effective for additional homestead credit claims filed on or  
9 after January 1, 1993, and for rent reimbursement for claims  
10 filed on or after January 1, 1994.

11 Division II, sections 227 through 251, amend or create the  
12 specified Code provisions relating to taxation as follows:

13 Code sections 8.54 and 8.57 are amended to change the  
14 definitions of "new revenues" and "surplus" and to change the  
15 use of excess moneys in the cash reserve fund for GAAP deficit  
16 reduction purposes.

17 Code section 48.21 is amended to require that a voter  
18 registration form be placed in the individual income tax  
19 booklet which will be filed in a general election year.  
20 Currently, it is required that a voter registration form be  
21 placed in an individual income tax booklet every year.

22 The exceptions to immediate successor liability of a  
23 taxpayer in Code section 421.28 are amended to delete the  
24 exception provided if no tax liens have been filed. A  
25 statement of no tax due by the department and a certified  
26 statement from the seller of no tax due are retained as  
27 alternative evidences of no liability. This section of the  
28 division is effective for sales of a business or stock of  
29 goods occurring on or after the effective date of the bill.

30 Code sections 99B.21, 99D.16, and 99E.19 are conforming  
31 amendments to the amendment to Code section 422.16.

32 Code section 422.15 is amended to provide that  
33 corporations, persons, and government agencies and their  
34 agents are required to report income payments to individuals  
35 to the department of revenue and finance. The \$1,000

1 threshold for the reporting of incomes is removed and three  
2 types of income are added to the reporting requirement:  
3 unemployment compensation, royalties, and patronage dividends.  
4 This section is effective for income payments made on or after  
5 January 1, 1993, which would be reported on information  
6 returns filed starting in 1994.

7 Code section 422.16 is amended to require that Iowa income  
8 tax be withheld on winnings from slot machines. Currently,  
9 withholding is required on games of skill and chance, pari-  
10 mutuel wagering, and the lottery. This amendment also places  
11 the withholding requirement on all of these types of winnings  
12 in the subsection of the Code which contains income  
13 withholding and reporting requirements. Sections 99B.21,  
14 99D.16, and 99E.19 are amended, and new section 99F.18 is  
15 added, to reference this withholding requirement.

16 Code section 422.34 is amended to provide that all types of  
17 national, private, co-operative, and savings banks are exempt  
18 from the Iowa corporation income tax. This section is  
19 retroactive to January 1, 1991, for tax years beginning on or  
20 after that date.

21 Code section 422.37 is amended to remove the requirement  
22 that all members of an affiliated group of corporations which  
23 are not subject to the Iowa corporation income tax but are  
24 unitary with those which are subject to Iowa corporation  
25 income tax must be included in a consolidated Iowa income tax  
26 return. This section is retroactive to January 1, 1992, for  
27 tax years beginning on or after that date.

28 Code section 422.42 is amended to remove carpeting from the  
29 definition of building materials for the purposes of Iowa  
30 sales and services tax and provides that the sale of carpeting  
31 shall be taxed as a sale of ordinary tangible personal  
32 property. This eliminates the necessity of the installer  
33 paying tax at the time of the installer's purchase of the  
34 carpet.

35 Code section 422.43, subsection 11, is amended to impose a

1 services tax on vehicle repair and vehicle wash and wax.  
2 Currently, the services tax is imposed on "automobile" repair  
3 and "car" wash and wax.

4 Code sections 422.54 and 423.16 are amended to allow a  
5 taxpayer to waive the period of limitation applicable to the  
6 assessment and collection of sales, services, and use tax.  
7 This is to be done on an agreement form provided by the  
8 department which is to stipulate the length of extension and  
9 the tax periods to which the extension applies. The agreement  
10 must also provide that a claim for refund may be filed by the  
11 taxpayer at any time during the period of extension.

12 Code sections 450.68, 450A.12, 450B.7, and 451.12 are  
13 amended to provide that inheritance tax returns, estate tax  
14 returns, and generation skipping transfer tax returns are  
15 confidential and cannot be disclosed unless allowed by  
16 statute.

17 Division III provides that the dollar amount from the  
18 property tax levies presently used in the 1992-1993 fiscal  
19 year budgets for cities and counties will be frozen at the  
20 current dollar amount for the fiscal years beginning July 1,  
21 1993, and July 1, 1994, which may be adjusted annually by the  
22 percent change in the price index for government purchases.  
23 It is the tax levy dollars that will be frozen as  
24 distinguished from tax levy rates. However, the current  
25 individual property tax rate limits still apply.

26 Exceptions to the freeze are tax levies for debt service,  
27 taxes approved by a vote of the people which are payable  
28 during the fiscal year beginning July 1, 1993, or July 1,  
29 1994, levies on the increase in taxable valuations resulting  
30 from certain occurrences if equal to or less than the previous  
31 year's levies, levies for hospitals under chapters 37, 347,  
32 and 347A, and tax levies for moneys to permit financing of  
33 certain programs.

34 A petition may be made to the state appeal board by March 1  
35 to exceed the current dollar limits for natural disaster or



1 other life-threatening emergencies, unusual compelling need  
2 for additional moneys to permit financing of certain programs,  
3 civil tort claims, and need for additional moneys for county  
4 care obligations under section 331.424, subsection 1.

5 This division may impose a state mandate as defined in  
6 section 25B.3.

7 Division IV of this bill appropriates moneys from the  
8 general fund to support the green thumb program for the  
9 employment of the elderly in conservation and outdoor  
10 recreation fields.

11 Division IV appropriates \$1,000,000 from the general fund  
12 of the state to the Iowa finance authority for deposit in the  
13 housing improvement fund for programs for the homeless and for  
14 rental rehabilitation.

15 Division IV relates to and makes appropriations for  
16 juvenile justice and children's programs. The programs  
17 include drug abuse resistance education (DARE), pilot programs  
18 for runaways in Woodbury and Polk counties, development of a  
19 centralized juvenile intake center in a county with a  
20 population of more than 300,000, and a summer work and learn  
21 alternative program for inner city youth. The bill  
22 appropriates funds to reimburse counties for juveniles  
23 detained in county detention homes for more than 72 hours  
24 after the first dispositional hearing following the juvenile's  
25 adjudication.

26 Division IV relates to and makes an appropriation to the  
27 department of human services for medical assistance for the  
28 fiscal year beginning July 1, 1992. Provisions are included  
29 relating to utilization review of physician visits and prior  
30 authorization for drugs. The division also appropriates  
31 additional funds for the operation of the Iowa veterans home.

32 Division IV establishes various cost-effective measures  
33 relating to health care and delivery of health services. The  
34 division provides for an appropriation to the department of  
35 human services to provide family planning services to eligible

1 women who are defined as having incomes equal to or less than  
2 185 percent of the federal poverty level, having received  
3 medical assistance at the time of the birth of the child, no  
4 longer being eligible for medical assistance, and not having  
5 coverage for family planning services through a health  
6 insurer. A portion of the appropriation is to be used by the  
7 division of substance abuse and health promotion of the Iowa  
8 department of public health, to integrate reproductive health  
9 services with substance abuse programs.

10 Division IV also provides for an appropriation from the  
11 general fund to the department of human services to provide  
12 for the performance of risk assessments and to provide  
13 enhanced services for high-risk pregnancies as designated  
14 through the development of risk assessment criteria through a  
15 joint effort of the department of human services and the Iowa  
16 department of public health.

17 Division IV provides for an appropriation to the Iowa  
18 department of public health to develop pilot programs in three  
19 areas of the state to coordinate and integrate health and  
20 social services for women and children. The appropriation is  
21 also to be used to establish infant mortality and morbidity  
22 prevention pilot projects in three counties of the state, to  
23 be used to award a grant to a statewide child abuse prevention  
24 organization for the development and implementation of a  
25 prenatal to preschool family and child protection services  
26 program, to provide support for multidisciplinary team  
27 research into individual infant deaths in the state, and to  
28 increase the use of medical practitioners to improve access to  
29 prenatal health care.

30 Division IV also provides for an appropriation to the  
31 department of human services to be awarded as a grant to a  
32 private institution to develop and implement an Iowa center  
33 for health issues to act as a forum for community discussion  
34 and consensus building relating to health care and health-  
35 related issues, to provide public education, and to perform

1 research.

2 Division IV directs the various agencies involved in the  
3 development and implementation of the various measures, as  
4 directed in the division, to report any verification of cost-  
5 effectiveness or proposed cost-effectiveness to the general  
6 assembly by January 15, 1993, regarding the health-related  
7 measures.

8 Division IV directs the Iowa department of public health to  
9 establish the Iowa healthy family program to provide services  
10 to families and children during the prenatal through preschool  
11 years in order to promote optimal child development, and to  
12 improve family coping skills and intrafamilial interactions.  
13 Various requirements associated with the program and emergency  
14 rulemaking authority are provided.

15 Finally, division IV provides that in determining  
16 eligibility of an individual for medical assistance the  
17 department of human services is to consider, for transfers of  
18 resources made on or after July 1, 1992, nonexempt resources  
19 or interests owned by the transferor within the 60 preceding  
20 months, to the extent that this provision is consistent with  
21 federal law.

22 Division V, section 501 of the bill, provides for  
23 reductions in the appropriations from the general fund of the  
24 state beginning July 1, 1992, and ending June 30, 1993, in  
25 increments of 5 percent and 2 percent. The bill also  
26 designates certain appropriations as exempt from any  
27 reduction.

28 Section 502 removes the requirement that annually the first  
29 \$2.5 million collected in fines for a violation at a fixed  
30 weigh station shall be credited to the road use tax fund, and  
31 requires that the fines be deposited in the court revenue  
32 distribution account.

33 Section 503 reduces funding for the 1992-1993 fiscal year  
34 for the educational excellence program by \$12 million.

35 Section 504 requires cost savings for the 1992-1993 fiscal

1 year relating to government spending reform to be at least  
2 \$500,000.

3 Section 505 reduces a capitol projects appropriation to the  
4 state board of regents by approximately \$3.9 million.

5 Section 506 directs the department of management to achieve  
6 at least a \$6 million savings in out-of-state travel and  
7 equipment purchase expenditures.

8 Section 507 repeals section 328.56 which created a state  
9 aircraft pool within the state department of transportation  
10 consisting of state-owned aircraft to be used for providing  
11 air transportation to state officers, employees, and other  
12 persons authorized to travel on official state business. In  
13 addition, section 328.56 created a state aircraft revolving  
14 fund which was used to purchase, sell, operate, maintain, and  
15 repair state aircraft.

16 Section 508 requires the department to sell the aircraft  
17 and deposit any moneys derived from the sale in the general  
18 fund of the state. This section also directs that all  
19 unencumbered moneys in the state aircraft revolving fund are  
20 to be transferred to the general fund of the state, and that  
21 the aircraft must be sold by January 1, 1993.

22 Division VI makes the entire bill effective July 1, 1992,  
23 unless a different effective date is provided for a specific  
24 provision of the bill.

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SENATE CLIP  
ADOPTED JUNE 25, 1992

1 0 s 5996  
1 1 Amend Senate File 2393 as follows:✓  
1 2 ✓#1., Page 26, by striking line 29 and inserting the  
1 3 following:  
1 4 <Sec. \_\_\_\_\_. Sections 217 and 219 of this Act take  
1 5 effect January 1,>.  
1 6 #2. Page 27, by inserting after line 3 the  
1 7 following:  
1 8 ✓<Sec. \_\_\_\_\_. Notwithstanding and in lieu of the  
1 9 requirements for making and filing a state income tax  
1 10 return under section 422.13, subsection 1, paragraph  
1 11 "b", if a resident or nonresident of this state has  
1 12 net income of seven thousand five hundred dollars from  
1 13 sources taxable by the state for the tax year  
1 14 beginning in the 1992 calendar year, the resident or  
1 15 nonresident is required to make and file a state  
1 16 income tax return.>  
1 17 #3. Page 65, by inserting after line 9 the fol-  
1 18 lowing:  
1 19 <5. Notwithstanding the contingency language  
1 20 contained in 1992 Iowa Acts, chapter 1247, House File  
1 21 2486, section 22, the appropriation made in that  
1 22 section shall be made and is effective upon the  
1 23 enactment of the increase in the sales and use tax  
1 24 rate from four percent to five percent by any session  
1 25 of the general assembly. The appropriation made in  
1 26 that section shall not be reduced under the provisions  
1 27 of subsection 1 or 2 of this section.>  
1 28 #4. By renumbering as necessary.  
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BILL HUTCHINS  
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JACK RIFE  
1 37 SF 2393.502 74  
1 38 jp/jw  
1 40 *Ad. Jct 6/25 P.6*  
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6/25/92

Approved for introduction  
SENATE LEGAL COUNSEL

SENATE FILE 2393

FILED JUN 25 1992

S 5997

1 Amend Senate File 2393 as follows:

2 1. Page 20, by inserting after line 26 the  
3 following:

4 "Sec. \_\_\_\_ . Sections 202 through 213 of this Act  
5 are repealed June 30, 1994, and the sales, services,  
6 and use tax rate effective July 1, 1994, is four  
7 percent and the automobile rental excise tax rate  
8 effective July 1, 1994, is four percent.

9 Sec. \_\_\_\_ . 1992 Iowa Acts, Senate File 2097,  
10 section 45, is amended to read as follows:

11 SEC. 45. CREDITS FROM ROAD USE TAX FUND TO PUBLIC  
12 TRANSIT ASSISTANCE FUND -- EFFECTIVE AND REPEAL DATES.

13 1. Section 28 of this Act, which amends section  
14 312.2, subsection 15, ~~is effective only if the state~~  
15 ~~sales, services, and use taxes are increased from four~~  
16 ~~to five percent and applies to the revenues derived~~  
17 ~~from the five percent sales, services, and use tax~~  
18 ~~rate collected on or after June July 1, 1992.~~

19 2. 1992 Iowa Acts, Senate File 2345, section 25,  
20 which amends section 312.2, subsection 15, is  
21 effective July 1, 1994, only if the for the revenues  
22 derived from the four percent state sales, services,  
23 and use taxes remain at four percent rate collected on  
24 or after July 1, 1994."

