

APPROPRIATIONS
FILED FEB 25 1999

SENATE FILE 208
BY HARPER, HORN, KIBBIE,
and GRONSTAL

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act creating an enhance Iowa distribution account, a
2 technology assurance fund, and a recreation, environment,
3 arts, culture, and heritage fund; making changes in the
4 rebuild Iowa infrastructure fund; making corresponding
5 statutory changes; and relating to appropriations from the
6 account and funds.

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

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SF 208
APPROPRIATIONS

DIVISION I

1
2 Section 1. NEW SECTION. 8.70 ENHANCE IOWA DISTRIBUTION
3 ACCOUNT.

4 1. An enhance Iowa distribution account is created under
5 the authority of the department of management. The account
6 shall be separate from the general fund of the state and the
7 balance in the account shall not be considered part of the
8 balance of the general fund of the state. The account shall
9 be considered a special account for purposes of section 8.53,
10 relating to generally accepted accounting principles.

11 2. The distribution account shall consist of
12 appropriations made to the account; gifts, bequests,
13 donations, or other moneys designated for deposit in the
14 account; and transfers of interest, earnings, and moneys from
15 other accounts and funds as provided by law.

16 3. Moneys in the distribution account are not subject to
17 section 8.33. Notwithstanding section 12C.7, subsection 2,
18 interest or earnings on moneys in the distribution account
19 shall be credited to the distribution account.

20 4. Moneys in the distribution account shall be transferred
21 in each fiscal year as follows:

22 a. A minimum of \$100,000,000 dollars to the rebuild Iowa
23 infrastructure fund created in section 8.71.

24 b. A minimum of \$50,000,000 dollars to the technology
25 assurance fund created in section 8.72.

26 c. A minimum of \$40,000,000 dollars to the recreation,
27 environment, arts, culture, and heritage fund created in
28 section 8.73.

29 If the estimated budget resources during the fiscal year
30 are insufficient to make the transfers in this subsection in
31 full, the reductions shall be uniform and prorated between all
32 funds upon the basis of the respective transfers. Moneys
33 transferred under this subsection which are unencumbered or
34 unobligated at the end of a fiscal year are subject to
35 transfer for the following fiscal year.

1 5. Moneys in the distribution account in excess of the
2 moneys transferred, as provided in subsection 4, may be
3 appropriated by the general assembly only for purposes for
4 which moneys in the funds created in sections 8.71, 8.72, and
5 8.73 may be used.

6 Sec. 2. NEW SECTION. 8.71 REBUILD IOWA INFRASTRUCTURE
7 FUND.

8 1. A rebuild Iowa infrastructure fund is created under the
9 authority of the department of management. The fund shall be
10 separate from the general fund of the state and the balance in
11 the fund shall not be considered part of the balance of the
12 general fund of the state. The fund shall be considered a
13 special account for purposes of section 8.53, relating to
14 generally accepted accounting principles.

15 2. The infrastructure fund shall consist of appropriations
16 made to the fund; gifts, bequests, donations, or other moneys
17 designated for deposit in the fund; and transfers of interest,
18 earnings, and moneys from other accounts and funds as provided
19 by law.

20 3. Moneys in the fund shall be used for state, local
21 government, and nonprofit entity infrastructure projects;
22 physical infrastructure projects, development, and
23 redevelopment as described in section 15E.175; tuition
24 replacement; buying down interest rates on loans and issuing
25 bonds and notes to encourage economic, agricultural, and other
26 development, including development as provided in chapters 16
27 and 175; for housing and residential development, as defined
28 in section 403.17; and for administrative costs directly
29 related to these types of projects. Nonprofit entity
30 infrastructure projects shall only be funded through the
31 infrastructure fund if the projects are to be used solely for
32 the appropriate objects of the nonprofit entity.

33 4. Notwithstanding section 12C.7, subsection 2, interest
34 or earnings on moneys deposited in the infrastructure fund
35 shall be credited to the enhance Iowa distribution account.

1 5. For purposes of this section, the following definitions
2 shall apply:

3 a. "Infrastructure project" includes, but is not limited
4 to, all of the following:

5 (1) Acquisition of land or other real property.

6 (2) Construction, renovation, repair, or maintenance of
7 buildings, structures, or utilities, including moving costs
8 and related expenses.

9 (3) Preservation or conservation of land or other natural
10 resources.

11 (4) Site development.

12 b. "Local government" means a city, county, or school
13 district.

