

Substitute for SF 2334  
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Approp.

HOUSE FILE **2627**  
BY COMMITTEE ON APPROPRIATIONS

(COMPANION TO LSB 7314SV BY COMMITTEE  
ON APPROPRIATIONS)

Passed House, Date 5/28/02 Passed Senate, Date <sup>(P. 1249)</sup> 5/28/02  
Vote: Ayes 52 Nays 44 Vote: Ayes 26 Nays 22  
~~Approved~~ 6/12/02  
*Step*  
*Vote*

A BILL FOR

1 An Act making, reducing, and transferring appropriations, and  
2 providing for other properly related matters, providing  
3 penalties, and including effective and applicability date  
4 provisions.

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

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DIVISION I

ADMINISTRATION AND REGULATION

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2  
3 Section 1. AUDITOR OF STATE. There is appropriated from  
4 the general fund of the state to the office of the auditor of  
5 state for the fiscal year beginning July 1, 2002, and ending  
6 June 30, 2003, the following amount, or so much thereof as is  
7 necessary, to be used for the purposes designated:

8 For salaries, support, maintenance, miscellaneous purposes,  
9 and for not more than the following full-time equivalent  
10 positions:

11 .....	\$	1,078,972
12 .....	FTEs	105.47

13 The auditor of state may retain additional full-time  
14 equivalent positions as is reasonable and necessary to perform  
15 governmental subdivision audits which are reimbursable  
16 pursuant to section 11.20 or 11.21, to perform audits which  
17 are requested by and reimbursable from the federal government,  
18 and to perform work requested by and reimbursable from  
19 departments or agencies pursuant to section 11.5A or 11.5B.  
20 The auditor of state shall notify the department of  
21 management, the legislative fiscal committee, and the  
22 legislative fiscal bureau of the additional full-time  
23 equivalent positions retained.

24 Sec. 2. IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD. There  
25 is appropriated from the general fund of the state to the Iowa  
26 ethics and campaign disclosure board for the fiscal year  
27 beginning July 1, 2002, and ending June 30, 2003, the  
28 following amount, or so much thereof as is necessary, for the  
29 purposes designated:

30 For salaries, support, maintenance, miscellaneous purposes,  
31 and for not more than the following full-time equivalent  
32 positions:

33 .....	\$	410,760
34 .....	FTEs	6.00

35 Sec. 3. DEPARTMENT OF COMMERCE. There is appropriated

1 from the general fund of the state to the department of  
2 commerce for the fiscal year beginning July 1, 2002, and  
3 ending June 30, 2003, the following amounts, or so much  
4 thereof as is necessary, for the purposes designated:

5 1. ALCOHOLIC BEVERAGES DIVISION

6 For salaries, support, maintenance, miscellaneous purposes,  
7 and for not more than the following full-time equivalent  
8 positions:

9 .....	\$	1,803,044
10 .....	FTEs	33.00

11 2. BANKING DIVISION

12 For salaries, support, maintenance, miscellaneous purposes,  
13 and for not more than the following full-time equivalent  
14 positions:

15 .....	\$	6,036,125
16 .....	FTEs	72.00

17 3. CREDIT UNION DIVISION

18 For salaries, support, maintenance, miscellaneous purposes,  
19 and for not more than the following full-time equivalent  
20 positions:

21 .....	\$	1,282,995
22 .....	FTEs	19.00

23 4. INSURANCE DIVISION

24 a. For salaries, support, maintenance, miscellaneous  
25 purposes, and for not more than the following full-time  
26 equivalent positions:

27 .....	\$	3,770,164
28 .....	FTEs	93.50

29 b. The insurance division may reallocate authorized full-  
30 time equivalent positions as necessary to respond to  
31 accreditation recommendations or requirements. The insurance  
32 division expenditures for examination purposes may exceed the  
33 projected receipts, refunds, and reimbursements, estimated  
34 pursuant to section 505.7, subsection 7, including the  
35 expenditures for retention of additional personnel, if the

1 expenditures are fully reimbursable and the division first  
2 does both of the following:

3 (1) Notifies the department of management, the legislative  
4 fiscal bureau, and the legislative fiscal committee of the  
5 need for the expenditures.

6 (2) Files with each of the entities named in subparagraph  
7 (1) the legislative and regulatory justification for the  
8 expenditures, along with an estimate of the expenditures.

9 5. PROFESSIONAL LICENSING AND REGULATION DIVISION

10 a. For salaries, support, maintenance, miscellaneous  
11 purposes, and for not more than the following full-time  
12 equivalent positions:

13 .....	\$	748,342
14 .....	FTEs	11.00

15 b. Notwithstanding the provisions of section 543B.14 to  
16 the contrary, all fees and charges collected by the real  
17 estate commission under chapter 543B shall be paid into the  
18 general fund of the state, except that for the fiscal year  
19 beginning July 1, 2002, and ending June 30, 2003, the  
20 equivalent of thirty dollars per year of the fees for each  
21 real estate salesperson's license, plus the equivalent of  
22 thirty dollars per year of the fees for each broker's license  
23 shall be paid into the Iowa real estate education fund created  
24 in section 543B.54.