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27 John A. Peterson  
28 JOHN A. PETERSON

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30 *John A. Peterson*  
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SENATE FILE 2393

AN ACT

RELATING TO STATE AND LOCAL BUDGETS BY MAKING APPROPRIATIONS FROM THE GENERAL FUND OF THE STATE AND OTHER FUNDS AND REDUCTIONS IN CERTAIN APPROPRIATIONS AND CHANGES IN THE SALES AND USE TAX, INCOME TAX THRESHOLDS, PROPERTY TAX ASSESSMENTS, REVENUE AND FINANCE PROVISIONS, AND RELATED STATUTORY PROVISIONS, AND PROVIDING EFFECTIVE DATES AND APPLICABILITY PROVISIONS.

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

DIVISION I  
SALARIES

Section 101. STATE COURTS -- JUSTICES, JUDGES, AND MAGISTRATES.

1. There is appropriated from the general fund of the state to the judicial department for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the sum of \$1,100,000, or so much thereof as is necessary, to fund the following salary rates. The salary rates specified in this section are effective for the fiscal year beginning July 1, 1992, and for subsequent fiscal years until otherwise provided by the general assembly.

2. The following annual salary rates shall be paid to the persons holding the judicial positions indicated:

a. Chief justice of the supreme court:	\$	93,700
b. Each justice of the supreme court:	\$	90,300
c. Chief judge of the court of appeals:	\$	90,200
d. Each associate judge of the court of appeals:	\$	86,800
e. Each chief judge of a judicial district:	\$	85,900
f. Each district judge except the chief judge of a judicial district:	\$	82,500
g. Each district associate judge:	\$	71,900
h. Each judicial magistrate:	\$	18,100

Sec. 102. SALARY RATE LIMITS. Persons receiving the salary rates established under section 101 of this Act shall not receive any additional salary adjustments provided by this Act.

Sec. 103. APPOINTED STATE OFFICERS. The governor shall establish a salary for appointed nonelected persons in the executive branch of state government holding a position enumerated in section 104 of this Act within the range provided by considering, among other items, the experience of the individual in the position, changes in the duties of the position, the incumbent's performance of assigned duties, and subordinates' salaries. However, the attorney general shall establish the salary for the consumer advocate, the chief justice of the state supreme court shall establish the salary for the state court administrator, and the state fair board shall establish the salary of the secretary of the state fair board each within the salary range provided in section 104 of this Act. A person selected to act for another in an

appointed nonelected position shall not receive more than the salary range allows for a person appointed to that nonelected position.

The governor, in establishing salaries as provided in section 104 of this Act, shall take into consideration other employee benefits which may be provided for an individual including, but not limited to, housing.

A person whose salary is established pursuant to section 104 of this Act and who is a full-time permanent employee of the state shall not receive any other remuneration from the state or from any other source for the performance of that person's duties unless the additional remuneration is first approved by the governor or authorized by law. However, this provision does not exclude the reimbursement for necessary travel and expenses incurred in the performance of duties or fringe benefits normally provided to employees of the state.

In establishing salaries pursuant to section 104 of this Act, an appointed nonelected person shall not receive a salary increase of more than 5 percent over the person's salary as of June 30, 1992, for the same position.

Sec. 104. STATE OFFICERS -- SALARY RATES AND RANGES. The following annual salary ranges are effective for the positions specified in this section for the fiscal year beginning July 1, 1992, and for subsequent fiscal years until otherwise provided by the general assembly. The governor or other person designated in section 103 of this Act shall determine the salary to be paid to the person indicated at a rate within the salary ranges indicated from funds appropriated by the general assembly for that purpose.

1. The following salary ranges are effective beginning with the fiscal year beginning July 1, 1992, and as otherwise provided in this section:

SALARY RANGES	Minimum	Maximum
a. Range 1 .....	\$ 7,900	\$23,800
b. Range 2 .....	\$28,700	\$47,700
c. Range 3 .....	\$39,400	\$55,700
d. Range 4 .....	\$47,400	\$63,700

e. Range 5 ..... \$55,700 \$71,700

2. The following are range 1 positions: There are no range 1 positions as of the fiscal year beginning July 1, 1992.

3. The following are range 2 positions: administrator of criminal and juvenile justice planning of the department of human rights, administrator of the arts division of the department of cultural affairs, administrators of the division of persons with disabilities, the division on the status of women, the division on the status of African-Americans, the division for deaf services, and the division of Latino affairs of the department of human rights, administrator of the division of professional licensure of the department of commerce, executive director of the commission of veterans affairs, and administrator of the division of emergency management of the department of public defense.

4. The following are range 3 positions: administrator of the library division of the department of education, administrator of the division of community action agencies of the department of human rights, and chairperson and members of the employment appeals board of the department of inspections and appeals.

5. The following are range 4 positions: superintendent of banking, superintendent of credit unions, superintendent of savings and loan associations, administrator of the alcoholic beverages division of the department of commerce, state public defender, commandant of the veterans home, and chairperson and members of the board of parole.

6. The following are range 5 positions: chairperson and members of the utilities board, consumer advocate, job service commissioner, labor commissioner, industrial commissioner, commissioner of insurance, administrators of the historical division and the public broadcasting division of the department of education, the administrator of the state racing and gaming commission of the department of inspections and appeals, and secretary of the state fair board.



7. The following salary ranges are effective beginning with the fiscal year beginning July 1, 1992, and as otherwise provided in this section:

SALARY RANGES	Minimum	Maximum
a. Range 6 .....	\$43,100	\$ 57,800
b. Range 7 .....	\$58,900	\$ 72,300
c. Range 8 .....	\$63,100	\$ 84,000
d. Range 9 .....	\$70,500	\$ 99,900

8. The following are range 6 positions: director of the department of human rights, director of the Iowa state civil rights commission, executive director of the college student aid commission, director of the law enforcement academy, director of the department for the blind, and executive secretary of the campaign finance disclosure commission.

9. The following are range 7 positions: director of the department of cultural affairs, director of the department of personnel, director of public health, executive director of the department of elder affairs, commissioner of public safety, director of the department of general services, director of the department of commerce, and director of the department of inspections and appeals.

10. The following are range 8 positions: executive director of the Iowa finance authority, director of revenue and finance, director of the department of natural resources, director of the department of corrections, and director of the department of employment services.

11. The following are range 9 positions: director of the department of education, director of human services, director of the department of economic development, executive director of the state board of regents, director of the state department of transportation, lottery commissioner, the state court administrator, and the director of the department of management.

Sec. 105. PUBLIC EMPLOYMENT RELATIONS BOARD.

1. The salary rates specified in this section are effective for the fiscal year beginning July 1, 1992, and for subsequent fiscal years until otherwise provided by the

general assembly. The salaries provided for in this section shall be paid from funds appropriated to the department or agency specified in this section.

2. The following annual salary rates shall be paid to the persons holding the positions indicated:

- a. Chairperson of the public employment relations board: ..... \$ 55,700
- b. Two members of the public employment relations board: ..... \$ 51,700

Sec. 106. PAY RATES AND RANGES -- EFFECTIVE DATES. The annual salary rates or ranges provided in sections 101, 104, and 105 of this Act become effective for the fiscal year beginning July 1, 1992, with the pay period beginning July 3, 1992.

Sec. 107. COLLECTIVE BARGAINING AGREEMENTS FUNDED -- GENERAL FUND. There is appropriated from the general fund of the state to the salary adjustment fund for distribution by the department of management to the various state departments, boards, commissions, councils, and agencies for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the sum of \$62,900,000, or so much thereof as is necessary, to fully fund the following annual pay adjustments, expense reimbursements, and related benefits, except that the amount appropriated in this section shall be reduced by the amount of any other funds appropriated for any fiscal year to the salary adjustment fund pursuant to any other Act enacted by the Seventy-fourth General Assembly, 1992 Session:

- 1. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the blue collar bargaining unit.
- 2. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the state police officers council bargaining unit.
- 3. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the security bargaining unit.
- 4. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the technical bargaining unit.

5. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the professional fiscal and staff bargaining unit.

6. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the university of northern Iowa faculty bargaining unit.

7. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the clerical bargaining unit.

8. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the professional social services bargaining unit.

9. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the community-based corrections bargaining unit.

10. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the judicial branch of government bargaining unit.

Sec. 108. NONCONTRACT STATE EMPLOYEES -- GENERAL.

1. There is appropriated from the general fund of the state to the salary adjustment fund for distribution by the department of management to the various state departments, boards, commissions, councils, and agencies for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the sum of \$32,000,000, or so much thereof as is necessary, to fund the following annual pay adjustments, expense reimbursements, and related benefits referred to in this section and section 109 of this Act for employees not covered by a collective bargaining agreement.

2. a. The maximum salary levels of all pay plans provided for in section 19A.9, subsection 2, as they existed for the fiscal year ending June 30, 1991, shall be increased for employees who are not included in a collective bargaining agreement made final under chapter 20 and who are not otherwise specified in this Act, by 7.5 percent for the fiscal year beginning July 1, 1992, effective with the pay period beginning July 3, 1992. The department of personnel shall revise the pay plans as provided under section 19A.9,

subsection 2, by increasing the maximum salary levels for the various grades by 7.5 percent and the minimum salary levels of the various grades in such a way, not to exceed 7.5 percent, as to achieve comparability with other executive branch pay plans excluding those of the state board of regents. In addition to the increases specified in this subsection, for the fiscal year beginning July 1, 1992, employees may receive a merit increase in accordance with policies to be adopted by the department of personnel for the reimplementation of merit increases.

b. Notwithstanding paragraph "a", those employees who are excluded from collective bargaining pursuant to section 20.4, and who are employed in the same job title as employees covered by a collective bargaining agreement made final under chapter 20, shall receive, effective with the pay period beginning July 3, 1992, the same combined across-the-board percentage increases for the fiscal years beginning July 1, 1991, and July 1, 1992; shall each receive a bonus of \$400 payable in December 1992, if applicable; and may receive merit increases for the fiscal years beginning July 1, 1991, and July 1, 1992, if applicable; as though the employees were covered by the applicable collective bargaining agreement. However, this paragraph applies only to employees identified in this paragraph who are placed in a pay plan grade for which the minimum salary level is equal to or less than the minimum salary level for the pay plan grade for an employee with the same job title who is covered by a collective bargaining agreement made final under chapter 20.

3. The pay plans for state employees who are exempt from chapter 19A and who are included in the department of revenue and finance's centralized payroll system, and the board office employees of the state board of regents shall be increased by the same percent and in the same manner as provided in subsection 2, paragraph "a", including merit increases.

4. This section does not apply to members of the general assembly, board members, commission members, salaries of persons set by the general assembly pursuant to this Act, or

set by the governor, employees designated under section 19A.3, subsection 5, and employees under the state board of regents, but subsection 3 does apply to office employees of the state board of regents.

5. The pay plans for the bargaining eligible employees of the state shall be increased by the same percent and in the same manner as provided in subsection 2, paragraph "a", including merit increases. As used in this section, "bargaining eligible employee" means an employee who is eligible to organize under chapter 20, but has not done so.

6. If an employee eligible for a salary increase under a pay plan revised pursuant to this section in the manner provided pursuant to subsection 2, paragraph "a", or provided pursuant to section 109, subsection 2, of this Act, would have received a greater annual salary if the pay plan had been revised by 6.0 percent for the fiscal year beginning July 1, 1992, and the employee had received a bonus of \$400 in December 1992, the employee shall receive a one-time bonus in December 1992 equal to the annual salary difference between the employee's annualized salary under subsection 2, paragraph "a", or under section 109, subsection 2, of this Act, and the employee's annualized salary under a 6.0 percent pay plan revision and a \$400 bonus.

7. The policies for implementation of this section shall be approved by the governor.

Sec. 109. NONCONTRACT STATE EMPLOYEES -- STATE BOARD OF REGENTS. The funds allocated to the state board of regents for the purpose of providing increases for employees not covered by a collective bargaining agreement shall be used as follows:

1. The amount necessary to fund for the fiscal year beginning July 1, 1992, and ending June 30, 1993, an average base salary increase of 7.5 percent for the fiscal year beginning July 1, 1992, of the base salaries of professional and scientific staff members, except board office employees as provided for in section 108 of this Act, paid during the preceding fiscal year, to be allocated to professional and

scientific staff members at the discretion of the state board of regents.

2. For employees under the state board of regents merit system who are not included in the collective bargaining agreement made final under chapter 20, except board office employees, the amount necessary to increase the state board of regents merit system pay plans as they existed for the fiscal year beginning July 1, 1991, and ending June 30, 1992, by increasing the salary levels for each grade and step within the plans by 7.5 percent for the fiscal year beginning July 1, 1992. In addition to the increases specified above, employees may receive a merit increase or the equivalent of a merit increase.

3. For faculty members who are not included in the collective bargaining agreement made final under chapter 20, for the fiscal year beginning July 1, 1992, and ending June 30, 1993, an average base salary increase of 7.5 percent for the fiscal year beginning July 1, 1992, to be allocated at the discretion of the state board of regents.