14 c. "Nonprofit entity" means a literary, scientific,
15 charitable, benevolent, agricultural, or educational
16 institution or society which is not operated for a profit.

17 d. "Tuition replacement" means reimbursement to the state
18 university of Iowa, the Iowa state university of science and
19 technology, and the university of northern Iowa for
20 deficiencies in their operating funds resulting from the
21 pledging of tuition, student fees and charges, and
22 institutional income to finance the cost of providing academic
23 and administrative buildings and facilities and utility
24 services at the institutions.

25 Sec. 3. NEW SECTION. 8.72 TECHNOLOGY ASSURANCE FUND.

26 1. A technology assurance fund is created under the
27 authority of the department of management. The fund shall be
28 separate from the general fund of the state and the balance in
29 the fund shall not be considered part of the balance of the
30 general fund of the state. The fund shall be considered a
31 special account for purposes of section 8.53, relating to
32 generally accepted accounting principles.

33 2. The technology assurance fund shall consist of
34 appropriations made to the fund; gifts, bequests, donations,
35 or other moneys designated for deposit in the fund; and

1 transfers of interest, earnings, and moneys from other
2 accounts and funds as provided by law.

3 3. Moneys in the fund shall be used for improvements and
4 enhancements to information and communication technology and
5 for administrative costs directly related to such improvements
6 and enhancements. For purposes of this section, "technology"
7 includes, but is not limited to, voice, video, and data
8 technology; supporting structures and equipment, such as
9 towers and transmission dishes; administrative costs directly
10 related to development, acquisition, and implementation of
11 technology; and the police radio broadcasting system.

12 "Improvements and enhancements to information and
13 communication technology" includes the leasing of technology.

14 4. Notwithstanding section 12C.7, subsection 2, interest
15 or earnings on moneys deposited in the technology assurance
16 fund shall be credited to the enhance Iowa distribution
17 account.

18 Sec. 4. NEW SECTION. 8.73 RECREATION, ENVIRONMENT, ARTS,
19 CULTURE, AND HERITAGE FUND.

20 1. A recreation, environment, arts, culture, and heritage
21 fund is created under the authority of the department of
22 management. The fund shall be separate from the general fund
23 of the state and the balance in the fund shall not be
24 considered part of the balance of the general fund of the
25 state. The fund shall be considered a special account for
26 purposes of section 8.53, relating to generally accepted
27 accounting principles.

28 2. The recreation, environment, arts, culture, and
29 heritage fund shall consist of appropriations made to the
30 fund; gifts, bequests, donations, or other moneys designated
31 for deposit in the fund; and transfers of interest, earnings,
32 and moneys from other accounts and funds as provided by law.

33 3. Moneys in the fund shall be used for the acquisition,
34 management, and maintenance of public lands; the construction,
35 renovation, and maintenance of parks and recreational trails;

1 the upgrading of public park and preserve facilities; soil
2 preservation; preservation and conservation of natural
3 resources; the recreational boating program, as described in
4 section 452A.79; recreational improvements and enhancements;
5 cultural preservation, improvement, and enhancement; and
6 administrative costs directly related to any of these
7 activities. Moneys in the fund are appropriated to the Iowa
8 resources enhancement and protection fund as provided in
9 section 455A.18.

10 4. Notwithstanding section 12C.7, subsection 2, interest
11 or earnings on moneys deposited in the fund shall be credited
12 to the enhance Iowa distribution account.

13 Sec. 5. Section 7E.5A, subsection 2, Code 1999, is amended
14 to read as follows:

15 2. As used in this section, "vertical infrastructure"
16 ~~means-the-same-as-defined-in-section-8-577-subsection-57~~
17 paragraph-"e" includes only land acquisition and construction,
18 major renovation and major repair of buildings, all
19 appurtenant structures, utilities, site development, and
20 recreational trails. "Vertical infrastructure" does not
21 include routine, recurring maintenance or operational expenses
22 or leasing of a building, appurtenant structure, or utility
23 without a lease purchase agreement.

24 Sec. 6. Section 8.22A, subsection 5, paragraph b, Code
25 1999, is amended to read as follows:

26 b. The amount of revenue for the following fiscal year
27 from gambling revenues and from interest earned on the cash
28 reserve fund and the economic emergency fund to be deposited
29 in the ~~rebuild-Iowa-infrastructure-fund-under-section-8-577~~
30 subsection-57-paragraph-"e" enhance Iowa distribution account
31 created in section 8.70.