25 6. UTILITIES DIVISION

26 a. For salaries, support, maintenance, miscellaneous  
27 purposes, and for not more than the following full-time  
28 equivalent positions:

29 .....	\$	6,104,810
30 .....	FTEs	79.00

31 b. The utilities division may expend additional funds,  
32 including funds for additional personnel, if those additional  
33 expenditures are actual expenses which exceed the funds  
34 budgeted for utility regulation and the expenditures are fully  
35 reimbursable. Before the division expends or encumbers an



1 amount in excess of the funds budgeted for regulation, the  
2 division shall first do both of the following:

3 (1) Notify the department of management, the legislative  
4 fiscal bureau, and the legislative fiscal committee of the  
5 need for the expenditures.

6 (2) File with each of the entities named in subparagraph  
7 (1) the legislative and regulatory justification for the  
8 expenditures, along with an estimate of the expenditures.

9 The utilities division shall assess the office of consumer  
10 advocate within the department of justice a pro rata share of  
11 the operating expenses of the utilities division. Each  
12 division and the office of consumer advocate shall include in  
13 its charges assessed or revenues generated, an amount  
14 sufficient to cover the amount stated in its appropriation,  
15 any state-assessed indirect costs determined by the department  
16 of revenue and finance. It is the intent of the general  
17 assembly that the director of the department of commerce shall  
18 review on a quarterly basis all out-of-state travel for the  
19 previous quarter for officers and employees of each division  
20 of the department if the travel is not already authorized by  
21 the executive council.

22 7. ACCOUNTABLE GOVERNMENT REPORT

23 Each division of the department of commerce shall submit a  
24 report to the cochairpersons and ranking members of the joint  
25 appropriations subcommittee on administration and regulation  
26 on or before January 13, 2003, which encompasses the reporting  
27 requirements provided in Code chapter 8E, including  
28 development of an agency strategic plan, performance measures,  
29 performance targets based on performance data, performance  
30 data, and data sources used to evaluate the agency  
31 performance, and explanations of the plan's provisions.

32 Sec. 4. DEPARTMENT OF COMMERCE -- PROFESSIONAL LICENSING  
33 AND REGULATION. There is appropriated from the housing  
34 improvement fund of the Iowa department of economic  
35 development to the division of professional licensing and

1 regulation of the department of commerce for the fiscal year  
2 beginning July 1, 2002, and ending June 30, 2003, the  
3 following amount, or so much thereof as is necessary, to be  
4 used for the purposes designated:

5 For salaries, support, maintenance, and miscellaneous  
6 purposes:

7 ..... \$ 62,317

8 Sec. 5. DEPARTMENT OF GENERAL SERVICES. There is  
9 appropriated from the general fund of the state to the  
10 department of general services for the fiscal year beginning  
11 July 1, 2002, and ending June 30, 2003, the following amounts,  
12 or so much thereof as is necessary, to be used for the  
13 purposes designated:

14 1. ADMINISTRATION AND PROPERTY MANAGEMENT

15 For salaries, support, maintenance, miscellaneous purposes,  
16 and for not more than the following full-time equivalent  
17 positions:

18 ..... \$ 5,271,304

19 ..... FTEs 152.60

20 2. TERRACE HILL OPERATIONS

21 For salaries, support, maintenance, and miscellaneous  
22 purposes necessary for the operation of Terrace Hill and for  
23 not more than the following full-time equivalent positions:

24 ..... \$ 236,037

25 ..... FTEs 5.00

26 3. RENTAL SPACE

27 For payment of lease or rental costs of buildings and  
28 office space as provided in section 18.12, subsection 9,  
29 notwithstanding section 18.16:

30 ..... \$ 846,770

31 The department shall prepare a summary of lease and rental  
32 agreements entered into by the department with information  
33 concerning the location of leased property, the funding source  
34 for each lease, and the cost of the lease. The summary shall  
35 be submitted to the general assembly by January 13, 2003.

1 4. UTILITY COSTS

2 For payment of utility costs and for not more than the  
3 following full-time equivalent position:

4 .....	\$	1,817,095
5 .....	FTEs	1.00

6 Notwithstanding sections 8.33 and 18.12, subsection 11, any  
7 excess funds appropriated for utility costs in this subsection  
8 shall not revert to the general fund of the state at the end  
9 of the fiscal year but shall remain available for expenditure  
10 for the purposes of this subsection during the fiscal year  
11 beginning July 1, 2003.

12 5. The department of general services shall identify all  
13 positions throughout state government that have job  
14 responsibilities that are duplicative of the same or similar  
15 job functions that are performed by similar positions in the  
16 department of general services. The positions throughout  
17 state government that are duplicative of positions in the  
18 department of general services shall be identified by  
19 department, position title, and position pay grade. The  
20 department of general services shall also determine if the  
21 department can perform the functions of the duplicated  
22 position. The department shall submit a report, with  
23 findings, conclusions, and supporting data, to the oversight  
24 committee of the general assembly by September 1, 2002.

25 Sec. 6. REVOLVING FUNDS. There is appropriated from the  
26 designated revolving funds to the department of general  
27 services for the fiscal year beginning July 1, 2002, and  
28 ending June 30, 2003, the following amounts, or so much  
29 thereof as is necessary, to be used for the purposes  
30 designated:

31 1. CENTRALIZED PURCHASING

32 From the centralized purchasing permanent revolving fund  
33 established by section 18.9 for salaries, support,  
34 maintenance, miscellaneous purposes, and for not more than the  
35 following full-time equivalent positions:

1 ..... \$ 1,118,960  
2 ..... FTEs 17.95

3 2. CENTRALIZED PURCHASING -- REMAINDER

4 The remainder of the centralized purchasing permanent  
5 revolving fund is appropriated for the payment of expenses  
6 incurred through purchases by various state departments and  
7 for contingencies arising during the fiscal year beginning  
8 July 1, 2002, and ending June 30, 2003, which are legally  
9 payable from this fund.