Sec. 110. COMMUNITY COLLEGES -- SALARY INCREASES. Notwithstanding chapter 286A, there is appropriated from the general fund of the state for allocation to community colleges the sum of \$2,000,000 for the fiscal year beginning July 1, 1992, and ending June 30, 1993, to be used for pay adjustments for community college employees. The moneys appropriated in this section shall be allocated to community colleges based upon the proportion that the general state financial aid allocated to a community college in 1992 Iowa Acts, chapter 1246, House File 2465, section 1, subsection 10, bears to the total general state financial aid appropriated in 1992 Iowa Acts, chapter 1246, House File 2465, section 1, subsection 10. However, the moneys allocated to community colleges under this section shall be included in the foundation support level of the community colleges under chapter 286A for the fiscal year beginning July 1, 1993.

Sec. 111. APPROPRIATIONS FROM ROAD FUNDS.

1. There is appropriated from the road use tax fund to the salary adjustment fund for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as may be necessary, to be used for the purpose designated:

To supplement other funds appropriated by the general assembly:  
..... \$ 5,159,862

2. There is appropriated from the primary road fund to the salary adjustment fund, for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as may be necessary, to be used for the purpose designated:

To supplement other funds appropriated by the general assembly:  
..... \$ 14,030,835

3. Except as otherwise provided in this Act, the amounts appropriated in subsections 1 and 2 shall be used to fund the annual pay adjustments, expense reimbursements, and related benefits for public employees as provided in this Act.

Sec. 112. BACK PAY. The moneys appropriated in section 107 of this Act shall also be used to pay annual pay adjustments, interest, and related benefits due employees covered by collective bargaining agreements negotiated pursuant to chapter 20 for the fiscal year beginning July 1, 1991, and ending June 30, 1992. The moneys appropriated in section 108 of this Act to fund annual pay adjustments, expense reimbursements, and related benefits for employees included in section 108 of this Act shall not be used to pay annual pay adjustments, interest, and related benefits to employees not covered by collective bargaining agreements negotiated pursuant to chapter 20 for the fiscal year beginning July 1, 1991, and ending June 30, 1992.

Sec. 113. SPECIAL FUNDS -- AUTHORIZATION. To departmental revolving, trust, or special funds, except for the primary road fund or the road use tax fund, for which the general assembly has established an operating budget, a supplemental

expenditure authorization is provided, unless otherwise provided, in an amount necessary to fund salary adjustments as otherwise provided in this Act.

Sec. 114. GENERAL FUND SALARY MONEYS. Funds appropriated from the general fund of the state in this Act relate only to salaries supported from general fund appropriations of the state.

Sec. 115. FEDERAL FUNDS APPROPRIATED. All federal grants to and the federal receipts of the agencies affected by this Act which are received and may be expended for purposes of this Act are appropriated for those purposes and as set forth in the federal grants or receipts.

Sec. 116. 1992 Iowa Acts, chapter 1201, House File 2450, section 76, as enacted by the Seventy-fourth General Assembly, 1992 Session, is amended to read as follows:

SEC. 76. SENIOR JUDGES -- IMPLEMENTATION.

1. Section 73 of this Act takes effect January 1, 1993.

2. Notwithstanding the amendments to section 602.9204 contained in section 73 of this Act, all judges whose names are entered on the roster of senior judges pursuant to section 602.9203, subsection 3, as of ~~June-30~~ December 31, 1992, and all persons who are retired senior judges as of ~~June-30~~ December 31, 1992, shall continue to receive an annuity calculated pursuant to section 602.9204, 1991 Code of Iowa, and shall not be subject to the amendments to that section contained in this Act. This Act shall not be construed in a manner which reduces benefits to persons who participated as senior judges prior to ~~July-17-1992~~ January 1, 1993.

Sec. 117. 1992 Iowa Acts, chapter 1245, House File 2490, is repealed.

DIVISION II  
SALES AND USE TAX

Sec. 201. Section 99E.10, subsection 1, paragraph b, Code Supplement 1991, is amended to read as follows:

b. An amount equal to four-percent-of the product of the state sales tax rate under section 422.43 multiplied by the gross sales price of each ticket or share sold shall be

deducted as the sales tax on the sale of that ticket or share, remitted to the treasurer of state and deposited into the state general fund.

Sec. 202. Section 307B.26, Code 1991, is amended to read as follows:

307B.26 APPROPRIATION TO AUTHORITY.

Notwithstanding section 423.24 and prior to the application of section 423.24, subsection 1, paragraph "b c", there is appropriated to the authority from eighty percent of the revenues derived from the operation of section 423.7 the amounts certified by the authority under section 307B.25. However, the total amount credited to the Iowa railway finance authority under this section shall not exceed two million dollars annually. Moneys credited to the Iowa railway finance authority under this section are appropriated only for the payment of principal and interest on obligations or the payment of leases guaranteed by the authority as provided under section 307B.25.

Sec. 203. Section 312.1, subsection 3, Code 1991, is amended to read as follows:

3. Except as To the extent provided in section 423.24, subsection 1, paragraph "c", from revenue derived from the use tax, under chapter 423 on motor vehicles, trailers, and motor vehicle accessories and equipment, ~~as same may be collected as provided by section 423.7.~~

Sec. 204. Section 321.34, subsection 10, paragraph c, Code Supplement 1991, is amended to read as follows:

c. The fees for a collegiate registration plate are as follows:

- (1) A registration fee of twenty-five dollars.
- (2) A special collegiate registration fee of twenty-five dollars.

These fees are in addition to the regular annual registration fee. The fees collected by the director under this subsection shall be paid monthly to the treasurer of state and credited by the treasurer of state to the road use tax fund. Notwithstanding section 423.24 and prior to the

~~application of revenues being credited to the road use tax fund under section 423.24, subsection 1, paragraph "b c", the treasurer of state shall credit monthly from those revenues derived from the operation of section 423.7, respectively, to Iowa State University of science and technology, the University of Northern Iowa, and the state University of Iowa, the amount of the special collegiate registration fees collected in the previous month for collegiate registration plates designed for the university. The moneys credited are appropriated to the respective universities to be used for scholarships for students attending the universities.~~

Sec. 205. Section 321.34, subsection 14, paragraph c, Code Supplement 1991, is amended to read as follows:

c. The special sesquicentennial fee for letter number designated sesquicentennial plates is fifteen dollars. The fee for personalized sesquicentennial plates is twenty-five dollars which shall be paid in addition to the special sesquicentennial fee of fifteen dollars. The fees collected by the director under this subsection shall be paid monthly to the treasurer of state and credited to the road use tax fund. Notwithstanding section 423.24, and prior to the application of crediting of revenues to the road use tax fund under section 423.24, subsection 1, paragraph "b c", the treasurer of state shall credit monthly from the those revenues derived from the operation of section 423.7 to the sesquicentennial fund established in section 7G.1, the amount of the special sesquicentennial fees collected in the previous month for the sesquicentennial plates.

Sec. 206. Section 422.43, subsections 1, 2, 4, 5, 6, 7, and 10, Code Supplement 1991, are amended to read as follows:

1. There is imposed a tax of four five percent upon the gross receipts from all sales of tangible personal property, consisting of goods, wares, or merchandise, except as otherwise provided in this division, sold at retail in the state to consumers or users; a like rate of tax upon the gross receipts from the sales, furnishing, or service of gas, electricity, water, heat, pay television service, and

communication service, including the gross receipts from such sales by any municipal corporation or joint water utility furnishing gas, electricity, water, heat, pay television service, and communication service to the public in its proprietary capacity, except as otherwise provided in this division, when sold at retail in the state to consumers or users; a like rate of tax upon the gross receipts from all sales of tickets or admissions to places of amusement, fairs, and athletic events except those of elementary and secondary educational institutions; and a like rate of tax upon that part of private club membership fees or charges paid for the privilege of participating in any athletic sports provided club members.

2. There is imposed a tax of four five percent upon the gross receipts derived from the operation of all forms of amusement devices and games of skill, games of chance, raffles, and bingo games as defined in chapter 99B, operated or conducted within the state of Iowa, the tax to be collected from the operator in the same manner as ~~is provided~~ for the collection of taxes upon the gross receipts of tickets or admission as provided in this section. The tax shall also be imposed upon the gross receipts derived from the sale of lottery tickets or shares pursuant to chapter 99E. The tax on the lottery tickets or shares shall be included in the sales price and distributed to the general fund as provided in section 99E.10.

4. There is imposed a ~~like-rate-of~~ tax of five percent upon the gross receipts from the sales of engraving, photography, retouching, printing, and binding services. For the purpose of this division, the sales of engraving, photography, retouching, printing, and binding services are sales of tangible property.

5. There is imposed a ~~like-rate-of~~ tax of five percent upon the gross receipts from the sales of vulcanizing, recapping, and retreading services. For the purpose of this division, the sales of vulcanizing, recapping, and retreading services are sales of tangible property.

6. There is imposed a tax of four five percent upon the gross receipts from the sales of optional service or warranty contracts which provide for the furnishing of labor and materials and require the furnishing of any taxable service enumerated under this section. The gross receipts are subject to tax even if some of the services furnished are not enumerated under this section. For the purpose of this division, the sale of an optional service or warranty contract is a sale of tangible personal property. Additional sales, services, or use ~~tax~~ taxes shall not be levied on services, parts, or labor provided under optional service or warranty contracts which are subject to tax under this section.

7. ~~A like-rate-of-tax~~ There is imposed a tax of five percent upon the gross receipts from the renting of rooms, apartments, or sleeping quarters in a hotel, motel, inn, public lodging house, rooming house, mobile home which is tangible personal property, or tourist court, or in any place where sleeping accommodations are furnished to transient guests for rent, whether with or without meals. "Renting" and "rent" include any kind of direct or indirect charge for such rooms, apartments, or sleeping quarters, or their use. For the purposes of this division, such renting is regarded as a sale of tangible personal property at retail. However, this tax does not apply to the gross receipts from the renting of a room, apartment, or sleeping quarters while rented by the same person for a period of more than thirty-one consecutive days.

10. There is imposed a tax of four five percent upon the gross receipts from the rendering, furnishing, or performing of services as defined in section 422.42.

Sec. 207. Section 422.43, subsection 12, unnumbered paragraph 1, Code Supplement 1991, is amended to read as follows:

A tax of four five percent is imposed upon the gross receipts from all sales of tangible personal property, consisting of goods, wares, or merchandise, except as otherwise provided in this division, sold at retail in the state to consumers or users within the state by retailers that meet any of the following criteria:

Sec. 208. Section 422.43, subsection 13, paragraph a, unnumbered paragraph 1, as enacted by 1992 Iowa Acts, chapter 1232, Senate File 2116, section 404, as amended by 1992 Iowa Acts, chapter 1019, Senate File 2346, section 4, is amended to read as follows:

A tax of four five percent is imposed upon the gross receipts from the sales, furnishing, or service of solid waste collection and disposal service.

Sec. 209. Section 422.47, subsection 2, Code 1991, is amended to read as follows:

2. Construction contractors may make application to the department for a refund of the additional one percent tax paid under this division or the additional one percent tax paid under chapter 423 by reason of the increase in the tax from ~~three to four~~ to five percent for taxes paid on goods, wares, or merchandise under the following conditions:

a. The goods, wares, or merchandise are incorporated into an improvement to real estate in fulfillment of a written contract fully executed prior to ~~March 17, 1983~~ July 1, 1992. The refund shall not apply to equipment transferred in fulfillment of a mixed construction contract.

b. The contractor has paid to the department or to a retailer the full ~~four~~ five percent tax.

c. The claim is filed on forms provided by the department and is filed within one year of the date the tax is paid.

A contractor who makes an erroneous application for refund shall be liable for payment of the excess refund paid plus interest at the rate in effect under section 421.7. In addition, a contractor who willfully makes a false application for refund is guilty of a simple misdemeanor and is liable for a penalty equal to fifty percent of the excess refund claimed. Excess refunds, penalties, and interest due under this subsection may be enforced and collected in the same manner as the tax imposed by this division.

Sec. 210. Section 422C.3, subsection 1, as enacted by 1992 Iowa Acts, chapter 1006, House File 695, section 4, is amended to read as follows:

1. A tax of ~~four~~ five percent is imposed upon the rental price of an automobile if the rental transaction is subject to the sales and services tax under chapter 422, division IV, or the use tax under chapter 423. The tax shall not be imposed on any rental transaction not taxable under the state sales and services tax, as provided in section 422.45, or the state use tax, as provided in section 423.4, on automobile rental receipts.

Sec. 211. Section 423.2, Code 1991, is amended to read as follows:

423.2 IMPOSITION OF TAX.

An excise tax is imposed on the use in this state of tangible personal property purchased for use in this state, at the rate of ~~four~~ five percent of the purchase price of the property. The excise tax is imposed upon every person using the property within this state until the tax has been paid directly to the county treasurer or the state department of transportation, to a retailer, or to the department. An excise tax is imposed on the use in this state of services enumerated in section 422.43 at the rate of ~~four~~ five percent. This tax is applicable where services are rendered, furnished, or performed in this state or where the product or result of the service is used in this state. This tax is imposed on every person using the services or the product of the services in this state until the user has paid the tax either to an Iowa use tax permit holder or to the department.

Sec. 212. Section 423.24, subsection 1, Code Supplement 1991, is amended to read as follows:

1. Eighty percent of all revenues derived from the use tax on motor vehicles, trailers, and motor vehicle accessories and equipment as collected pursuant to section 423.7 shall be deposited and credited as follows:

a. ~~Twenty-five percent of all such revenue derived from the use tax on motor vehicles, trailers, and motor vehicle accessories and equipment as collected pursuant to section 423.7, up to a maximum of three million eight hundred twenty-five thousand dollars per quarter, shall be deposited into and~~

credited to the Iowa comprehensive petroleum underground storage tank fund created in section 455G.3, and the moneys so deposited are a continuing appropriation for expenditure under chapter 455G, and moneys so appropriated shall not be used for other purposes.

b. Any such revenues ~~remaining revenue-derived-from-the use-tax-on-motor-vehicles,-trailers,-and-motor-vehicle accessories-and-equipment-as-collected-pursuant-to-section 423.7~~ shall be credited to the primary road fund to the extent necessary to reimburse that fund for the expenditures, not otherwise eligible to be made from the primary road fund, made for repairing, improving and maintaining bridges over the rivers bordering the state. Expenditures for those portions of bridges within adjacent states may be included when they are made pursuant to an agreement entered into under sections 313.63, 313A.34, and 314.10.

c. Any such revenues ~~remaining revenues-derived-from-the operation-of-section-423.7~~ shall be credited to the road use tax fund.