32 Sec. 7. Section 8.55, subsection 4, Code 1999, is amended
33 to read as follows:

34 4. Notwithstanding section 12C.7, subsection 2, interest
25 or earnings on moneys deposited in the Iowa economic emergency

1 fund shall be credited to the ~~rebuild-Iowa-infrastructure-fund~~
2 enhance Iowa distribution account created in section 8.70.

3 Sec. 8. Section 8.56, subsection 1, Code 1999, is amended
4 to read as follows:

5 1. A cash reserve fund is created in the state treasury.
6 The cash reserve fund shall be separate from the general fund
7 of the state and shall not be considered part of the general
8 fund of the state except in determining the cash position of
9 the state as provided in subsection 3. The moneys in the cash
10 reserve fund are not subject to section 8.33 and shall not be
11 transferred, used, obligated, appropriated, or otherwise
12 encumbered except as provided in this section.

13 Notwithstanding section 12C.7, subsection 2, interest or
14 earnings on moneys deposited in the cash reserve fund shall be
15 credited to the ~~rebuild-Iowa-infrastructure-fund-created-in~~
16 section 8.57 enhance Iowa distribution account created in
17 section 8.70. Moneys in the cash reserve fund may be used for
18 cash flow purposes provided that any moneys so allocated are
19 returned to the cash reserve fund by the end of each fiscal
20 year. However, the fund shall be considered a special account
21 for the purposes of section 8.53.

22 Sec. 9. Section 8.57, subsection 5, Code 1999, is amended
23 by striking the subsection.

24 Sec. 10. Section 8.58, Code 1999, is amended to read as
25 follows:

26 8.58 EXEMPTION FROM AUTOMATIC APPLICATION.
27 To the extent that moneys appropriated under section 8.57
28 do not result in moneys being credited to the general fund
29 under section 8.55, subsection 2, moneys appropriated under
30 section 8.57 and moneys contained in the cash reserve fund;
31 enhance Iowa distribution account; rebuild Iowa infrastructure
32 fund; technology assurance fund; recreation, environment,
33 arts, culture, and heritage fund; and Iowa economic emergency
34 fund shall not be considered in the application of any
35 formula, index, or other statutory triggering mechanism which

1 would affect appropriations, payments, or taxation rates,
2 contrary provisions of the Code notwithstanding.

3 To the extent that moneys appropriated under section 8.57
4 do not result in moneys being credited to the general fund
5 under section 8.55, subsection 2, moneys appropriated under
6 section 8.57 and moneys contained in the cash reserve fund;
7 enhance Iowa distribution account; rebuild Iowa infrastructure
8 fund; technology assurance fund; recreation, environment,
9 arts, culture, and heritage fund; and Iowa economic emergency
10 fund shall not be considered by an arbitrator or in
11 negotiations under chapter 20.

12 Sec. 11. Section 8.62, subsection 2, Code 1999, is amended
13 to read as follows:

14 2. Notwithstanding the provisions of section 8.33 or any
15 other provision of law to the contrary, if on June 30 of a
16 fiscal year, a balance of an operational appropriation remains
17 unexpended or unencumbered, not more than fifty thirty-three
18 and one-third percent of the balance may be encumbered by the
19 agency to which the appropriation was made and used as
20 provided in this section and the remaining balance shall be
21 deposited in the cash reserve fund created in section 8.56.
22 Moneys encumbered under this section shall only be used by the
23 agency during the succeeding fiscal year for employee training
24 and for technology enhancement. Unused moneys encumbered
25 under this section shall be deposited in the cash reserve fund
26 on June 30 of the succeeding fiscal year.

27 Sec. 12. Section 15.354, subsection 1, Code 1999, is
28 amended to read as follows:

29 1. The local housing assistance program fund is created
30 consisting of one million dollars appropriated from the
31 rebuild Iowa infrastructure fund each fiscal year starting
32 with the fiscal year beginning July 1, ~~1997~~ 1999, and ending
33 June 30, ~~1998~~ 2000, and ending with the fiscal year beginning
34 July 1, 2001, and ending June 30, 2002, notwithstanding
35 ~~section-8-57, subsection-5, paragraph-"c"~~ and any other

1 moneys appropriated to or received by the department for
2 deposit in the fund.

3 Sec. 13. Section 99D.17, Code 1999, is amended to read as
4 follows:

5 99D.17 USE OF FUNDS.