10 3. STATE FLEET ADMINISTRATOR

11 a. From the state fleet administrator revolving fund  
12 established by section 18.119 for salaries, support,  
13 maintenance, miscellaneous purposes, and for not more than the  
14 following full-time equivalent positions:

15 ..... \$ 881,501  
16 ..... FTEs 16.75

17 b. The state fleet administrator shall conduct a study  
18 concerning the utilization of state-owned vehicles by state  
19 government that are under the control of the administrator  
20 pursuant to section 18.114. As part of the study, the state  
21 fleet administrator shall investigate the cost and benefits of  
22 entering into an agreement with an entity that leases or rents  
23 vehicles for the purpose of providing vehicles from that  
24 source for use by state government. The study shall also  
25 examine what revenue may be generated as a result of the sale  
26 of state-owned vehicles. The state fleet administrator shall  
27 submit a report to the general assembly by January 13, 2003,  
28 concerning the progress of the administrator in meeting the  
29 goal of reducing the number of state-owned vehicles. The  
30 report shall include all relevant data concerning the study,  
31 any actions taken to reduce the number of state-owned  
32 vehicles, and any proposed legislative changes needed to  
33 implement the goal of reducing the number of state-owned  
34 vehicles.

35 4. STATE FLEET ADMINISTRATOR -- REMAINDER

1 The remainder of the state fleet administrator revolving  
2 fund is appropriated for the purchase of ethanol blended fuels  
3 and other fuels specified in section 18.115, subsection 5,  
4 oil, tires, repairs, and all other maintenance expenses  
5 incurred in the operation of state-owned motor vehicles and  
6 for contingencies arising during the fiscal year beginning  
7 July 1, 2002, and ending June 30, 2003, which are legally  
8 payable from this fund.

9 5. CENTRALIZED PRINTING

10 From the centralized printing permanent revolving fund  
11 established by section 18.57 for salaries, support,  
12 maintenance, miscellaneous purposes, and for not more than the  
13 following full-time equivalent positions:

14 .....	\$	1,328,025
15 .....	FTEs	29.55

16 6. CENTRALIZED PRINTING -- REMAINDER

17 The remainder of the centralized printing permanent  
18 revolving fund is appropriated for the expense incurred in  
19 supplying paper stock, offset printing, copy preparation,  
20 binding, distribution costs, original payment of printing and  
21 binding claims and contingencies arising during the fiscal  
22 year beginning July 1, 2002, and ending June 30, 2003, which  
23 are legally payable from this fund.

24 Sec. 7. GOVERNOR AND LIEUTENANT GOVERNOR. There is  
25 appropriated from the general fund of the state to the offices  
26 of the governor and the lieutenant governor for the fiscal  
27 year beginning July 1, 2002, and ending June 30, 2003, the  
28 following amounts, or so much thereof as is necessary, to be  
29 used for the purposes designated:

30 1. GENERAL OFFICE

31 For salaries, support, maintenance, and miscellaneous  
32 purposes for the general office of the governor and the  
33 general office of the lieutenant governor, and for not more  
34 than the following full-time equivalent positions:

35 .....	\$	1,270,595
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1 ..... FTEs 17.25

2 2. TERRACE HILL QUARTERS

3 For salaries, support, maintenance, and miscellaneous  
4 purposes for the governor's quarters at Terrace Hill, and for  
5 not more than the following full-time equivalent positions:

6 ..... \$ 100,519

7 ..... FTEs 3.00

8 3. ADMINISTRATIVE RULES COORDINATOR

9 For salaries, support, maintenance, and miscellaneous  
10 purposes for the office of administrative rules coordinator,  
11 and for not more than the following full-time equivalent  
12 positions:

13 ..... \$ 132,113

14 ..... FTEs 3.00

15 4. NATIONAL GOVERNORS ASSOCIATION

16 For payment of Iowa's membership in the national governors  
17 association:

18 ..... \$ 64,393

19 5. STATE-FEDERAL RELATIONS

20 For salaries, support, maintenance, miscellaneous purposes,  
21 and for not more than the following full-time equivalent  
22 positions:

23 ..... \$ 106,802

24 ..... FTEs 2.00

25 Sec. 8. DEPARTMENT OF INSPECTIONS AND APPEALS. There is  
26 appropriated from the general fund of the state to the  
27 department of inspections and appeals for the fiscal year  
28 beginning July 1, 2002, and ending June 30, 2003, the  
29 following amounts, or so much thereof as is necessary, for the  
30 purposes designated:

31 1. Administration division

32 For salaries, support, maintenance, miscellaneous purposes,  
33 and for not more than the following full-time equivalent  
34 positions:

35 ..... \$ 714,101

1 ..... FTEs 24.00  
2 2. Administrative hearings division  
3 For salaries, support, maintenance, miscellaneous purposes,  
4 and for not more than the following full-time equivalent  
5 positions:  
6 ..... \$ 472,240  
7 ..... FTEs 30.00  
8 3. Investigations division  
9 For salaries, support, maintenance, miscellaneous purposes,  
10 and for not more than the following full-time equivalent  
11 positions:  
12 ..... \$ 1,376,587  
13 ..... FTEs 46.00  
14 4. Health facilities division  
15 For salaries, support, maintenance, miscellaneous purposes,  
16 and for not more than the following full-time equivalent  
17 positions:  
18 ..... \$ 2,276,504  
19 ..... FTEs 108.00  
20 5. Inspections division  
21 For salaries, support, maintenance, miscellaneous purposes,  
22 and for not more than the following full-time equivalent  
23 positions:  
24 ..... \$ 759,066  
25 ..... FTEs 13.00  
26 6. Employment appeal board  
27 For salaries, support, maintenance, miscellaneous purposes,  
28 and for not more than the following full-time equivalent  
29 positions:  
30 ..... \$ 34,172  
31 ..... FTEs 15.00  
32 The employment appeal board shall be reimbursed by the  
33 labor services division of the department of workforce  
34 development for all costs associated with hearings conducted  
35 under chapter 91C, related to contractor registration. The

1 board may expend, in addition to the amount appropriated under  
2 this subsection, additional amounts as are directly billable  
3 to the labor services division under this subsection and to  
4 retain the additional full-time equivalent positions as needed  
5 to conduct hearings required pursuant to chapter 91C.

6 7. Child advocacy board

7 For foster care review and the court appointed special  
8 advocate program, including salaries, support, maintenance,  
9 miscellaneous purposes, and for not more than the following  
10 full-time equivalent positions:

11 .....	\$	1,711,033
12 .....	FTEs	44.00

13 a. The department of human services, in coordination with  
14 the child advocacy board, and the department of inspections  
15 and appeals, shall submit an application for funding available  
16 pursuant to Title IV-E of the federal Social Security Act for  
17 claims for child advocacy board, administrative review costs.

18 b. It is the intent of the general assembly that the court  
19 appointed special advocate program investigate and develop  
20 opportunities for expanding fund-raising for the program.

21 c. The child advocacy board shall report to the  
22 chairpersons and ranking members of the joint appropriations  
23 subcommittee on administration and regulation and the  
24 legislative fiscal bureau by August 31, 2002, providing a  
25 budget for the appropriation made in this subsection. The  
26 budget shall delineate the expenditures planned for foster  
27 care review, the court appointed special advocate program,  
28 joint expenditures, and other pertinent information. The  
29 board shall submit to the same entities a report of the actual  
30 expenditures at the close of the fiscal year.

31 d. Administrative costs charged by the department of  
32 inspections and appeals for items funded under this subsection  
33 shall not exceed 4 percent of the amount appropriated in this  
34 subsection.

35 Sec. 9. RACING AND GAMING COMMISSION.



1 1. RACETRACK REGULATION

2 There is appropriated from the general fund of the state to  
3 the racing and gaming commission of the department of  
4 inspections and appeals for the fiscal year beginning July 1,  
5 2002, and ending June 30, 2003, the following amount, or so  
6 much thereof as is necessary, to be used for the purposes  
7 designated:

8 For salaries, support, maintenance, and miscellaneous  
9 purposes for the regulation of pari-mutuel racetracks, and for  
10 not more than the following full-time equivalent positions:

11 .....	\$	2,083,762
12 .....	FTEs	24.78

13 Of the funds appropriated in this subsection, \$85,576 shall  
14 be used to conduct an extended harness racing season.

15 2. EXCURSION BOAT REGULATION

16 There is appropriated from the general fund of the state to  
17 the racing and gaming commission of the department of  
18 inspections and appeals for the fiscal year beginning July 1,  
19 2002, and ending June 30, 2003, the following amount, or so  
20 much thereof as is necessary, to be used for the purposes  
21 designated:

22 For salaries, support, maintenance, and miscellaneous  
23 purposes for administration and enforcement of the excursion  
24 boat gambling laws, and for not more than the following full-  
25 time equivalent positions:

26 .....	\$	1,602,611
27 .....	FTEs	30.97

28 3. ACCOUNTABLE GOVERNMENT REPORT

29 The racing and gaming commission shall submit a report to  
30 the cochairpersons and ranking members of the joint  
31 appropriations subcommittee on administration and regulation  
32 on or before January 13, 2003, which encompasses the reporting  
33 requirements provided in Code chapter 8E, including  
34 development of an agency strategic plan, performance measures,  
35 performance targets based on performance data, performance

1 data, and data sources used to evaluate the agency  
2 performance, and explanations of the plan's provisions.