Sec. 213. **APPLICABILITY.** This section applies in regard to the increase in the state sales, services, and use taxes from four to five percent. The five percent rate applies to all sales of taxable personal property, consisting of goods, wares, or merchandise if delivery occurs on or after July 1, 1992. The use tax rate of five percent applies to motor vehicles subject to registration which are registered on or after July 1, 1992. The five percent use tax rate applies to the use of property when the first taxable use in this state occurs on or after July 1, 1992. The five percent rate applies to the gross receipts from the sale, furnishing, or service of gas, electricity, water, heat, pay television service, and communication service if the date of billing the customer is on or after July 1, 1992. In the case of a service contract entered into prior to July 1, 1992, which contract calls for periodic payments, the five percent rate applies to those payments made or due on or after July 1, 1992. This periodic payment applies, but is not limited to,

tickets or admissions, private club membership fees, sources of amusement, equipment rental, dry cleaning, reducing salons, dance schools, and all other services subject to tax, except the aforementioned utility services which are subject to a special transitional rule. Unlike periodic payments under service contracts, installment sales of goods, wares, and merchandise are subject to the full amount of sales or use tax when the sales contract is entered into or the property is first used in Iowa.

Sec. 214. Sections 202 through 205 and 212 of this Act apply to the revenues derived from the five percent use tax on motor vehicles, trailers, and motor vehicle accessories and equipment as collected on and after July 1, 1992, pursuant to section 423.7.

**INCOME TAX THRESHOLDS AND  
LOW-INCOME PROPERTY TAX PROVISIONS**

Sec. 215. Section 135D.22, subsection 2, paragraph a, Code Supplement 1991, is amended to read as follows:

a. If the owner of the mobile home is an Iowa resident, ~~was-totally-disabled,-as-defined-in-section-425.17,-subsection 11-on-or-before-December-31-of-the-base-year,-is-a-surviving spouse-having-attained-the-age-of-fifty-five-years-on-or before-December-31,-1988-or~~ has attained the age of sixty-five eighteen years on or before December 31 of the base year, and has an income when included with that of a spouse which is less than six thousand dollars per year, the annual tax shall not be imposed on the mobile home. If the income is six thousand dollars or more but less than fourteen thousand dollars, the annual tax shall be computed as follows:

Income is:	Annual Tax Per Square Foot:
\$ 6,000 -- 6,999.99	3.0 cents
7,000 -- 7,999.99	6.0
8,000 -- 9,999.99	10.0
10,000 -- 11,999.99	13.0
12,000 -- 13,999.99	15.0



Sec. 216. Section 135D.22, subsection 2, paragraph b, Code Supplement 1991, is amended by striking the paragraph.

Sec. 217. Section 422.5, subsections 2 and 8, Code Supplement 1991, are amended to read as follows:

2. However, the tax shall not be imposed on a resident or nonresident whose net income, as defined in section 422.7, is seven thirteen thousand five hundred dollars or less in the case of married persons filing jointly or filing separately on a combined return, unmarried heads of household, and surviving spouses or five nine thousand dollars or less in the case of all other persons; but in the event that the payment of tax under this division would reduce the net income to less than seven thirteen thousand five hundred dollars or five nine thousand dollars as applicable, then the tax shall be reduced to that amount which would result in allowing the taxpayer to retain a net income of seven thirteen thousand five hundred dollars or five nine thousand dollars as applicable. The preceding sentence does not apply to estates or trusts. For the purpose of this subsection, the entire net income, including any part of the net income not allocated to Iowa, shall be taken into account. For purposes of this subsection, net income includes all amounts of pensions or other retirement income received from any source which is not taxable under this division as a result of the government pension exclusions in section 422.7, or any other state law. If the combined net income of a husband and wife exceeds seven thirteen thousand five hundred dollars, neither of them shall receive the benefit of this subsection, and it is immaterial whether they file a joint return or separate returns. However, if a husband and wife file separate returns and have a combined net income of seven thirteen thousand five hundred dollars or less, neither spouse shall receive the benefit of this paragraph, if one spouse has a net operating loss and elects to carry back or carry forward the loss as provided in section 422.9, subsection 3. A person who is claimed as a dependent by another person as defined in section 422.12 shall not receive the benefit of this subsection if the person

claiming the dependent has net income exceeding seven thirteen thousand five hundred dollars or five nine thousand dollars as applicable or the person claiming the dependent and the person's spouse have combined net income exceeding seven thirteen thousand five hundred dollars or five nine thousand dollars as applicable.

In addition, if the married persons', filing jointly or filing separately on a combined return, unmarried head of household's, or surviving spouse's net income exceeds seven thirteen thousand five hundred dollars, the regular tax imposed under this division shall be the lesser of the maximum state individual income tax rate times the portion of the net income in excess of seven thirteen thousand five hundred dollars or the regular tax liability computed without regard to this sentence. Taxpayers electing to file separately shall compute the alternate tax described in this paragraph using the total net income of the husband and wife. The alternate tax described in this paragraph does not apply if one spouse elects to carry back or carry forward the loss as provided in section 422.9, subsection 3.

8. In addition to the other taxes imposed by this section, a tax is imposed on the amount of a lump sum distribution for which the taxpayer has elected under section 402(e) of the Internal Revenue Code to be separately taxed for federal income tax purposes for the tax year. The rate of tax is equal to twenty-five percent of the separate federal tax imposed on the amount of the lump sum distribution. A nonresident is liable for this tax only on that portion of the lump sum distribution allocable to Iowa. The total amount of the lump sum distribution subject to separate federal tax shall be included in net income for purposes of determining eligibility under the seven thirteen thousand five hundred dollar or less or five nine thousand dollar or less exclusion, as applicable.

Sec. 218. Section 422.5, Code Supplement 1991, is amended by adding the following new subsection:

**NEW SUBSECTION.** 11. For purposes of the net income exclusion in subsections 2 and 8 for tax years beginning on or after January 1, 1992, but before January 1, 1993, subsections 2 and 8 shall be applied by striking from the section the words "seven thousand five hundred dollars" and substituting in lieu thereof the words "eleven thousand five hundred dollars" and by striking from the section the words "five thousand dollars" and substituting in lieu thereof the words "seven thousand five hundred dollars".

Sec. 219. Section 422.13, subsection 1, paragraphs a and b, Code 1991, are amended to read as follows:

~~a. The individual is required to file a federal income tax return under the Internal Revenue Code.~~

b. The individual has net income of five nine thousand dollars or more for the tax year from sources taxable under this division.

Sec. 220. Section 425.17, subsection 2, Code Supplement 1991, is amended to read as follows:

2. "Claimant" means either one of the following:

~~a. A person filing a claim for credit or reimbursement under this division who has attained the age of sixty-five eighteen years on or before December 31 of the base year or who is a surviving spouse having attained the age of fifty-five years on or before December 31, 1988, or who is totally disabled and was totally disabled on or before December 31 of the base year, and was domiciled in this state during the entire base year, and is domiciled in this state at the time the claim is filed or at the time of the person's death in the case of a claim filed by the executor or administrator of the claimant's estate and, in the case of a person who is not disabled and has not reached the age of sixty-five, was not claimed as a dependent on any other person's tax return for the base year.~~

~~b. A person filing a claim for credit or reimbursement under this division who has attained the age of eighteen years on or before December 31 of the base year but has not attained the age or disability status described in paragraph "a" and~~

~~was domiciled in this state during the entire base year and is domiciled in this state at the time the claim is filed or at the time of the person's death in the case of a claim filed by the executor or administrator of the claimant's estate and was not claimed as a dependent on any other person's tax return for the base year.~~

"Claimant" under paragraph "a" or "b" includes a vendee in possession under a contract for deed and may include one or more joint tenants or tenants in common. In the case of a claim for rent constituting property taxes paid, the claimant shall have rented the property during any part of the base year. If a homestead is occupied by two or more persons, and more than one person is able to qualify as a claimant, the persons may determine among them who will be the claimant. If they are unable to agree, the matter shall be referred to the director of revenue and finance not later than October 31 of each year and the director's decision is final.

Sec. 221. Section 425.23, subsection 1, paragraph a, Code Supplement 1991, is amended to read as follows:

a. The tentative credit or reimbursement for a claimant described in section 425.17, subsection 2, paragraph "a" shall be determined in accordance with the following schedule:

If the household income is:	Percent of property taxes due or rent constituting property taxes paid allowed as a credit or reimbursement:
\$ 0 -- 5,999.99.....	100%
6,000 -- 6,999.99.....	85
7,000 -- 7,999.99.....	70
8,000 -- 9,999.99.....	50
10,000 -- 11,999.99.....	35
12,000 -- 13,999.99.....	25

Sec. 222. Section 425.23, subsection 1, paragraph b, Code Supplement 1991, is amended by striking the paragraph.

Sec. 223. Section 425.23, subsection 3, paragraph a, Code Supplement 1991, is amended to read as follows:

a. A person who is eligible to file a claim for credit for property taxes due and who has a household income of six thousand dollars or less and who has a special assessment levied against the homestead may file a claim with the county treasurer that the claimant had a household income of six thousand dollars or less and that a special assessment is presently levied against the homestead. The department shall provide to the respective county treasurers the forms necessary for the administration of this subsection. The claim shall be filed not later than September 30 of each year. Upon the filing of the claim, a penalty or interest for late payment shall not accrue against the amount of the special assessment due and payable. The claim filed by the claimant constitutes a claim for credit of an amount equal to the actual amount due and payable upon the special assessment payable during the fiscal year against the homestead of the claimant or an amount equal to the annual payment of the special assessment levied against the homestead of the claimant and payable in annual installments through the period of years provided by the governing body of the city, whichever is less. ~~However, where the claimant is an individual described in section 425.17, subsection 2, paragraph "b", the claim filed constitutes a claim for credit of an amount equal to one-half of the actual amount due and payable during the fiscal year or equal to one-half of the annual payment, whichever is less.~~ The department of revenue and finance shall, upon the filing of the claim with the department by the county treasurer, pay that amount of the special assessment during the current fiscal year to the county treasurer. The county treasurer shall submit the claims to the director of revenue and finance not later than October 15 of each year. The director of revenue and finance shall certify the amount of reimbursement due each county for special assessment credits allowed under this subsection. The amount of reimbursement due each county shall be paid by the director of revenue and finance on October 20 of each year, drawn upon warrants payable to the respective county treasurer. There is

appropriated annually from the general fund of the state to the department of revenue and finance an amount sufficient to carry out the provisions of this subsection. The county treasurer shall credit any moneys received from the department against the amount of the special assessment due and payable on the homestead of the claimant.

Sec. 224. Sections 217 and 219 of this Act take effect January 1, 1993, for tax years beginning on or after that date.

Sec. 225. Sections 215, 216, 220, 221, 222, and 223 of this Act take effect January 1, 1993, for mobile home tax claims and property tax claims filed on or after that date. Sections 220, 221, and 222 of this Act are applicable to rent reimbursement claims filed on or after January 1, 1994.

Sec. 226. Section 218 of this Act applies retroactively to January 1, 1992, for tax years beginning on or after January 1, 1992, but before January 1, 1993.

Sec. 227. Notwithstanding and in lieu of the requirements for making and filing a state income tax return under section 422.13, subsection 1, paragraph "b", if a resident or nonresident of this state has net income of seven thousand five hundred dollars from sources taxable by the state for the tax year beginning in the 1992 calendar year, the resident or nonresident is required to make and file a state income tax return.

#### REVENUE AND FINANCE PROVISIONS

Sec. 228. Section 8.54, subsection 1, paragraph b, as enacted by 1992 Iowa Acts, chapter 1227, Senate File 2351, section 4, is amended to read as follows:

b. "New revenues" means moneys which are received by the state due to increased tax rates and fees or newly created taxes and fees over and above those moneys which are received due to state taxes and fees which are in effect as of January 1 following the December state revenue estimating conference. "New revenues" also includes moneys received by the general fund of the state due to new transfers over and above those moneys received by the general fund of the state due to

transfers which are in effect as of January 1 following the December state revenue estimating conference. The department of management shall obtain concurrence from the revenue estimating conference on the eligibility of transfers to the general fund of the state which are to be considered as new revenue in determining the state general fund expenditure limitation.

Sec. 229. Section 8.57, subsection 1, paragraph b, as enacted by 1992 Iowa Acts, chapter 1227, Senate File 2351, section 7, is amended to read as follows:

b. Commencing June 30, 1993, the surplus existing in the general fund of the state at the conclusion of the fiscal year is appropriated for distribution as provided in this section. As used in this paragraph, "surplus" means the positive-ending balance-in-the-general-fund,-if-any excess of revenues and other financing sources over expenditures and other financing uses for the general fund of the state in a fiscal year.