6 Funds received pursuant to sections 99D.14 and 99D.15 shall
7 be deposited in the ~~general fund of the state and shall be~~
8 ~~subject to the requirements of section 8.60~~ enhance Iowa
9 distribution account created in section 8.70. ~~These funds~~
10 ~~shall first be used to the extent appropriated by the general~~
11 ~~assembly.~~ The commission is subject to the budget
12 requirements of chapter 8 and the applicable auditing
13 requirements and procedures of chapter 11.

14 Sec. 14. Section 99E.10, subsection 1, unnumbered
15 paragraph 3, Code 1999, is amended to read as follows:

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

1 manner provided in section 12B.10. Interest or earnings paid
2 on the deposits or investments is considered lottery revenue
3 and shall be transferred to the CEBAN general fund of the
4 state in the same manner as other lottery revenue. Money-in
5 ~~the-CEBAN-fund-shall-be-deposited-in-interest-bearing-accounts~~
6 ~~in-financial-institutions-in-this-state-or-invested-in-the~~
7 ~~manner-provided-in-section-12B:10.--The-interest-or-earnings~~
8 ~~on-the-deposits-or-investments-shall-be-considered-part-of-the~~
9 ~~CEBAN-fund-and-shall-be-retained-in-the-fund-unless~~
10 ~~appropriated-by-the-general-assembly-~~

11 Sec. 15. Section 99E.10, subsection 2, Code 1999, is
12 amended to read as follows:

13 2. The director of management shall not include lottery
14 revenues in the director's fiscal year revenue estimates.
15 ~~Moneys-in-the-CEBAN-fund-shall-not-be-considered-a-part-of-the~~
16 ~~Iowa-economic-emergency-fund-~~

17 Sec. 16. Section 99E.20, subsection 2, Code 1999, is
18 amended to read as follows:

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

31 Sec. 17. Section 99F.11, subsection 4, Code 1999, is
32 amended to read as follows:

33 4. The remaining amount of the adjusted gross receipts tax
34 shall be ~~credited to~~ deposited in the general-fund-of-the
35 state enhance Iowa distribution account created in section

1 8.70.

2 Sec. 18. Section 161A.80, subsection 2, Code 1999, is
3 amended to read as follows:

4 2. A blufflands protection revolving fund is created in
5 the state treasury. All proceeds shall be divided into two
6 equal accounts. One account shall be used for the purchase of
7 blufflands along the Mississippi river and its tributaries and
8 the other account shall be used for the purchase of blufflands
9 along the Missouri river and its tributaries. The proceeds of
10 the revolving fund are appropriated to make loans to
11 conservation organizations which agree to purchase bluffland
12 properties adjacent to state public lands. The department
13 shall adopt rules pursuant to chapter 17A to administer the
14 disbursement of funds. Notwithstanding section 12C.7,
15 interest or earnings on investments made pursuant to this
16 section or as provided in section 12B.10 shall be credited to
17 the blufflands protection revolving fund. Notwithstanding
18 section 8.33, unobligated or unencumbered funds credited to
19 the blufflands protection revolving fund shall not revert at
20 the close of a fiscal year. However, the maximum balance in
21 the blufflands protection revolving fund shall not exceed two
22 million five hundred thousand dollars. Any funds in excess of
23 two million five hundred thousand dollars shall be credited to
24 the ~~rebuild-Iowa-infrastructure-fund~~ enhance Iowa distribution
25 account as created in section 8.70.

26 a. This section is repealed on July 1, 2005.

27 b. The principal and interest from any blufflands
28 protection loan outstanding on July 1, 2005, and payable to
29 the blufflands protection revolving fund, shall be paid to the
30 administrative director of the division of soil conservation
31 on or after July 1, 2005, pursuant to the terms of the loan
32 agreement and shall be credited to the ~~rebuild-Iowa~~
33 ~~infrastructure-fund~~ enhance Iowa distribution account as
34 created in section 8.70.

35 Sec. 19. Section 423.24, subsection 1, paragraph a,

1 subparagraph (1), Code 1999, is amended to read as follows:

2 (1) Twenty-five percent of all such revenue, up to a
3 maximum of four million two hundred fifty thousand dollars per
4 quarter, shall be deposited into and credited to the following
5 account and fund in the following amounts:

6 (a) For each fiscal year in the fiscal period beginning
7 July 1, 1999, and ending June 30, 2001, one million two
8 hundred fifty thousand dollars per quarter to the enhance Iowa
9 distribution account, created in section 8.70, to be used as
10 provided in that section.