3 Sec. 10. USE TAX APPROPRIATION. There is appropriated  
4 from the use tax receipts collected pursuant to sections 423.7  
5 and 423.7A prior to their deposit in the road use tax fund  
6 pursuant to section 423.24, to the appeals and fair hearings  
7 division of the department of inspections and appeals for the  
8 fiscal year beginning July 1, 2002, and ending June 30, 2003,  
9 the following amount, or so much thereof as is necessary, for  
10 the purposes designated:

11 For salaries, support, maintenance, and miscellaneous  
12 purposes:

13 ..... \$ 1,197,552

14 Sec. 11. DEPARTMENT OF MANAGEMENT. There is appropriated  
15 from the general fund of the state to the department of  
16 management for the fiscal year beginning July 1, 2002, and  
17 ending June 30, 2003, the following amounts, or so much  
18 thereof as is necessary, to be used for the purposes  
19 designated:

20 1. GENERAL OFFICE -- STATEWIDE PROPERTY TAX ADMINISTRATION

21 For salaries, support, maintenance, miscellaneous purposes,  
22 and for not more than the following full-time equivalent  
23 positions:

24 ..... \$ 2,100,036

25 ..... FTEs 33.00

26 2. ENTERPRISE RESOURCE PLANNING

27 If funding is provided for the redesign of the enterprise  
28 resource planning budget system for the fiscal year beginning  
29 July 1, 2002, then there is appropriated from the general fund  
30 of the state to the department of management for the fiscal  
31 year beginning July 1, 2002, and ending June 30, 2003, the  
32 following amount, or so much thereof as is necessary, to be  
33 used for the purpose designated:

34 For salaries, support, maintenance, and miscellaneous  
35 purposes for administration of the enterprise resource

1 planning system, and for not more than the following full-time  
2 equivalent position:

3 ..... \$ 58,680  
4 ..... FTEs 1.00

5 3. STATE GOVERNMENT ADMINISTRATIVE SERVICES REORGANIZATION

6 The department of management, in consultation with other  
7 administrative departments, shall continue to study and pursue  
8 the goal of providing for the reorganization of state  
9 government in order to facilitate the efficient and effective  
10 delivery of state government services. The reorganization  
11 study shall concentrate on establishing a new state  
12 organization that will increase the efficiency of managing the  
13 major resources of state government, including personnel,  
14 financial, physical, and information assets, in order to  
15 provide better service at less cost to all departments of  
16 state government and the citizens of Iowa. As part of this  
17 study, the department shall identify and examine areas where  
18 duplicative services are performed by state government which  
19 may be more efficiently accomplished by a reorganization and  
20 redesign of state government. In addition, as part of this  
21 reorganization study, support services provided to state  
22 agencies should be reoriented to continuously improve service  
23 and lower costs through a strong customer focus and  
24 entrepreneurial management. The department of management  
25 shall submit a report, including its findings, conclusions,  
26 and specific recommendations for legislative change, to the  
27 general assembly by December 2, 2002.

28 Sec. 12. ROAD USE TAX APPROPRIATION. There is  
29 appropriated from the road use tax fund to the department of  
30 management for the fiscal year beginning July 1, 2002, and  
31 ending June 30, 2003, the following amount, or so much thereof  
32 as is necessary, to be used for the purposes designated:

33 For salaries, support, maintenance, and miscellaneous  
34 purposes:

35 ..... \$ 56,000

1 Sec. 13. DEPARTMENT OF PERSONNEL. There is appropriated  
2 from the general fund of the state to the department of  
3 personnel for the fiscal year beginning July 1, 2002, and  
4 ending June 30, 2003, the following amounts, or so much  
5 thereof as is necessary, to be used for the purposes  
6 designated, including the filing of quarterly reports as  
7 required in this section:

8 1. For salaries, support, maintenance, and miscellaneous  
9 purposes for the director's staff, research, communications  
10 and workforce planning services, data processing, financial  
11 services, customer information and support services,  
12 employment law and labor relations, training and benefit  
13 programs, and for not more than the following full-time  
14 equivalent positions:

15 .....	\$	3,723,868
16 .....	FTEs	86.00

17 Any funds received by the department for workers'  
18 compensation purposes shall be used only for the payment of  
19 workers' compensation claims and administrative costs.

20 It is the intent of the general assembly that members of  
21 the general assembly serving as members of the deferred  
22 compensation advisory board shall be entitled to receive per  
23 diem and necessary travel and actual expenses pursuant to  
24 section 2.10, subsection 5, while carrying out their official  
25 duties as members of the board.

26 2. The department of personnel shall identify all  
27 positions throughout state government that have job  
28 responsibilities that are duplicative of the same or similar  
29 job functions that are performed by similar positions in the  
30 department of personnel. The positions throughout state  
31 government that are duplicative of positions in the department  
32 of personnel shall be identified by department, position  
33 title, and position pay grade. The department of personnel  
34 shall also determine if the department can perform the  
35 functions of the duplicated position. The department shall

1 submit a report, with findings, conclusions, and supporting  
2 data, to the oversight committee of the general assembly by  
3 September 1, 2002.

4 Sec. 14. READY TO WORK PROGRAM COORDINATOR. There is  
5 appropriated from the surplus funds in the long-term  
6 disability reserve fund and the workers' compensation trust  
7 fund to the department of personnel for the fiscal year  
8 beginning July 1, 2002, and ending June 30, 2003, the  
9 following amount, or so much thereof as is necessary, to be  
10 used for the purposes designated:

11 For the salary, support, and miscellaneous expenses for the  
12 ready to work program and coordinator:

13 ..... \$ 89,416

14 The moneys appropriated pursuant to this section shall be  
15 taken in equal proportions from the long-term disability  
16 reserve fund and the workers' compensation trust fund.