Sec. 230. Section 8.57, subsection 2, as enacted by the 1992 Iowa Acts, chapter 1227, Senate File 2351, section 7, is amended to read as follows:

2. Moneys appropriated under subsection 1 shall be first credited to the cash reserve fund. To the extent that moneys appropriated under subsection 1 would make the moneys in the cash reserve fund exceed the cash reserve goal percentage of the adjusted revenue estimate for the fiscal year, the moneys are appropriated to the department of management to be spent for the purpose of eliminating Iowa's GAAP deficit. These moneys shall be deposited into a GAAP deficit reduction account established within the department of management. Unspent moneys in this account shall be available for expenditure for subsequent fiscal years. The department of management shall annually file with both houses of the general assembly at the time of the submission of the governor's budget a schedule of the items for which moneys appropriated under this subsection for the purpose of eliminating Iowa's GAAP deficit shall be spent in the fiscal year commencing July 1 following the date of the filing of the report. The

schedule shall list each item of expenditure and the maximum dollar amount of moneys to be spent on that item for the fiscal year. If moneys appropriated under this subsection are not enough to pay for all listed expenditures, the department of management shall allocate the payments among the listed expenditure items. Moneys appropriated to the department of management under this subsection shall not be spent on items other than those included in the filed schedule. After elimination of the GAAP deficit, any moneys in the GAAP deficit reduction account shall be appropriated to the Iowa economic emergency fund.

Sec. 231. Section 48.21, Code 1991, is amended to read as follows:

48.21 VOTER REGISTRATION FORMS IN INCOME TAX RETURNS AND BOOKLETS.

The For odd-numbered tax years, the director of the department of revenue and finance shall insert securely in each individual income tax return form or instruction booklet two voter registration forms, designed according to rules adopted by the state voter registration commission.

Sec. 232. Section 99B.21, Code 1991, is amended to read as follows:

99B.21 TAX ON PRIZES.

All prizes awarded are Iowa earned income and are subject to state and federal income tax laws. A person conducting a game of skill, game of chance, or a raffle shall deduct state income taxes, pursuant to section 422.16, subsection 1, from a cash prize awarded to an individual in-excess-of-six-hundred dollars. An amount deducted from the prize for payment of a state tax shall be remitted to the state department of revenue and finance on behalf of the prize winner.

Sec. 233. Section 99D.16, Code 1991, is amended to read as follows:

99D.16 WITHHOLDING TAX ON WINNINGS.

All winnings provided in section 99D.11 are Iowa earned income and are subject to state and federal income tax laws. An amount deducted from winnings for payment of the state tax,

pursuant to section 422.16, subsection 1, shall be remitted to the department of revenue and finance on behalf of the individual who won the wager.

Sec. 234. Section 99E.19, subsection 1, unnumbered paragraph 2, Code 1991, is amended to read as follows:

All prizes awarded are Iowa earned income--~~All-lottery~~ winnings and are subject to state and federal income tax laws. An amount deducted from the prize for payment of a state tax, pursuant to section 422.16, subsection 1, shall be transferred by the commissioner to the department of revenue and finance on behalf of the prize winner.

Sec. 235. NEW SECTION. 99F.18 TAX ON WINNINGS.

All winnings derived from slot machines operated pursuant to this chapter are Iowa earned income and are subject to state and federal income tax laws. An amount deducted from winnings for payment of the state tax, pursuant to section 422.16, subsection 1, shall be remitted to the department of revenue and finance on behalf of the winner.

Sec. 236. Section 421.28, Code 1991, is amended to read as follows:

421.28 EXCEPTIONS TO SUCCESSOR LIABILITY.

The immediate successor to a licensee's or retailer's business or stock of goods under chapter 422A or 422B, or section 324.65, 422.52, 423.13, or 423.14 is not personally liable for the amount of delinquent tax, interest, or penalty due and unpaid if the immediate successor shows that the purchase of the business or stock of goods was made in good faith that no delinquent tax, interest, or penalty was due and unpaid. For purposes of this section the immediate successor shows good faith by evidence that ~~no tax liens were filed,~~ that the department had ~~informed~~ provided the immediate successor with a certified statement that no delinquent tax, interest, or penalty is unpaid, or that the immediate successor had taken in good faith a certified statement from the licensee, or retailer, or seller that no delinquent tax, interest, or penalty is unpaid. When requested to do so by a person with whom the licensee or retailer is negotiating the

sale of the business or stock of goods, the director of revenue and finance shall, upon being satisfied that such a situation exists, inform that person as to the amount of unpaid delinquent tax, interest, or penalty due by the licensee or the retailer. The giving of the information under this circumstance is not a violation of section 324.63, 422.20, or 422.72.

Sec. 237. Section 422.15, subsection 1, Code 1991, is amended to read as follows:

1. Every person or corporation being a resident of or having a place of business in this state, ~~in whatever capacity acting,~~ including lessees or mortgagors of real or personal property, fiduciaries, employers and all officers and employees of the state or of any political subdivision of the state, or agent of the person or corporation, having the control, receipt, custody, disposal or payment of interest (other than interest coupons payable to bearer), rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, unemployment compensation, royalties, patronage dividends, or other fixed or determinable annual or periodical gains, profits and income, ~~amounting to one thousand dollars or over in an amount sufficient to~~ require that an information return be filed under the Internal Revenue Code if the income is subject to federal tax, paid or payable during any year to any individual, whether a resident of this state or not, shall make a complete information return under such regulations and in such form and manner and to such extent as may be prescribed by the director. However, the person or corporation shall not be required to file an information return if the information is available to the department from the internal revenue service.

Sec. 238. Section 422.16, subsection 1, Code Supplement 1991, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. For the purposes of this subsection, state income tax shall be withheld on winnings in excess of six hundred dollars derived from gambling activities

authorized under chapter 99B or 99E. State income tax shall be withheld on winnings in excess of one thousand dollars from gambling activities authorized under chapter 99D. State income tax shall be withheld on winnings in excess of twelve hundred dollars derived from slot machines authorized under chapter 99F.

Sec. 239. Section 422.34, subsection 1, Code 1991, is amended to read as follows:

1. All state banks, ~~as defined in section 524.103, and all~~ national, and private, co-operative, and savings banks, credit unions, title insurance and trust companies, building savings and loan associations, production credit associations, insurance companies or insurance associations, reciprocal or inter-insurance exchanges, fraternal beneficiary associations, ~~now or hereafter organized or incorporated by or under the laws of this state or lawfully operating in the state.~~

Sec. 240. Section 422.37, subsection 2, Code 1991, is amended to read as follows:

2. All members of the affiliated group shall join in the filing of an Iowa consolidated return to the extent they are subject to the tax imposed by section 422.33 ~~or have operations which constitute a part of the unitary business of one or more members which are subject to the Iowa tax.~~

Sec. 241. Section 422.42, subsection 9, Code 1991, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. For the purposes of this subsection, the sale of carpeting is not a sale of building materials. The sale of carpeting to owners, contractors, sub-contractors, or builders shall be treated as the sale of ordinary tangible personal property and subject to the tax imposed under section 422.43, subsection 1.

Sec. 242. Section 422.43, subsection 11, unnumbered paragraph 1, Code Supplement 1991, is amended to read as follows:

The following enumerated services are subject to the tax imposed on gross taxable services: Alteration and garment repair; armored car; automobile vehicle repair; battery, tire

and allied; investment counseling; service charges of all financial institutions; barber and beauty; boat repair; car vehicle wash and wax; carpentry; roof, shingle, and glass repair; dance schools and dance studios; dry cleaning, pressing, dyeing, and laundering; electrical and electronic repair and installation; rental of tangible personal property, except mobile homes which are tangible personal property; excavating and grading; farm implement repair of all kinds; flying service; furniture, rug, upholstery repair and cleaning; fur storage and repair; golf and country clubs and all commercial recreation; house and building moving; household appliance, television, and radio repair; jewelry and watch repair; machine operator; machine repair of all kinds; motor repair; motorcycle, scooter, and bicycle repair; oilers and lubricators; office and business machine repair; painting, papering, and interior decorating; parking facilities; pipe fitting and plumbing; wood preparation; licensed executive search agencies; private employment agencies, excluding services for placing a person in employment where the principal place of employment of that person is to be located outside of the state; sewing and stitching; shoe repair and shoeshine; storage warehousing of raw agricultural products; telephone answering service; test laboratories, except tests on humans or animals; termite, bug, roach, and pest eradicators; tin and sheet metal repair; turkish baths, massage, and reducing salons; weighing; welding; well drilling; wrapping, packing, and packaging of merchandise other than processed meat, fish, fowl and vegetables; wrecking service; wrecker and towing; pay television; campgrounds; carpet and upholstery cleaning; gun and camera repair; janitorial and building maintenance or cleaning; lawn care, landscaping and tree trimming and removal; pet grooming; reflexology; security and detective services; tanning beds or salons; and water conditioning and softening.

Sec. 243. Section 422.54, Code 1991, is amended by adding the following new subsection:

**NEW SUBSECTION. 3.** The five-year period of limitation provided in subsection 1 may be extended by a taxpayer by signing a waiver agreement form to be provided by the department. The agreement shall stipulate the period of extension and the tax period to which the extension applies. The agreement shall also provide that a claim for refund may be filed by the taxpayer at any time during the period of extension.

Sec. 244. Section 423.16, Code 1991, is amended to read as follows:

**423.16 DETERMINATION BY DEPARTMENT.**

If any return required by this chapter is not filed, or if any return when filed is incorrect or insufficient, and the maker or person from whom it is due fails to file a corrected or sufficient return within twenty days after the same is required by notice from the department, the department shall have the same power to determine the amount due, as is vested in the department by sections 422.54, 422.55, and 422.57, subject to all of the provisions, and restrictions, and rights to seek judicial review provided in said the sections. Where if a return required by this chapter has been filed, the five-year period of limitation specified in section 422.54, subsection 1, shall apply to the making of a determination by the department of the amount of tax due hereunder and to the giving of notice to the taxpayer of such determination. The right to waive the five-year period of limitation as provided in section 422.54, subsection 3, is applicable to this chapter.

Sec. 245. Section 450.68, unnumbered paragraph 2, Code 1991, is amended to read as follows:

Federal tax returns, copies of returns, and return information as defined in section 6103(b) of the Internal Revenue Code, and state inheritance tax returns, which are required to be filed with the department for the enforcement of the inheritance and estate tax laws of this state, shall be deemed and held as confidential by the department. However, such returns or return information, may be disclosed by the

director to officers or employees of other state agencies, subject to the same confidentiality restrictions imposed on the officers and employees of the department.

Sec. 246. Section 450A.12, Code 1991, is amended to read as follows:

**450A.12 APPLICABLE STATUTES.**

All of the provisions of chapter 450 with respect to the payment and collection of the tax imposed under that chapter, including penalty and interest upon delinquent taxes and the confidentiality of the tax return, are applicable to the provisions of this chapter, except as they are in conflict with this chapter. The director shall adopt and promulgate rules necessary for the enforcement of this chapter.

Sec. 247. Section 450B.7, Code 1991, is amended to read as follows:

**450B.7 OTHER INHERITANCE TAX LAWS APPLICABLE.**

All the provisions of chapter 450 with respect to the payment, collection and administration of the inheritance tax imposed under that chapter, including the confidentiality of the tax return, are applicable to the provisions of this chapter to the extent consistent. The director of revenue and finance shall adopt and promulgate all rules necessary for the enforcement and administration of this chapter.

Sec. 248. Section 451.12, Code 1991, is amended to read as follows:

**451.12 APPLICABLE STATUTES.**

All the provisions of chapter 450 with respect to the lien provisions of section 450.7, and the determination, imposition, payment and collection of the tax imposed under that chapter, including penalty and interest upon delinquent taxes and the confidentiality of the tax return, are applicable to this chapter, except as they are in conflict with this chapter. The director of revenue and finance shall adopt rules necessary for the enforcement of this chapter.

Sec. 249. Section 236 of this Act is applicable to sales of a business or stock of goods occurring on or after the effective date of this Act.

Sec. 250. Section 237 of this Act is effective January 1, 1993, and applies to income payments made on or after that date.

Sec. 251. Section 239 of this Act is retroactively applicable to January 1, 1991, for tax years beginning on or after that date.

Sec. 252. Section 240 of this Act is effective July 1, 1992, for tax years beginning on or after that date.

DIVISION III

PROPERTY TAX LIMITATION

Sec. 301. NEW SECTION. 444.25 PROPERTY TAX LIMITATIONS FOR 1994 AND 1995 FISCAL YEARS.

1. COUNTY LIMITATION. The maximum amount of property tax dollars which may be certified by a county for taxes payable in the fiscal year beginning July 1, 1993, shall not exceed the amount of property tax dollars certified by the county for taxes payable in the fiscal year beginning July 1, 1992, and the maximum amount of property tax dollars which may be certified by a county for taxes payable in the fiscal year beginning July 1, 1994, shall not exceed the amount of property tax dollars certified by the county for taxes payable in the fiscal year beginning July 1, 1993, for each of the levies for the following, except for the levies on the increase in taxable valuation due to new construction, additions or improvements to existing structures, remodeling of existing structures for which a building permit is required, annexation, and phasing out of tax exemptions, and on the increase in valuation of taxable property as a result of a comprehensive revaluation by a private appraiser under a contract entered into prior to January 1, 1992, or as a result of a comprehensive revaluation directed or authorized by the conference board prior to January 1, 1992, with documentation of the contract, authorization, or directive on the revaluation provided to the director of revenue and finance, if the levies are equal to or less than the levies for the previous year, levies on that portion of the taxable property located in an urban renewal project the tax revenues from

which are no longer divided as provided in section 403.19, subsection 2, or as otherwise provided in this section:

- a. General county services under section 331.422, subsection 1.
- b. Rural county services under section 331.422, subsection 2.
- c. Other taxes under section 331.422, subsection 4.