11 (b) For each fiscal year in the fiscal period beginning
12 July 1, 1999, and ending June 30, 2001, up to three million
13 dollars per quarter to the Iowa comprehensive petroleum
14 underground storage tank fund created in section 455G.37-and
15 the. For fiscal years beginning July 1, 2001, and thereafter,
16 up to four million two hundred fifty thousand dollars per
17 quarter shall be deposited into and credited to the Iowa
18 comprehensive petroleum underground storage tank fund. The
19 moneys so deposited pursuant to this subparagraph subdivision
20 are a continuing appropriation for expenditure under chapter
21 455G, and moneys so appropriated shall not be used for other
22 purposes.

23 Sec. 20. Section 455A.18, subsection 3, Code 1999, is
24 amended to read as follows:

25 3. For the fiscal year beginning July 1, 1999, and ending
26 June 30, 2000, there is appropriated from the recreation,
27 environment, arts, culture, and heritage fund, to the Iowa
28 resources enhancement and protection fund, the amount of
29 fifteen million dollars, to be used as provided in this
30 chapter. For each fiscal year of the fiscal period beginning
31 July 1, ~~1997~~ 2000, and ending June 30, 2021, there is
32 appropriated from the ~~general~~ recreation, environment, arts,
33 culture, and heritage fund, to the Iowa resources enhancement
34 and protection fund, the amount of twenty million dollars, to
35 be used as provided in this chapter. However, ~~in any fiscal~~

1 ~~year-of-the-fiscal-period, if moneys from the lottery are~~
2 ~~appropriated by the state to the fund, the amount appropriated~~
3 ~~under this subsection shall be reduced by the amount~~
4 ~~appropriated from the lottery.~~

5 Section 8.33 does not apply to moneys appropriated under
6 this subsection.

7 Sec. 21. Section 99E.34, Code 1999, is repealed.

8 Sec. 22. TRANSFER OF MONEYS. All unencumbered and
9 unobligated moneys remaining in the rebuild Iowa
10 infrastructure fund at the close of the fiscal year beginning
11 July 1, 1998, shall be transferred to the enhance Iowa
12 distribution account created in this Act, to be used as
13 provided in this Act.

14 DIVISION II

15 Sec. 23. Section 8.6, subsection 13, Code 1999, is amended
16 to read as follows:

17 13. CAPITAL PROJECT BUDGETING REQUESTS. To compile
18 annually all capital project budgeting requests of all state
19 agencies, as defined in section 8.3A, and to consolidate the
20 requests, with individual state agency priorities noted, into
21 a report for submission ~~to the legislative capital projects~~
22 ~~committee not later than November 1~~ with the budget documents
23 by the governor pursuant to section 8.22. Any additional
24 information regarding the capital project budgeting requests
25 or priorities shall be compiled and submitted in the same
26 report.

27 Sec. 24. Section 8.6, subsection 14, unnumbered paragraph
28 1, Code 1999, is amended to read as follows:

29 To prepare annually, in cooperation with the department of
30 general services, a five-year capital project priority plan
31 for all state agencies, as defined in section 8.3A, to be
32 submitted ~~no later than November 1, to the legislative capital~~
33 ~~projects committee~~ with the budget documents by the governor
34 pursuant to section 8.22. The plan shall include but is not
35 limited to the following:

1 Sec. 25. Section 260A.1, subsections 1 and 5, Code 1999,
2 are amended to read as follows:

3 1. ~~Notwithstanding section 8-577-subsection-57-paragraph~~
4 ~~"e"~~ There is appropriated from the ~~rebuild-iowa~~
5 infrastructure technology assurance fund created in section
6 ~~8-57~~ 8.72, to the department of education for each fiscal year
7 of the fiscal period beginning July 1, ~~1997~~ 1999, and ending
8 June 30, 2001, the sum of three million dollars for the
9 community college vocational-technical technology improvement
10 program.

11 5. Moneys received under this section shall supplement,
12 not supplant, the moneys each community college budgets for
13 technology. A community college may also use moneys received
14 under this section for infrastructure projects, as defined in
15 section ~~8-577-subsection-57-paragraph-"e"~~ 8.71, related to the
16 acquisition or installation of technology. A community
17 college shall not be eligible for funds under this section
18 unless the community college, without including moneys
19 received under this section, maintains the same average amount
20 of expenditure for technology per year as the community
21 college maintains during the fiscal period beginning July 1,
22 1994, and ending June 30, 1997.