17 Sec. 15. IPERS. There is appropriated from the Iowa  
18 public employees' retirement system fund to the department of  
19 personnel for the fiscal year beginning July 1, 2002, and  
20 ending June 30, 2003, the following amount, or so much thereof  
21 as is necessary, to be used for the purposes designated:

22 1. GENERAL OFFICE

23 For salaries, support, maintenance, and other operational  
24 purposes to pay the costs of the Iowa public employees'  
25 retirement system division and for not more than the following  
26 full-time positions:

27 ..... \$ 8,062,203

28 ..... FTEs 90.04

29 2. INVESTMENT PROGRAM STAFFING

30 It is the intent of the general assembly that the Iowa  
31 public employees' retirement system division employ sufficient  
32 staff within the appropriation provided in this section to  
33 meet the developing requirements of the investment program.

34 Sec. 16. IPERS -- DEFERRED RETIREMENT OPTION PROGRAM AND  
35 TERMINATED VESTED MEMBER STUDIES. There is appropriated from

1 the Iowa public employees' retirement system fund to the Iowa  
2 public employees' retirement system division for the fiscal  
3 year beginning July 1, 2002, and ending June 30, 2003, the  
4 following amounts, or so much thereof as is necessary, to be  
5 used for the purposes designated:

6 1. For expenses related to the study of the implementation  
7 of a cost-neutral deferred retirement option plan as directed  
8 in 2002 Iowa Acts, House File 2532:

9 ..... \$ 95,000

10 2. For expenses related to the study of the implementation  
11 of a new option for terminated vested members as directed in  
12 2002 Iowa Acts, House File 2532:

13 ..... \$ 40,000

14 Sec. 17. PRIMARY ROAD FUND APPROPRIATION. There is  
15 appropriated from the primary road fund to the department of  
16 personnel for the fiscal year beginning July 1, 2002, and  
17 ending June 30, 2003, the following amount, or so much thereof  
18 as is necessary, to be used for the purposes designated:

19 For salaries, support, maintenance, and miscellaneous  
20 purposes to provide personnel services for the state  
21 department of transportation:

22 ..... \$ 423,539

23 Sec. 18. ROAD USE TAX FUND APPROPRIATION. There is  
24 appropriated from the road use tax fund to the department of  
25 personnel for the fiscal year beginning July 1, 2002, and  
26 ending June 30, 2003, the following amount, or so much thereof  
27 as is necessary, to be used for the purposes designated:

28 For salaries, support, maintenance, and miscellaneous  
29 purposes to provide personnel services for the state  
30 department of transportation:

31 ..... \$ 69,237

32 Sec. 19. STATE WORKERS' COMPENSATION CLAIMS. The premiums  
33 collected by the department of personnel shall be segregated  
34 into a separate workers' compensation fund in the state  
35 treasury to be used for payment of state employees' workers'

1 compensation claims. Notwithstanding section 8.33,  
2 unencumbered or unobligated moneys remaining in this workers'  
3 compensation fund at the end of the fiscal year shall not  
4 revert but shall be available for expenditure for purposes of  
5 the fund for subsequent fiscal years.

6 Any funds received by the department of personnel for  
7 workers' compensation purposes other than funds appropriated  
8 in this section shall be used for the payment of workers'  
9 compensation claims and administrative costs.

10 Sec. 20. DEPARTMENT OF REVENUE AND FINANCE. There is  
11 appropriated from the general fund of the state to the  
12 department of revenue and finance for the fiscal year  
13 beginning July 1, 2002, and ending June 30, 2003, the  
14 following amounts, or so much thereof as is necessary, to be  
15 used for the purposes designated, and for not more than the  
16 following full-time equivalent positions used for the purposes  
17 designated in subsection 1:

18 ..... FTEs 443.01

19 1. COMPLIANCE -- INTERNAL RESOURCES MANAGEMENT -- STATE  
20 FINANCIAL MANAGEMENT -- STATEWIDE PROPERTY TAX ADMINISTRATION

21 For salaries, support, maintenance, and miscellaneous  
22 purposes:

23 ..... \$ 24,781,012

24 Of the funds appropriated pursuant to this subsection,  
25 \$400,000 shall be used to pay the direct costs of compliance  
26 related to the collection and distribution of local sales and  
27 services taxes imposed pursuant to chapters 422B and 422E.

28 The director of revenue and finance shall prepare and issue  
29 a state appraisal manual and the revisions to the state  
30 appraisal manual as provided in section 421.17, subsection 18,  
31 without cost to a city or county.

32 2. COLLECTION COSTS AND FEES

33 For payment of collection costs and fees pursuant to  
34 section 422.26:

35 ..... \$ 28,166

1     Sec. 21.   LOTTERY.

2     1.   APPROPRIATION.   There is appropriated from the lottery  
3 fund to the department of revenue and finance for the fiscal  
4 year beginning July 1, 2002, and ending June 30, 2003, the  
5 following amount, or so much thereof as is necessary, to be  
6 used for the purposes designated:

7     For salaries, support, maintenance, miscellaneous purposes  
8 for the administration and operation of lottery games, and for  
9 not more than the following full-time equivalent positions:

10 .....	\$	8,688,714
11 .....	FTEs	117.00

12     The lottery shall deduct \$500,000 from its calculated  
13 retained earnings before making lottery proceeds transfers to  
14 the general fund of the state during the fiscal year beginning  
15 July 1, 2002.

