

FEB 3 1998  
APPROPRIATIONS

HOUSE FILE 2127  
BY WARNSTADT

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to the transfer of lottery revenues to a special  
2 fund for certain capital projects and to the repeal of the  
3 committing the lottery to environment, agriculture, and  
4 natural resources (CLEAN) fund.

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

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1 Section 1. Section 8.22A, subsection 5, paragraph a, Code  
2 1997, is amended to read as follows:

3 a. The amount of lottery revenues for the following fiscal  
4 year to be ~~available-for-disbursement~~ transferred from the  
5 lottery fund to the capital investment fund following the  
6 deductions made pursuant to section 99E.10, subsection 1.

7 Sec. 2. Section 99E.10, subsection 1, unnumbered paragraph  
8 3, Code Supplement 1997, is amended to read as follows:

9 ~~The committing the lottery to environment, agriculture, and~~  
10 ~~natural resources fund, also to be known as the EBAN fund, A~~  
11 capital investment fund is created in the office of the  
12 treasurer of state. Lottery revenue remaining after expenses  
13 are determined shall be transferred to the EBAN capital  
14 investment fund on a monthly basis. Revenues generated during  
15 the last month of the fiscal year which are transferred to the  
16 EBAN capital investment fund during the following fiscal year  
17 shall be considered revenues transferred during the previous  
18 fiscal year ~~for purposes of the allotments made to and~~  
19 ~~appropriations made from the separate accounts in the EBAN~~  
20 ~~fund for that previous fiscal year.~~ However, upon the request  
21 of the director and subject to approval by the treasurer of  
22 state, an amount sufficient to cover the foreseeable  
23 administrative expenses of the lottery for a period of twenty-  
24 one days may be retained from the lottery revenue. Prior to  
25 the monthly transfer to the EBAN capital investment fund, the  
26 director may direct that lottery revenue shall be deposited in  
27 the lottery fund and in interest-bearing accounts designated  
28 by the treasurer of state in the financial institutions of  
29 this state or invested in the manner provided in section  
30 12B.10. Interest or earnings paid on the deposits or  
31 investments is considered lottery revenue and shall be  
32 transferred to the EBAN capital investment fund in the same  
33 manner as other lottery revenue. Money in the EBAN capital  
34 investment fund shall be deposited in interest-bearing  
35 accounts in financial institutions in this state or invested

1 in the manner provided in section 12B.10. The interest or  
2 earnings on the deposits or investments shall be considered  
3 part of the CEBAN capital investment fund and shall be  
4 retained in the fund unless appropriated by the general  
5 assembly.

6 Sec. 3. Section 99E.10, subsection 2, Code Supplement  
7 1997, is amended to read as follows:

8 2. The director of the department of management shall not  
9 include lottery revenues in the director's fiscal year revenue  
10 estimates. ~~Moneys in the CEBAN fund shall not be considered a~~  
11 ~~part of the Iowa economic emergency fund.~~

12 Sec. 4. Section 99E.10, Code Supplement 1997, is amended  
13 by adding the following new subsection:

14 NEW SUBSECTION. 3. Moneys in the capital investment fund  
15 shall be appropriated by the general assembly for use for  
16 capital projects which are not vertical infrastructure  
17 projects as defined in section 8.57, subsection 5, and which  
18 are projects that will be completed within three years from  
19 the beginning of the project.

20 Sec. 5. Section 99E.20, subsection 2, Code 1997, is  
21 amended to read as follows:

22 2. A lottery fund is created in the office of the  
23 treasurer of state. The fund consists of all revenues  
24 received from the sale of lottery tickets or shares and all  
25 other moneys lawfully credited or transferred to the fund.  
26 The commissioner shall certify monthly that portion of the  
27 fund that is transferred to the CEBAN capital investment fund  
28 under section 99E.10 and shall cause that portion to be  
29 transferred to the CEBAN capital investment fund ~~of the state.~~  
30 The commissioner shall certify before the twentieth of each  
31 month that portion of the lottery fund resulting from the  
32 previous month's sales to be transferred to the CEBAN capital  
33 investment fund.

34 Sec. 6. Section 99E.34, Code 1997, is repealed.

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EXPLANATION

1 The bill repeals provisions relating to the committing the  
2 lottery to environment, agriculture, and natural resources  
3 (CLEAN) fund and to the deposit of lottery proceeds into that  
4 fund. The bill instead provides for deposit of the lottery  
5 proceeds into a capital investment fund. Moneys in this fund  
6 must be appropriated by the general assembly for capital  
7 projects which are not vertical infrastructure projects as  
8 defined for purposes of the rebuild Iowa infrastructure fund  
9 and which will be completed within three years of the  
10 beginning of work on the capital project.

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