23 Sec. 26. Section 260A.3, Code 1999, is amended to read as
24 follows:

25 260A.3 COMMUNITY COLLEGE VOCATIONAL-TECHNICAL TECHNOLOGY
26 IMPROVEMENT EXPENDITURES.

27 A community college shall expend funds received pursuant to
28 section 260A.1 for the acquisition, lease, lease-purchase,
29 installation, and maintenance of instructional technology
30 equipment used in vocational-technical programs, including
31 hardware and software, materials, and supplies related to
32 instructional technology, faculty development and training
33 related to instructional technology, and infrastructure
34 projects, as defined in section ~~8-577-subsection-57-paragraph~~
35 ~~"e"~~ 8.71, related to the acquisition or installation of

1 technology funded through this chapter, and shall establish
2 priorities for the use of the funds. However, funds received
3 by a community college pursuant to section 260A.1 shall not be
4 expended to add a full-time equivalent position or otherwise
5 increase staffing.

6 Sec. 27. Section 295.2, subsection 1, Code 1999, is
7 amended to read as follows:

8 1. a. ~~There is appropriated from the general fund of the~~
9 ~~state to the department of education for the fiscal year~~
10 ~~beginning July 17, 1996, and ending June 30, 1997, the sum of~~
11 ~~fifteen million dollars for the school improvement technology~~
12 ~~program.~~

13 b. ~~There is appropriated from the rebuild Iowa~~
14 ~~infrastructure account of the state to the department of~~
15 ~~education for the fiscal year beginning July 17, 1996, and~~
16 ~~ending June 30, 1997, the sum of fifteen million dollars for~~
17 ~~the school improvement technology program.~~

18 c. There is appropriated from the general technology
19 assurance fund of the state created in section 8.72 to the
20 department of education for each fiscal year ~~of the fiscal~~
21 ~~period beginning July 17, 1997, and ending June 30, 2001,~~ the
22 sum of thirty million dollars for the school improvement
23 technology program.

24 Sec. 28. Section 452A.79, unnumbered paragraph 2, Code
25 1999, is amended to read as follows:

26 Annually, the first four hundred eleven thousand three
27 hundred eleven dollars derived from the excise tax on the sale
28 of motor fuel used in watercraft shall be deposited in the
29 general fund of the state. The moneys in excess of four
30 hundred eleven thousand three hundred eleven dollars shall be
31 deposited in the rebuild Iowa infrastructure fund enhance Iowa
32 distribution account created in section 8.70. Moneys
33 deposited to the general fund and to the rebuild Iowa
34 infrastructure fund enhance Iowa distribution account under
35 this section and section 452A.84 are subject to the

1 requirements of section 8.60 and are subject to appropriation
2 by the general assembly to the department of natural resources
3 for use in its recreational boating program, which may include
4 but is not limited to:

5 Sec. 29. Section 461A.3A, Code 1999, is amended to read as
6 follows:

7 461A.3A RESTORE THE OUTDOORS PROGRAM -- APPROPRIATION.

8 1. The department shall establish a restore the outdoors
9 program. The purpose of the program is to provide funding for
10 ~~projects-involving-existing-vertical-infrastructure-as-defined~~
11 ~~in-section-8-577-subsection-57-paragraph-"c"-or~~
12 infrastructure projects, as defined in section 8.71. Funding
13 for the construction of new vertical infrastructure if-the-new
14 shall be limited to construction is required due to increased
15 demand for facilities at the park or if it is not cost-
16 effective to repair or renovate the existing vertical
17 infrastructure. Projects shall be limited to existing state
18 parks and other public facilities managed by the department.

19 2. There is appropriated from the ~~rebuild-iowa~~
20 infrastructure recreation, environment, arts, culture, and
21 heritage fund for each fiscal year of the fiscal period
22 beginning July 1, ~~1997~~ 1999, and ending June 30, 2001, the sum
23 of three million dollars to the department for use in the
24 restore the outdoors program. Notwithstanding section 8.33,
25 unencumbered or unobligated moneys remaining at the end of a
26 fiscal year shall not revert but shall remain available for
27 expenditure during the following fiscal year for purposes of
28 the restore the outdoors program.