16     2.   ACCOUNTABLE GOVERNMENT REPORT.   The lottery shall  
17 submit a report to the cochairpersons and ranking members of  
18 the joint appropriations subcommittee on administration and  
19 regulation on or before January 13, 2003, which encompasses  
20 the reporting requirements provided in Code chapter 8E,  
21 including development of an agency strategic plan, performance  
22 measures, performance targets based on performance data,  
23 performance data, and data sources used to evaluate the agency  
24 performance, and explanations of the plan's provisions.   In  
25 submitting the report required by this subsection, the lottery  
26 is not required to disclose any proprietary or otherwise  
27 confidential information which is considered a confidential  
28 record pursuant to section 22.7.

29     3.   VIDEO LOTTERY.   It is the intent of the general  
30 assembly that the lottery should investigate whether the  
31 deployment of vending machines with video screens would  
32 enhance the lottery's ability to perform its statutory duties  
33 and if, in the business judgment of the lottery commissioner  
34 and the lottery board, it would do so, that the lottery is  
35 authorized to establish a plan to implement the deployment of



1 pull-tab vending machines with video monitors consistent with  
2 the requirements of this subsection. At a minimum, the  
3 deployment plan shall include provisions for restricting  
4 access to these machines by minors, including but not limited  
5 to requirements relating to the location of these machines.  
6 Prior to implementing the deployment plan as described in this  
7 subsection, the lottery shall notify the legislative oversight  
8 committee and shall submit a report to the committee  
9 describing the deployment plan, including measures the lottery  
10 will implement to restrict access to the machines by minors.

11 Sec. 22. MOTOR VEHICLE FUEL TAX APPROPRIATION. There is  
12 appropriated from the motor fuel tax fund created by section  
13 452A.77 to the department of revenue and finance for the  
14 fiscal year beginning July 1, 2002, and ending June 30, 2003,  
15 the following amount, or so much thereof as is necessary, to  
16 be used for the purposes designated:

17 For salaries, support, maintenance, and miscellaneous  
18 purposes for administration and enforcement of the provisions  
19 of chapter 452A and the motor vehicle use tax program:  
20 ..... \$ 1,084,112

21 Sec. 23. SECRETARY OF STATE. There is appropriated from  
22 the general fund of the state to the office of the secretary  
23 of state for the fiscal year beginning July 1, 2002, and  
24 ending June 30, 2003, the following amounts, or so much  
25 thereof as is necessary, to be used for the purposes  
26 designated:

27 1. ADMINISTRATION AND ELECTIONS

28 For salaries, support, maintenance, miscellaneous purposes,  
29 and for not more than the following full-time equivalent  
30 positions:

31 ..... \$ 680,716  
32 ..... FTEs 10.00

33 It is the intent of the general assembly that the state  
34 department or state agency which provides data processing  
35 services to support voter registration file maintenance and

1 storage shall provide those services without charge.

2 2. BUSINESS SERVICES

3 For salaries, support, maintenance, miscellaneous purposes,  
4 and for not more than the following full-time equivalent  
5 positions:

6 .....	\$	1,433,235
7 .....	FTEs	32.00

8 Sec. 24. SECRETARY OF STATE FILING FEES REFUND.

9 Notwithstanding the obligation to collect fees pursuant to the  
10 provisions of section 490.122, subsection 1, paragraphs "a"  
11 and "s", and section 504A.85, subsections 1 and 9, for the  
12 fiscal year beginning July 1, 2002, and ending June 30, 2003,  
13 the secretary of state may refund these fees to the filer  
14 pursuant to rules established by the secretary of state. The  
15 decision of the secretary of state not to issue a refund under  
16 rules established by the secretary of state is final and not  
17 subject to review pursuant to the provisions of the Iowa  
18 administrative procedure Act.

19 Sec. 25. TREASURER. There is appropriated from the  
20 general fund of the state to the office of treasurer of state  
21 for the fiscal year beginning July 1, 2002, and ending June  
22 30, 2003, the following amount, or so much thereof as is  
23 necessary, to be used for the purposes designated:

24 For salaries, support, maintenance, miscellaneous purposes,  
25 and for not more than the following full-time equivalent  
26 positions:

27 .....	\$	785,550
28 .....	FTEs	25.80

29 The office of treasurer of state shall supply clerical and  
30 secretarial support for the executive council.

31 The treasurer of state is authorized not more than the  
32 following additional full-time equivalent position for the  
33 purposes provided for in 2002 Iowa Acts, House File 681,  
34 relating to the pledging of collateral in relation to the  
35 deposit of uninsured public funds:

1 ..... FTEs 1.00

2 The treasurer of state may expend additional funds for the  
3 purposes of 2002 Iowa Acts, House File 681, if those  
4 additional expenditures are actual expenses as provided in  
5 2002 Iowa Acts, House File 681, and the expenses are fully  
6 reimbursable.

7 Sec. 26. INFORMATION TECHNOLOGY DEPARTMENT. There is  
8 appropriated from the general fund of the state to the  
9 information technology department for the fiscal year  
10 beginning July 1, 2002, and ending June 30, 2003, the  
11 following amount, or so much thereof as is necessary, to be  
12 used for the purpose designated:

13 For the purpose of providing information technology  
14 services to state agencies and for the following full-time  
15 equivalent positions:

16 ..... \$ 2,982,748  
17 ..... FTEs 125.00

18 1. The information technology department shall not  
19 increase any fees or charges to other state agencies for  
20 services provided to such state agencies by the department,  
21 unless such increase in fees or charges is first reported to  
22 the department of management. The department of management  
23 shall submit a report notifying the legislative fiscal bureau  
24 regarding any fee increase as the increase occurs.