2. CITY LIMITATION. The maximum amount in property tax dollars which may be certified by a city for taxes payable in the fiscal year beginning July 1, 1993, shall not exceed the amount in property tax dollars certified by the city for taxes payable in the fiscal year beginning July 1, 1992, and the maximum amount of property tax dollars which may be certified by a city for taxes payable in the fiscal year beginning July 1, 1994, shall not exceed the amount of property tax dollars certified by the city for taxes payable in the fiscal year beginning July 1, 1993, for each of the levies for the following, except for the levies on the increase in taxable valuation due to new construction, additions or improvements to existing structures, remodeling of existing structures for which a building permit is required, annexation, and phasing out of tax exemptions, and on the increase in valuation of taxable property as a result of a comprehensive revaluation by a private appraiser under a contract entered into prior to January 1, 1992, or as a result of a comprehensive revaluation directed or authorized by the conference board prior to January 1, 1992, with documentation of the contract, authorization, or directive on the revaluation provided to the director of revenue and finance, if the levies are equal to or less than the levies for the previous year, levies on that portion of the taxable property located in an urban renewal project the tax revenues from which are no longer divided as provided in section 403.19, subsection 2, or as otherwise provided in this section:

- a. City government purposes under section 384.1.
- b. Capital improvements reserve fund under section 384.7.
- c. Emergency fund purposes under section 384.8.



d. Other city government purposes under section 384.12.

3. EXCEPTIONS. The limitations provided in subsections 1 and 2 do not apply to the levies made for the following:

a. Debt service to be deposited into the debt service fund pursuant to section 331.430 or section 384.4.

b. Taxes approved by a vote of the people which are payable during the fiscal year beginning July 1, 1993, or July 1, 1994.

c. Hospitals pursuant to chapters 37, 347, and 347A.

d. Unusual need for additional moneys to finance existing programs which would provide substantial benefit to city or county residents or compelling need to finance new programs which would provide substantial benefit to city or county residents. The increase in taxes levied under this exception for the fiscal year beginning July 1, 1993, is limited to no more than the product of the total tax dollars levied in the fiscal year beginning July 1, 1992, and the percent change in the price index for government purchases by type for state and local governments computed for calendar year 1992. The increase in taxes levied under this exception for the fiscal year beginning July 1, 1994, is limited to no more than the product of the total tax dollars levied in the fiscal year beginning July 1, 1993, and the percent change in the price index for government purchases by type for state and local governments computed for calendar year 1993. The price index for government purchases by type for state and local governments is defined by the bureau of economic analysis of the United States department of commerce and published in table 7.11 of the national income and products accounts. For purposes of this paragraph, tax dollars levied in the fiscal years beginning July 1, 1992, and July 1, 1993, shall not include funds levied for paragraphs "a", "b", and "c" of this subsection.

Application of this exception shall require an original publication of the budget and a public hearing and a second publication and a second hearing both in the manner and form prescribed by the director of the department of management,

notwithstanding the provisions of sections 331.434, 384.16, and 362.3. The publications and hearings prescribed in this paragraph shall be held and the budget certified no later than March 15. The taxes levied for cities and counties whose budgets are certified after March 15, 1993, shall be frozen at the fiscal year beginning July 1, 1992, level, and the taxes levied for cities and counties whose budgets are certified after March 15, 1994, shall be frozen at the fiscal year beginning July 1, 1993, level.

4. APPEAL PROCEDURES. In lieu of the procedures in sections 24.48 and 331.426, which procedures do not apply for taxes payable in the fiscal years beginning July 1, 1993, and July 1, 1994, if a city or county needs to raise property tax dollars from a tax levy in excess of the limitations imposed by subsection 1 or 2, the following procedures apply:

a. Not later than March 1, and after the publication and public hearing on the budget in the manner and form prescribed by the director of the department of management, notwithstanding sections 331.434, 384.16, and 362.3, the city or county shall petition the state appeal board for approval of a property tax increase in excess of the increase provided for in subsection 3, paragraph "d", on forms furnished by the director of the department of management. Applications received after March 1 shall be automatically ineligible for consideration by the board.

b. Additional costs incurred by the city or county due to any of the following circumstances shall be the basis for justifying the excess in property tax dollars:

(1) Natural disaster or other life-threatening emergencies.

(2) Unusual need for additional moneys to finance existing programs which would provide substantial benefit to city or county residents or compelling need to finance new programs which would provide substantial benefit to city or county residents.

(3) Need for additional moneys for health care, treatment and facilities, including mental health and mental retardation

care and treatment pursuant to section 331.424, subsection 1, paragraphs "a" through "h".

(4) Judgments, settlements, and related costs arising out of civil claims against the city or county and its officers, employees, and agents, as defined in chapter 613A.

c. The state appeal board shall approve, disapprove, or reduce the amount of excess property tax dollars requested. The board shall take into account the intent of this section to provide property tax relief. The decision of the board shall be rendered at a regular or special meeting of the board within twenty days of the board's receipt of an appeal.

d. Within seven days of receipt of the decision of the state appeal board, the city or county shall adopt and certify its budget under section 331.434 or 384.16, which budgets may be protested as provided in section 331.436 or 384.19. The budget shall not contain an amount of property tax dollars in excess of the amount approved by the state appeal board.

5. In addition to the requirement of the county auditor in section 444.3 to establish a rate of tax which does not exceed the rate authorized by law, the county auditor shall also adjust the rate if the amount of property tax dollars to be raised is in excess of the amount specified in subsection 1 or 2, as may be adjusted pursuant to subsection 4.

Sec. 302. NEW SECTION. 444.26 PROPERTY TAX LEVY LIMITATIONS NOT AFFECTED.

Section 444.25 shall not be construed as removing or otherwise affecting the property tax limitations otherwise provided by law for any tax levy of the political subdivision, except that, upon an appeal from the political subdivision, the state appeal board may approve a tax levy consistent with the provisions of section 24.48 or 331.426.

Sec. 303. NEW SECTION. 444.27 SECTIONS VOID.

Sections 24.48 and 331.426 are void for the fiscal years beginning July 1, 1993, and July 1, 1994.

DIVISION IV  
APPROPRIATIONS

Sec. 401. GREEN THUMB PROGRAM. There is appropriated from the general fund of the state to the department of natural resources for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the green thumb program for the employment of the elderly in conservation and outdoor recreation related fields in coordination with other agencies as provided by law, and for not more than the following full-time equivalent positions:

.....	\$	129,279
.....	FTEs	10.00

Sec. 402. LAKE PROJECT. There is appropriated from the general fund of the state to the department of natural resources for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the purpose of supporting lake preservation efforts at Black Hawk Lake:

.....	\$	397,780
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The moneys appropriated in this section shall be allocated by the department to continue lake preservation, including dredging operations, at Black Hawk Lake, located at Lake View, Iowa. Remaining moneys previously designated for Black Hawk Lake under the federal clean lakes program shall be allocated on a matching basis with moneys appropriated in this section for purposes of preserving Black Hawk Lake. The allocation of moneys shall be contingent upon land used as a spoil site for the lake being provided without financial obligation to the state and the active participation of a local entity in preparing the spoil site.

Sec. 403. HOUSING PROGRAMS. There is appropriated from the general fund of the state to the Iowa finance authority for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, for deposit in the housing improvement fund created in section 220.100, of which \$600,000 shall be allocated to

programs for the homeless, and \$400,000 shall be allocated to rental rehabilitation programs:

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

Sec. 404. DRUG ABUSE RESISTANCE EDUCATION. There is appropriated from the general fund of the state to the department of public safety for the fiscal year beginning July 1, 1992, and ending June 30, 1993, in addition to other appropriations made for the following purpose for that fiscal year, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For use by the department to provide law enforcement officials for project D.A.R.E. (drug abuse resistance education) within local communities targeted to fifth and sixth grade students:

..... \$ 28,500

Sec. 405. PILOT PROGRAMS FOR RUNAWAYS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For a pilot program for runaways in Woodbury county:

..... \$ 20,000

2. For a pilot program for runaways in Polk county:

..... \$ 30,000

The pilot programs shall involve joint efforts by local courts, law enforcement agencies, shelter care facilities, and family-centered service providers which contract with the department of human services. The programs shall identify runaways and children at risk of running away from home and shall identify available and needed services. The programs shall use a family-oriented approach intended to assist families in dealing with the various issues related to runaways. The local courts shall cooperate with the programs and shall enter appropriate orders to facilitate the implementation of the programs and the provision of services by the programs to runaways and children at risk of running away.

Sec. 406. CENTRALIZED JUVENILE INTAKE CENTER. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, in addition to other appropriations made to the department for that fiscal year, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the development of a centralized juvenile intake center in a county with a population of more than 300,000, as determined pursuant to the 1990 federal census:

..... \$ 125,000

The department of human services shall work with the judicial department, local law enforcement agencies, youth service agencies, and other persons as necessary in the development and operation of a centralized juvenile intake center in a county with a population of more than 300,000, as determined pursuant to the 1990 federal census. The centralized juvenile intake center shall serve as a central location for the placement, prior to adjudication, of juveniles involved in delinquency or child in need of assistance proceedings pursuant to chapter 232. The center shall be staffed by a juvenile court officer and a youth services aide. The center shall be used to provide a safe and secure setting for juveniles prior to adjudication, during the assessment of their cases.

Sec. 407. SUMMER WORK AND LEARN ALTERNATIVE FOR INNER CITY YOUTH.

1. There is appropriated from the general fund of the state to the judicial department for the fiscal year beginning July 1, 1992, and ending June 30, 1993, in addition to other appropriations made to the department for that fiscal year, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the award of a grant to a model program managed by the Sioux City community school district, to provide a summer work and learn alternative for inner city youth:

..... \$ 75,000

2. The judicial department shall award a grant to a model program managed by the Sioux City community school district, to provide a summer work and learn alternative for inner city youth. The judicial department shall develop criteria for the operation of the model program. At a minimum, the model program shall do each of the following:

- a. Utilize existing resources to the greatest extent possible.
- b. Have the support and involvement of a broad array of existing community programs.
- c. Have a duration of at least ten weeks.
- d. Provide a work or community service component.
- e. Provide a career development component, including intensive exploration of work options and related prerequisite skills.
- f. Provide a teaching and learning component, including reading and language skills, mathematics skills, and basic keyboard and computer literacy.
- g. Provide a social skills training component.
- h. Provide an athletics and physical fitness component.
- i. Provide a health assessment component, including referral to appropriate health care or service providers.
- j. Provide a total program evaluation component.

Sec. 408. COUNTY DETENTION HOME -- 72-HOUR REIMBURSEMENT. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For reimbursement of counties in accordance with the provisions of this section:

..... \$ 900,000

During the fiscal year beginning July 1, 1992, and ending June 30, 1993, if a child has been adjudicated delinquent and remains in a county detention home awaiting placement for more than 72 hours after the first dispositional hearing after adjudication, the department shall reimburse the county for

any period from that time forward in which the child remains in the detention home, at the rate established by the detention home for holding juveniles from another county. If it is determined that reimbursements to counties in any quarter of the fiscal year would exceed that quarter's allotment of this appropriation, the payments to the counties for that quarter shall be prorated. The department may adopt emergency rules to implement the provisions of this section.

Sec. 409. MEDICAL ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical assistance, including reimbursement for abortion services, which shall be available under the medical assistance program only for those abortions which are medically necessary:

..... \$276,161,251

- 1. Medically necessary abortions are those performed under any of the following conditions:
  - a. The attending physician certifies that continuing the pregnancy would endanger the life of the pregnant woman.
  - b. The attending physician certifies that the fetus is physically deformed, mentally deficient, or afflicted with a congenital illness.
  - c. The pregnancy is the result of a rape which is reported within 45 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.
  - d. The pregnancy is the result of incest which is reported within 150 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.
  - e. Any spontaneous abortion, commonly known as a miscarriage, if not all of the products of conception are expelled.

2. Of the funds appropriated in this section, \$100,000 is allocated until January 31, 1993, for contingency assistance for the federal nutrition program for women, infants, and children and shall be transferred to the Iowa department of public health as necessary in order to fully utilize funding available for the program. Any moneys allocated in this subsection which are unexpended or unobligated on January 31, 1993, shall be available during the remainder of the fiscal year to the department of human services for the purposes of this section.

3. Notwithstanding section 8.39, the department may transfer funds appropriated in this section to a separate account established in the department's case management unit for expenditures required to provide case management services pursuant to the appropriation made in 1992 Iowa Acts, chapter 1241, Senate File 2355, section 27, for mental health, mental retardation, and developmental disabilities services under medical assistance which are jointly funded by the state and county, pending final settlement of the expenditures. Funds received by the case management unit in settlement of the expenditures shall be used to replace the transferred funds and are available for the purposes for which the funds were appropriated in this section.

4. If implementing a procedure of purchase and distribution of vaccines to physicians participating in the medical assistance program is determined by the department of human services to be cost-effective for the department, the department of human services may use moneys appropriated in this section to contract with the Iowa department of public health for this purpose. In implementing the procedure, the department of human services shall adopt rules requiring physicians to obtain vaccines from the Iowa department of public health for immunization of medical assistance recipients. The department of human services may adopt emergency rules to implement the provisions of this subsection.

5. The department shall seek federal approval of a medical assistance waiver in order to expand the availability of the MediPASS program to an additional 27,000 enrollees. If federal approval is granted, the department may adopt emergency rules to implement the provisions of this subsection.

6. Of the funds appropriated in this section, \$60,000 shall be used by the department for the fiscal year 1992-1993 costs to establish and operate an HIV and AIDS insurance continuation assistance pilot program. The pilot program shall be administered by the medical services division to provide insurance continuation assistance to persons with AIDS or HIV-related illnesses who are unable to maintain health insurance premium payments due to illness. The pilot program shall operate for a two-year period beginning October 1, 1992. The funds shall be made available in a manner that provides the assistance, as needed, to recipients at any time until the end of the pilot program or until the appropriated funding is exhausted.

a. The department shall publicize the program for enrollment of potential participants through provision of information through the Iowa department of public health, the regional AIDS coalitions funded by the Iowa department of public health, physicians, hospitals, social workers, and social service providers, and other groups identified by the coalitions.

b. The program shall provide all of the following:

(1) That an applicant is eligible for participation in the program if all of the following conditions are met:

(a) The applicant is a resident of the state.