29 The department shall provide in its annual budget
30 documentations to the governor and general assembly a report
31 on the use of moneys under the program since the last report
32 and the projected use of future moneys.

33 Sec. 30. 1997 Iowa Acts, chapter 215, section 15, is
34 amended to read as follows:

35 SEC. 15. Notwithstanding section 8.57, subsection 5,

1 paragraph "c", there is appropriated from the rebuild Iowa
2 infrastructure fund to the department of public safety for the
3 fiscal period beginning July 1, 1997, and ending June 30, 2000
4 1999, the following amount, or so much thereof as is
5 necessary, to be used for the conversion of the department of
6 public safety's radio system from analog to digital
7 technology, provided that none of the moneys appropriated in
8 this section shall be used for personnel expenses not
9 associated with the installation of the radio system or for
10 training expenses:

- 11 1. For the fiscal year beginning July 1, 1997, and ending
12 June 30, 1998:
13 \$ 1,897,786
- 14 2. For the fiscal year beginning July 1, 1998, and ending
15 June 30, 1999:
16 \$ 2,074,663
- 17 ~~3. For the fiscal year beginning July 1, 1999, and ending~~
18 ~~June 30, 2000:~~
19 ~~..... \$ 2,339,200~~

20 The department of public safety shall notify local law
21 enforcement agencies and fire departments of the department's
22 intent to purchase new radio equipment and shall allow any
23 local law enforcement agency or fire department, which wishes
24 to purchase with its own funds on the same purchase order, to
25 participate in the joint purchase in order to purchase new
26 radio equipment for the local law enforcement agency or fire
27 department.

28 Notwithstanding section 8.33, unencumbered or unobligated
29 moneys remaining on June 30, 2001, shall revert on August 31,
30 2001.

31 EXPLANATION

32 Division I of this bill creates an enhance Iowa
33 distribution account, a technology assurance fund, and a
34 recreation, environment, arts, culture, and heritage fund. It
35 also makes changes in the structure and administration of the

1 rebuild Iowa infrastructure fund and makes corresponding Code
2 changes.

3 New Code section 8.70 creates an enhance Iowa distribution
4 account under the authority of the department of management,
5 consisting of appropriations to the account and other funds
6 designated for deposit in the account. All gambling revenue,
7 other than lottery revenue, is to be deposited in the account.
8 Currently, Code section 8.57 provides that the first \$60
9 million of such revenue is to be deposited in the general fund
10 of the state, and any revenue in excess of \$60 million is
11 deposited in the rebuild Iowa infrastructure fund. The bill
12 provides that interest or earnings on moneys in the Iowa
13 economic emergency fund and the cash reserve fund are to be
14 deposited in the enhance Iowa distribution account rather than
15 in the rebuild Iowa infrastructure fund.

16 The bill provides that moneys in the enhance Iowa
17 distribution account are to be transferred, by a statutory
18 limited standing appropriation and by yearly appropriations by
19 the general assembly, to the rebuild Iowa infrastructure fund,
20 the technology assurance fund, and the recreation,
21 environment, arts, culture, and heritage fund.

22 The bill restructures the rebuild Iowa infrastructure fund,
23 currently created in Code section 8.57, in new Code section
24 8.71. The new section provides that moneys in the fund are to
25 be used for state, local government, and nonprofit entity
26 infrastructure projects, as defined by the bill; physical
27 infrastructure projects, development, and redevelopment
28 related to economic development; tuition replacement at the
29 regents universities; buying down interest rates on loans and
30 issuing bonds and notes to encourage economic, agricultural,
31 and other development; housing and residential development;
32 and administrative costs directly related to these types of
33 projects.

34 Currently, moneys in the rebuild Iowa infrastructure fund
35 are only to be used for vertical infrastructure projects, as

1 defined in Code section 8.57, or as otherwise provided in
2 session law. The bill provides that interest or earnings on
3 moneys deposited in the infrastructure fund are to be credited
4 to the enhance Iowa distribution account. The bill also
5 provides for the transfer of any funds in the rebuild Iowa
6 infrastructure fund which are unencumbered and unobligated at
7 the end of the fiscal year beginning July 1, 1998, to the
8 enhance Iowa distribution account.

9 New Code section 8.72 creates the technology assurance fund
10 under the authority of the department of management. Moneys
11 in the fund are to be used for improvements and enhancements
12 to information and communication technology and for
13 administrative costs directly related to the improvements and
14 enhancements. The bill provides that interest or earnings on
15 moneys deposited in the technology assurance fund are to be
16 credited to the enhance Iowa distribution account.