(b) The applicant suffers from AIDS or an HIV-related illness.

(c) The applicant has an income of not more than 300 percent of the federal poverty level as defined by the most recently revised poverty income guidelines published by the United States department of health and human services and cash assets of not more than \$10,000.

(d) The applicant is enrolled in an individual or group private health insurance plan.

(e) The applicant is or will be unable, due to AIDS or the HIV-related illness, to continue employment in the applicant's current position or the applicant must significantly reduce hours of employment.

(f) Enrollment in the program is the most cost-effective, available means of providing the applicant with health insurance coverage.

(2) That an applicant is required to provide the following to verify eligibility for participation in the program:

(a) Documentation of income and assets, as required by rule of the department.

(b) Documentation through submission of a statement by the applicant's physician that the applicant suffers from AIDS or an HIV-related illness and that the applicant is, or will within a period of six months be, unable to continue employment or be required to significantly reduce hours of employment.

(3) An expedited eligibility determination process to ensure that an eligible applicant is not denied coverage under the applicant's existing policy due to nonpayment of premiums during the determination process period. This may include but is not limited to accepting preapplications from any HIV-infected person or the making of payments based on preliminary determinations.

(4) A requirement that following enrollment in the program, a person must apply for medical assistance, if the department determines that the person is likely to be eligible for payment of premiums under the medical assistance program.

(5) That all information relating to an applicant is confidential information and the provisions of chapter 141 are applicable to the information.

(6) Insurance premiums and medical expenses for which the applicant has no coverage, which are incurred in the month of application, shall be deducted from the applicant's gross income for the purpose of determining eligibility for the program.

c. The department shall provide a preliminary report to the general assembly by January 1, 1993, and a final report to the general assembly by January 1, 1994, regarding the cost-effectiveness of the pilot program, the impact of the requirements of federal law on the pilot program, and the current and projected costs to the state for payment of medical assistance for the health care costs of persons with AIDS or HIV-related illnesses.

d. For the purposes of this subsection, "AIDS" and "HIV" mean "AIDS" and "HIV" as defined in section 141.21.

e. For the purposes of this subsection, "health insurance plan" includes nonprofit health service corporation contracts regulated under chapter 514 and health maintenance organization evidences of coverage regulated under chapter 514B.

f. Of the funds allocated in this subsection, the department may transfer not more than \$10,000 to the appropriation made in 1992 Iowa Acts, chapter 1241, section 29, for general administration to be used for administrative costs associated with this program. The department is authorized a 0.5 FTE position in addition to the positions authorized in that appropriation made in this Act for general administration in order to administer the program.

g. The program shall start by October 1, 1992, and the department is authorized to adopt emergency rules to implement the provisions of this section by that date.

7. The department shall take action to provide for the continuing medical assistance eligibility without a spend down requirement for those persons whose eligibility is related to federal supplemental security income eligibility and who are eligible for the medically needy program without a spend down requirement. If providing for the continuing eligibility is permitted under federal requirements, the department may adopt emergency rules to implement the eligibility.

8. The department of human services shall work cooperatively with the department of elder affairs and the area agencies on aging to expedite and improve the assessment

and eligibility determination process used for the medical assistance home and community-based waiver program for the elderly.

9. It is the intent of the general assembly that copayments shall not be charged to recipients for services which are mandatory under federal requirements for the medical assistance program.

10. The department shall actively pursue the potential to fund child welfare services under the early and periodic screening, diagnosis, and treatment (EPSDT) option of the medical assistance program. If the funding is implemented, the department may transfer moneys appropriated for foster care in 1992 Iowa Acts, chapter 1241, Senate File 2355, section 12, or home-based services in 1992 Iowa Acts, chapter 1241, Senate File 2355, section 14, as necessary to pay the nonfederal costs of services reimbursed under EPSDT which are provided to children who would otherwise receive services paid under those appropriations. The department may adopt emergency rules to implement the provisions of this subsection.

11. Except as otherwise provided in the appropriation made in 1992 Iowa Acts, chapter 1241, Senate File 2355, section 27, for mental health, mental retardation, and developmental disabilities services provided under medical assistance, if a medical assistance recipient is receiving care which is reimbursed under a federally approved home and community-based services waiver but would otherwise be approved for care in an intermediate care facility for the mentally retarded, the recipient's county of legal settlement shall reimburse the department on a monthly basis for the portion of the recipient's cost of care which is not paid from federal funds.

12. The department shall develop program standards, admission criteria, and reimbursement rates which are consistent with the day treatment needs of children and adolescents with severe psychiatric and behavioral disorders. The department may adopt emergency rules to implement the provisions of this subsection.

13. Administrative rules adopted by the department establishing intermediate care facility for the mentally retarded (ICFMR) standards relating to family scale and size, location, and community inclusion, including, but not limited to, rules adopted pursuant to 1991 Iowa Acts, chapter 267, section 103, subsection 5, and 1992 Iowa Acts, chapter 1043, Senate File 2311, shall not prohibit any ICFMR with eight beds or less.

14. This subsection applies to services provided on or after July 1, 1992. The department shall expand utilization review of medical assistance recipient visits to physician and family and pediatric nurse practitioners, federally qualified health centers, rural health clinics, other clinics, and emergency rooms. The review shall not apply to medical assistance recipients who are enrolled in the MediPASS program or a health maintenance organization or are children under 21 years of age or residents of a nursing facility. If a medical assistance recipient utilizes more than 24 visits in any 12-month period, the recipient shall be subject to utilization review. If found to be cost-effective, the department shall implement a prospective system for limiting the number of physician-related visits eligible for reimbursement under the medical assistance program. For the purposes of this subsection, the term "physician" does not include a psychiatrist. The department may adopt emergency rules to implement the provisions of this subsection.

Sec. 410. MEDICAL CONTRACTS -- PRIOR AUTHORIZATION. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

In addition to the funds appropriated for medical contracts in 1992 Iowa Acts, chapter 1241, Senate File 2355, section 4, for costs associated with implementation of a prior authorization program under the medical assistance program for selected drugs in accordance with the provisions of this section:

..... \$ 120,000

1. Effective October 1, 1992, the department shall implement a program of prior authorization for drugs which are reimbursed under the medical assistance program. Drug selection shall be based upon medical effectiveness and the selections shall be made by the department with the assistance of the Iowa medicaid drug utilization review commission. The drugs selected may include but are not limited to anti-ulcer and anti-arthritic agents and benzodiazepines. The department shall consult with the Iowa pharmacists association during implementation of the program. The program shall fully comply with the federal Omnibus Budget Reconciliation Act of 1990.

2. The department may implement a point-of-service claims transmission system for the prescription drug component of the medical assistance program.

3. The department may adopt emergency rules to implement the provisions of subsection 1.

Sec. 411. IOWA VETERANS HOME. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, for the purpose designated:

In addition to the funds appropriated for the operation of the Iowa veterans home in 1992 Iowa Acts, chapter 1241, Senate File 2355, section 18:

..... \$ 10,000

Sec. 412. FAMILY PLANNING -- REPRODUCTIVE HEALTH SERVICES INTEGRATION WITH SUBSTANCE ABUSE PROGRAMS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

1. For the provision of family planning services to eligible women as specified in this subsection:

..... \$ 350,000

To be eligible for family planning services under this subsection, the following criteria apply: the woman has an income which is equal to or less than 185 percent of the federal poverty level as defined by the most recently published guidelines issued by the United States department of health and human services; the woman was receiving medical assistance at the time the child was born; the woman is no longer eligible for medical assistance; and the woman is not covered by health insurance for family planning services. The family planning services shall be provided for not more than 12 months from the date of expiration of an eligible woman's postpartum medical assistance coverage. The department shall include information concerning the availability of the family planning services at the time the department notifies a recipient that her 60 days of postpartum medical assistance coverage will expire. The department may adopt emergency rules to implement the provisions of this subsection.

2. For the use of the Iowa department of public health, division of substance abuse and health promotion, for the integration of reproductive health services with substance abuse programs:

..... \$ 100,000

To be eligible for funding under this subsection, a program shall be a residential treatment provider which provides services to a large number of women of childbearing age.

3. Nothing in this section shall be construed or is intended as, or shall imply, a grant of entitlement for services to persons who are eligible for services in accordance with the provisions of this section. Any state obligation to provide services pursuant to this section is limited to the extent of the funds appropriated in this section.

Sec. 413. MEDICAL ASSISTANCE -- ENHANCED SERVICES FOR HIGH-RISK PREGNANCIES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purposes designated:



- 1. For provider costs to perform risk assessments for pregnant women eligible for medical assistance:  
..... \$ 71,000
- 2. For medical assistance costs to provide enhanced services for high-risk pregnancies in accordance with this section:  
..... \$ 72,000

The department of human services and the Iowa department of public health shall jointly develop risk assessment criteria which shall be applied to all pregnant women eligible for medical assistance. If a pregnant woman is determined to have a high-risk pregnancy by use of the risk assessment, enhanced services shall be made available to the woman. Enhanced services shall include care coordination, health education, social services, nutrition education, and a postpartum home visit. The department of human services may adopt emergency rules to implement the provisions of this section.

Sec. 414. INFANT MORTALITY AND MORBIDITY PREVENTION PILOT PROJECT. The Iowa department of public health shall award grants to establish an infant mortality and morbidity prevention pilot project beginning October 1, 1992, and ending June 30, 1995, in the designated areas of Polk, Scott, and Woodbury counties. The recipient of a grant shall establish a resource mothers program or coordinate existing resource mothers programs in the targeted areas and shall do all of the following:

- 1. Identify barriers to positive birth outcomes and encourage cooperation in the targeted area to reduce infant mortality and morbidity.
- 2. Develop an inventory of existing community resources, including both public and private organizations, which are designed to reduce infant mortality.
- 3. Collaborate with local chambers of commerce, businesses, and civic organizations, including both public and private organizations, to establish a coupon bonus program for pregnant women residing in the targeted area to encourage the pregnant women to seek prenatal care and to encourage mothers

of children through one year of age to utilize the early and periodic screening, diagnosis, and treatment program. The coupon bonus program shall provide for the validation of coupons by health care providers, following the provision of prenatal care or care provided to a child through one year of age, which may be exchanged for the provision of goods or services by sponsors within the community.

Sec. 415. PRENATAL TO PRESCHOOL FAMILY AND CHILD PROTECTION SERVICES PROGRAM.

1. The Iowa department of public health shall develop a program for the awarding of a grant to a statewide child abuse prevention organization for the development and implementation of the prenatal to preschool family and child protection services program to be implemented beginning October 1, 1992, and ending October 1, 1995, in at least three urban and three rural counties, three of which shall be coordinated with the existing infant mortality and morbidity programs in Polk, Scott, and Woodbury counties, and all of which shall be implemented through the use of existing nonprofit home health programs. The department shall make a request for proposals application available to any organization requesting an application by August 1, 1992, and shall require the completed application to be returned to the department by September 1, 1992.

2. The department shall adopt rules which establish the criteria for the awarding of a grant to an applicant. The criteria shall include but are not limited to the required match of one dollar provided by the organization for each two dollars provided by the state.

- 3. A grant recipient shall do all of the following:
  - a. Implement the proposed program by October 1, 1992.
  - b. Coordinate the program with the infant mortality and morbidity prevention programs in existence in Polk, Scott, and Woodbury counties.
  - c. To the maximum extent possible, utilize existing programs and services necessary for implementation of the program.

d. Utilize nonprofit home health programs in the development and implementation of the program.

4. The Iowa department of public health shall submit an evaluation of the program, by January 15, annually, to the governor and the general assembly.

Sec. 416. APPROPRIATION -- INFANT MORTALITY AND MORBIDITY -- HEALTHY FAMILY PROGRAM. There is appropriated from the general fund of the state to the Iowa department of public health, for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, for the purposes designated:

..... \$ 665,000

1. Of the moneys appropriated in this section, not more than \$165,000 shall be used to award grants to establish infant mortality and morbidity prevention pilot projects in Polk, Scott, and Woodbury counties in the areas designated by the Iowa department of public health as areas with the highest infant mortality rates. Of the amount appropriated, not more than 15 percent shall be used for administrative expenses.

2. Of the moneys appropriated in this section, not more than \$335,000 shall be used to award a grant to a statewide child abuse prevention organization for the development and implementation of the prenatal to preschool family and child protection services program to be implemented beginning October 1, 1992.

3. Of the moneys appropriated in this section, not more than \$25,000 shall be used for departmental staff support of a multidisciplinary team conducting research concerning the causes of individual infant deaths in the state. Funding of the multidisciplinary team concerning an individual case shall be used solely for research purposes.

4. Of the moneys appropriated in this section, not more than \$140,000 shall be used to increase the use of mid-level practitioners to improve access to prenatal health care. The funds shall be used to issue three grants in equal amounts to hospitals, public health programs, or maternal health clinics to develop programs to provide services to pregnant women,

utilizing nurse midwives with hospital privileges and physician support, in areas of the state with insufficient availability of obstetrical services.

Sec. 417. IOWA CENTER FOR HEALTH ISSUES -- ESTABLISHED. There is appropriated from moneys collected by the division of insurance pursuant to section 505.7, subsection 3, from the amount collected in excess of \$310,815, to the division of insurance for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary to be used for the purposes designated:

For the awarding of a grant, by the division, to a private institution to establish a center for use as a forum for the purposes of community discussion and consensus building, public education, and research in the area of health care and health-related issues, particularly in the area of ethical decision making:  
..... \$ 75,000

Criteria for the awarding of a grant includes but is not limited to:

1. That the recipient be a private institution which is centrally located in the state, which does not directly provide medical or health services, and which has developed credibility among the health care and business community.

2. That the institution is able to draw from a variety of disciplines including but not limited to the health services, law, sociology, insurance, economics, education, and public administration in carrying out the purpose of the center.

3. That the institution provide physical space for the holding of meetings, forums, and other activities of the center, and that the institution be capable of holding meetings, forums, and other activities throughout the state.

4. That the institution provide or develop independent funding, in an amount which is one dollar for every state dollar provided, from sources including but not limited to private contributions or federal funding.

The grant recipient shall cooperate with the division in establishing the center. The division shall perform ongoing

evaluation of the activities of the center and shall make recommendations to the grant recipient regarding improved effectiveness of the activities of the center.

Sec. 418. VERIFICATION OF SPENDING REDUCTIONS. The department of human services, the Iowa department of public health, and the commissioner of insurance, shall submit reports to the governor and the general assembly by January 15, 1993, regarding the effectiveness or proposed effectiveness of the initiatives established in this division in reducing health care costs.

Sec. 419. NEW SECTION. 135.106 IOWA HEALTHY FAMILY PROGRAM -- ESTABLISHED.

1. The Iowa department of public health shall establish an Iowa healthy family program to provide services to families and children during the prenatal through preschool years. The program shall be designed to promote optimal child development, improve family coping skills and functioning, and promote positive parenting skills and intrafamilial interaction, with the goal of prevention of child abuse and neglect.

2. The program shall include the following components which shall be developed and implemented to provide for coordination of services to the greatest extent possible:

- a. An infant mortality and morbidity prevention program.
- b. A prenatal to preschool family and child protection services program.

3. The infant mortality and morbidity prevention program shall include, but is not limited to, the following components:

- a. The establishment of pilot projects, through the awarding of grants, in three counties of the state which have areas with the state's highest infant mortality rates, to identify barriers to positive birth outcomes, to encourage collaboration and cooperation among providers of health care, social services, and other services to pregnant women and infants, and to encourage pregnant women and women of childbearing years to seek health care and other services which result in positive birth outcomes.

b. The establishment of a resource mothers program to provide pregnant and postpartum women with individual guidance, information, and access to health care. As used in this section, "resource mothers program" means a community outreach program which provides for home visits by women who have experience as mothers and who have knowledge of health care services, social services, or related fields of services and who provide pregnant and postpartum women with information and access to health care and other services necessary for positive birth outcomes.

4. The prenatal to preschool family and child protection services program shall be developed and implemented by the recipient of a grant awarded by the department and shall include but is not limited to all of the following components:

a. Systematic hospital-based screening for the highest percent of high-risk families of newborns in specific geographic areas. The systematic hospital-based screening component shall provide that a resource mother identifies hospital admissions data for childbirths to determine high-risk families, based upon risk indicators developed by rule of the department. The woman who is a member of a family which is identified to be at high-risk shall be interviewed by the resource mother to encourage the woman to accept services including but not limited to home visits, support services, and instruction in child care and development.

b. Community-based home visiting family support services. Following identification of a family as high-risk and acceptance of a family of services under the program, the resource mother shall initiate home visits to assess the needs of the family and to refer the family to appropriate services.

c. Individualization of the intensity of services based upon the family's need and level of risk. The resource mother shall assess the specific needs of the participating family to ensure appropriate access to services and necessary frequency of services.

d. Linkage to a "medical home". The resource mother shall assist participating families in the selection of a primary

care provider in order to promote preventive health care and positive child development. The resource mother assigned to a family shall track the scheduling and completion of and the provision of transportation to health care visits. The resource mother shall also review the results of health care visits and coordinate future visits or referrals to necessary services.

e. Coordination of a range of health and social services for at-risk families, including the provision of the appropriate levels or types of immunizations to children participating in the program.

f. Continuous follow-up with the family until the identified child reaches age three, except in the case of high-risk families in which case the follow-up shall continue to age four.

g. A structured training program in the dynamics of abuse and neglect. The grant recipient shall provide a training program to establish uniform standards for service delivery.

h. Provision of crisis child care through utilization of existing child care services to participants in the program.

i. Evaluation of the program, including an evaluation of the effects on the reduction in risk factors for the participants, an evaluation of the services provided, and recommendations for changes in or expansion of the program.

j. To the extent possible, private party, third party, and medical assistance including the early and periodic screening, diagnosis, and treatment (EPSDT) program, shall be utilized as a reimbursement to defray the costs of services provided.

5. The department shall adopt rules to establish and implement the healthy family program which address all of the following:

a. The entering of an interagency agreement with the department of human services by which the department may refer a family at high-risk, based upon reports to the department of human services, of the need for services.

b. The criteria for the awarding of a grant for the development and implementation of the infant mortality and

morbidity prevention pilot program and for the development and implementation of the prenatal to preschool family and child protection services program.

c. The components required of a grant applicant for inclusion in an infant mortality and morbidity prevention pilot program proposal and in a prenatal to preschool family and child protection services program proposal.

d. Establishment of risk indicators to be used in the systematic hospital-based screening component of the prenatal to preschool family and child protection services program.

e. Designation of the areas of the counties selected for implementation of the infant mortality and morbidity prevention pilot program which have the highest infant mortality rate based on census tracts.

f. Designation, in cooperation with the grant recipient, of the counties of the state for implementation of the prenatal to preschool family and child protection services program.

Sec. 420. Section 249A.3, subsection 7, Code Supplement 1991, is amended to read as follows:

7. In determining the eligibility of an individual for medical assistance under this chapter, the department shall consider resources transferred to the individual's spouse on ~~or after October 17, 1989~~ or to a person other than the individual's spouse on or after July 1, ~~1989~~ 1992, as provided under which are nonexempt resources or interests in resources, owned by the transferor within the preceding sixty months which the transferor gave away or sold at less than fair market value for the purpose of establishing eligibility for medical assistance under this chapter, to the extent consistent with the federal Social Security Act, section 1917(c), as codified in 42 U.S.C. § 1396p(c), as amended.

Sec. 421. EMERGENCY RULES. If specifically authorized by a provision of this Act, the department of human services may adopt administrative rules under section 17A.4, subsection 2, and section 17A.5, subsection 2, paragraph "b", to implement the provisions and the rules shall become effective

immediately upon filing, unless a later effective date is specified in the rules. Any rules adopted in accordance with the provisions of this section shall also be published as notice of intended action as provided in section 17A.4.

## DIVISION V

## ACROSS-THE-BOARD REDUCTIONS

## Sec. 501. REDUCTIONS OF FISCAL YEAR 1992-1993

## APPROPRIATIONS.

1. Moneys appropriated from the general fund of the state for the fiscal year beginning July 1, 1992, by the Seventy-fourth General Assembly, and standing unlimited appropriations from the general fund of the state subject to the provisions of section 8.31 for the fiscal year beginning July 1, 1992, are reduced by 5 percent. However, moneys appropriated from the general fund of the state for the fiscal year beginning July 1, 1992, shall not be reduced by this subsection if the appropriation is made in this Act or is listed in subsection 2 or 3.

2. The following appropriations from the general fund of the state for the fiscal year beginning July 1, 1992, are reduced by 2 percent: 1992 Iowa Acts, chapter 1243, House File 2459, section 16, subsection 1; 1992 Iowa Acts, chapter 1244, House File 2462, sections 8 and 9; 1992 Iowa Acts, chapter 1246, House File 2465, section 1, subsection 10; 1992 Iowa Acts, chapter 1246, House File 2465, section 3, subsection 1; 1992 Iowa Acts, chapter 1246, House File 2465, section 8; 1992 Iowa Acts, chapter 1246, House File 2465, section 10; 1992 Iowa Acts, chapter 1240, Senate File 2348, sections 7 and 8; Code Supplement 1991, section 261.25, subsections 1, 2, and 3, as amended by 1992 Iowa Acts, chapter 1246, House File 2465, section 30; Code Supplement 1991, section 261.85, as amended by 1992 Iowa Acts, chapter 1246, House File 2465, section 33; 1991 Iowa Acts, chapter 267, section 202, subsection 1; 1992 Iowa Acts, chapter 1240, Senate File 2348, section 1, subsections 1, 2, 5, and 6, sections 2 and 3, section 5, subsections 1 through 4, and section 6; Code Supplement 1991, section 663A.5; and Code 1991, section 815.1.

3. The appropriation reduction in subsections 1 and 2 shall not apply to the following appropriations: 1992 Iowa Acts, chapter 1247, House File 2486, section 21; 1992 Iowa Acts, chapter 1243, House File 2459, section 16, subsections 2 through 6; 1992 Iowa Acts, chapter 1237, House File 2457; 1992 Iowa Acts, chapter 1241, Senate File 2355, except for section 29; Code 1991, section 229.35; Code 1991, section 230.8; Code 1991, section 230.11; 1992 Iowa Acts, chapter 1240, Senate File 2348, section 4, and section 5, subsections 5 and 6; 1992 Iowa Acts, chapter 1242, House File 2455, section 7, subsections 1 and 2; Code 1991, section 19.10; Code 1991, section 19.29; Code 1991, sections 25.2 and 25A.11; 1991 Code Supplement, section 257.16, as amended by the following: 1992 Iowa Acts, chapter 1232, Senate File 2116, section 303, and 1992 Iowa Acts, chapter 1208, Senate File 2371, section 1; 1991 Code Supplement, section 257.20, as amended by the following: 1992 Iowa Acts, chapter 1227, Senate File 2351, section 16, and 1992 Iowa Acts, chapter 1230, Senate File 2320, section 8; Code Supplement 1991, section 96.7, subsection 7, paragraph "d"; and section 503 of this Act.

4. The reductions in appropriations in subsections 1 and 2 shall be carried out uniformly and proportionately in the manner specified in section 8.31. Upon implementing the reductions specified in subsections 1 and 2, the department of management shall submit a report to the chairpersons and ranking members of the appropriations committees of each house and to the legislative fiscal bureau detailing how the reductions in subsections 1 and 2 were implemented.

5. Notwithstanding the contingency language contained in 1992 Iowa Acts, chapter 1247, House File 2486, section 22, the appropriation made in that section shall be made and is effective upon the enactment of the increase in the sales and use tax rate from four percent to five percent by any session of the general assembly. The appropriation made in that section shall not be reduced under the provisions of subsection 1 or 2 of this section.

Sec. 502. Section 602.8106, subsection 4, Code Supplement 1991, is amended to read as follows:

4. The clerk shall deposit all other fines and forfeited bail received from a magistrate in the court revenue distribution account established in section 602.8108, except ~~that annually the first two million five hundred thousand dollars in including those~~ fines which are imposed through vehicle violation citations issued by motor vehicle division personnel at portable and fixed weigh stations in the state ~~which shall be credited to the road use tax fund.~~

Sec. 503. 1992 Iowa Acts, chapter 1246, House File 2465, section 4, subsection 1, is amended to read as follows:

1. Notwithstanding section 294A.25, for the educational excellence program:

.....	\$ 92,297,891
	<u>80,297,891</u>
..... FTEs	1.00

Sec. 504. 1992 Iowa Acts, chapter 1247, House File 2486, section 26, is amended to read as follows:

SEC. 26. RECOMMENDATIONS OF THE GOVERNOR'S COMMITTEE ON GOVERNMENT SPENDING REFORM. The general assembly encourages and authorizes the governor to implement the following recommendations of the governor's committee on government spending reform:

1. Consolidate and provide for common management of state data processing centers.
2. Provide through the state department of transportation for renewal of drivers' licenses by mail.
3. Establish state collection standards and policy.
4. Identify unrecognized receivables owed the state.
5. Review personal computer acquisitions by the state.
6. Initiate local government coordination of information systems, subject to approval of the legislative council.
7. Consolidate state printing facilities.
8. Eliminate the state aircraft pool or consolidate the Iowa state university aircraft pool.

9. Develop a uniform financial reporting and accounting system.

10. Develop a statewide system for delivery of state-offered services.

11. Implement a system for management of federal funds.

12. Expand the use of voice mail telephone answering systems.

13. Establish an enterprise plan for technology.

The cost savings realized under implementation of recommendations pursuant to this section during the fiscal year beginning July 1, 1992, shall not be less than \$500,000.

In addition the governor shall submit to the general assembly by February 1, 1993, a status report delineating the implementation status of all of the recommendations of the governor's committee on government spending and reform.

Sec. 505. 1990 Iowa Acts, chapter 1271, section 1701, subsection 3, is amended to read as follows:

3. For the fiscal year beginning July 1, 1992, and ending June 30, 1993:

.....	\$ 3,913,600
	<u>0</u>

Sec. 506. REVERSION OF GENERAL FUND MONEYS. For those departments and agencies for which the general administration moneys appropriated from the general fund of the state were reduced by less than five percent in section 501 of this Act, the director of the department of management shall reduce the allotment of general fund moneys for general administration proportionally to achieve a savings in out-of-state travel and equipment purchases of \$6,000,000 for the fiscal year beginning July 1, 1992.

Sec. 507. Section 328.56, Code 1991, is repealed.

Sec. 508. The state department of transportation shall sell all aircraft in the state aircraft pool. Any moneys derived from the sale of the aircraft shall be deposited in the general fund of the state. Any unencumbered moneys existing in the state aircraft revolving fund shall be transferred to the general fund of the state. The sale of

aircraft in the state's aircraft pool shall be completed by January 1, 1993.

DIVISION VI  
EFFECTIVE DATE

Sec. 601. EFFECTIVE DATE. Except as otherwise provided in this Act, this Act takes effect July 1, 1992.

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MICHAEL E. GRONSTAL  
President of the Senate

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ROBERT C. ARNOULD  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2393, Seventy-fourth General Assembly.

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JOHN F. DWYER  
Secretary of the Senate

Approved June 25, 1992

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TERRY E. BRANSTAD  
Governor

**SF 2393**