17 New Code section 8.73 creates the recreation, environment,
18 arts, culture, and heritage fund under the authority of the
19 department of management. Moneys in the fund are to be used
20 for the acquisition, management, and maintenance of public
21 lands; the construction, renovation, and maintenance of parks
22 and recreational trails; the upgrading of public park and
23 preserve facilities; soil preservation; preservation and
24 conservation of natural resources; the recreational boating
25 program; recreational improvements and enhancements; cultural
26 preservation, improvement, and enhancement; and administrative
27 costs directly related to any of these activities. Moneys are
28 also to be appropriated to the Iowa resources enhancement and
29 protection fund. The bill provides that interest or earnings
30 on moneys deposited in the recreation, environment, arts,
31 culture, and heritage fund are to be credited to the enhance
32 Iowa distribution account.

33 The bill amends Code section 8.62 to provide that, if on
34 June 30 of a fiscal year, a balance of an appropriation from
35 the general fund providing for salary, support, administrative

1 expenses, or other personnel-related costs remains unexpended
2 or unencumbered not more than thirty-three and one-third
3 percent of the balance may be encumbered by the agency to
4 which the appropriation was made and used for employee
5 training and technology enhancement. Currently, up to 50
6 percent of the balance may be so encumbered and used by the
7 agency.

8 Code section 99E.10 is amended by eliminating the
9 committing the lottery to environment, agriculture, and
10 natural resources (CLEAN) fund. Lottery revenues are to be
11 transferred to the general fund of the state instead of the
12 CLEAN fund.

13 The bill repeals Code section 99E.34, which currently makes
14 appropriations from the CLEAN fund to the Iowa resources
15 enhancement and protection fund and the soil conservation
16 account.

17 The bill amends Code section 423.24 to provide that a
18 portion of the use tax revenues which currently are deposited
19 in the Iowa comprehensive petroleum underground storage tank
20 fund shall be deposited in the enhance Iowa distribution
21 account for each fiscal year in the fiscal period beginning
22 July 1, 1999, and ending June 30, 2001.

23 The bill also amends Code section 455A.18 to provide that
24 the annual standing appropriation to the Iowa resources
25 enhancement and protection fund is to be reduced from \$20
26 million to \$15 million for the fiscal year beginning July 1,
27 1999, and is to be made from the recreation, environment,
28 arts, culture, and heritage fund rather than the general fund.
29 The appropriation is to increase to \$20 million for each
30 fiscal year of the fiscal period beginning July 1, 2000, and
31 ending June 30, 2021.

32 Division II of the bill makes several statutory changes,
33 including changing the source of several standing
34 appropriations which are currently made from the rebuild Iowa
35 infrastructure fund.

1 The bill amends Code section 8.6 to provide that the
2 director of the department of management shall submit a
3 compilation of all capital project budgeting requests of all
4 state agencies and a capital project priority plan with other
5 budget documents submitted along with the governor's budget
6 message, rather than by November 1.

7 Code section 260A.1 is amended to provide that the annual
8 standing appropriation to the department of education for the
9 community college vocational-technical technology improvement
10 program shall be made from the newly created technology
11 assurance fund rather than the rebuild Iowa infrastructure
12 fund. The bill also makes the standing appropriation ongoing
13 instead of ending with the fiscal year ending June 30, 2001.

14 Code section 295.2 is amended to provide that the annual
15 standing appropriation to the department of education for the
16 school improvement technology program shall also be made from
17 the technology assurance fund rather than the general fund.

18 The bill amends Code section 452A.79 to provide that marine
19 fuel tax proceeds which are currently deposited in the rebuild
20 Iowa infrastructure fund shall be deposited in the newly
21 created enhance Iowa distribution account.

22 Code section 461A.3A, establishing and appropriating money
23 for the restore the outdoors program, is amended to provide
24 that the annual standing appropriation to the department of
25 natural resources for the program is to be made from the
26 recreation, environment, arts, culture, and heritage fund
27 rather than the rebuild Iowa infrastructure fund.

28 The bill also amends 1997 Iowa Acts, chapter 215, section
29 15, to eliminate an appropriation from the rebuild Iowa
30 infrastructure fund to the department of public safety for
31 conversion of the department's radio system for the fiscal
32 year beginning July 1, 1999.

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