25 2. The department of information technology shall identify  
26 all positions throughout state government that have job  
27 responsibilities that are duplicative of the same or similar  
28 job functions that are performed by similar positions in the  
29 department of information technology. The positions  
30 throughout state government that are duplicative of positions  
31 in the department of information technology shall be  
32 identified by department, position title, and position pay  
33 grade. The department of information technology shall also  
34 determine if the department can perform the functions of the  
35 duplicated position. The department shall submit a report,

1 with findings, conclusions, and supporting data, to the  
2 oversight committee of the general assembly by September 1,  
3 2002.

4 3. The information technology department shall submit a  
5 report to the general assembly by January 13, 2003, providing  
6 information concerning the funding of the operation of the  
7 department, to include information concerning the receipt and  
8 use of fees and other revenues by the department, the method  
9 of determining fees to be charged, and information comparing  
10 fees charged by the department with comparable private sector  
11 rates.

12 4. It is the intent of the general assembly that all  
13 agencies comply with the requirements established in section  
14 304.13A relating to utilization of the electronic repository  
15 developed for the purpose of providing public access to agency  
16 publications. To ensure compliance with the requirements, the  
17 department of management, the information technology  
18 department, and the state librarian shall coordinate the  
19 development of a process to maximize and monitor the extent to  
20 which the number of printed copies of agency publications is  
21 reduced, and to realize monetary savings through the  
22 reduction. The process shall include a policy for  
23 distribution of written copies of publications to members of  
24 the general assembly on a request-only basis and weekly  
25 notification of a new publication posting on the repository by  
26 the state librarian to the secretary of state, secretary of  
27 the senate, and chief clerk of the house of representatives,  
28 who in turn shall notify members of the general assembly of  
29 publication availability. The process shall also include the  
30 electronic submission of a report by November 1, annually, to  
31 the legislative fiscal bureau and legislative fiscal committee  
32 detailing the number of written copies of agency publications  
33 produced in the preceding two fiscal years, and indicating the  
34 extent to which a reduction may be observed.

35 Sec. 27. FUNDING FOR IOWACCESS.

1 1. Notwithstanding section 321A.3, subsection 1, for the  
2 fiscal year beginning July 1, 2002, and ending June 30, 2003,  
3 the first \$1,000,000 collected and transferred by the  
4 department of transportation to the treasurer of state with  
5 respect to the fees for transactions involving the furnishing  
6 of a certified abstract of a vehicle operating record under  
7 section 321A.3, subsection 1, shall be transferred to the  
8 IowAccess revolving fund created in section 14B.206 and  
9 administered by the information technology department for the  
10 purposes of developing, implementing, maintaining, and  
11 expanding electronic access to government records in  
12 accordance with the requirements set forth in chapter 14B.

13 2. It is the intent of the general assembly that all fees  
14 collected with respect to transactions involving IowAccess  
15 shall be deposited in the IowAccess revolving fund created in  
16 section 14B.206 and shall be used only for the support of  
17 IowAccess projects.

18 Sec. 28. DUPLICATION AND REORGANIZATION REVIEWS. In  
19 implementing the requirements of this division I of this Act,  
20 involving the department of general services, department of  
21 management, department of personnel, and information  
22 technology department identifying duplicative positions or  
23 studying the reorganization of state government, those  
24 departments shall consult with the departments that may be  
25 affected, consider previously conducted studies or reviews,  
26 and identify the projected impacts of recommended changes upon  
27 the general fund of the state, road use tax fund, and any  
28 other affected funding source.

29 Sec. 29. Section 7D.33, subsection 2, Code 2001, is  
30 amended by adding the following new paragraph:

31 NEW PARAGRAPH. e. The method of promoting the suggestion  
32 program in the broadest possible manner to state employees.

33 Sec. 30. Section 7D.33, subsection 3, paragraph a, Code  
34 2001, is amended to read as follows:

35 a. When a suggestion is implemented and results in a

1 direct cost reduction within state government, the suggester  
2 shall be awarded ten percent of the first year's net savings,  
3 not exceeding two-thousand-five-hundred twenty-five thousand  
4 dollars or, and a certificate. A cash award shall not be  
5 awarded for a suggestion which saves less than one hundred  
6 dollars during the first year of implementation. The  
7 department head shall approve all awards and determine the  
8 amount to be awarded. Appeals of award amounts shall be  
9 submitted to the director of the department of management  
10 whose decision is final.

11 Sec. 31. Section 476.53, Code Supplement 2001, is amended  
12 by adding the following new subsection:

13 NEW SUBSECTION. 4. The utilities board and the consumer  
14 advocate may employ additional temporary staff, or may  
15 contract for professional services with persons who are not  
16 state employees, as the board and the consumer advocate deem  
17 necessary to perform required functions as provided in this  
18 section, including but not limited to, review of power  
19 purchase contracts, review of emission plans and budgets, and  
20 review of ratemaking principles proposed for construction or  
21 lease of a new generating facility. Beginning July 1, 2002,  
22 there is appropriated out of any funds in the state treasury  
23 not otherwise appropriated, such sums as may be necessary to  
24 enable the board and the consumer advocate to hire additional  
25 staff and contract for services under this section. The costs  
26 of the additional staff and services shall be assessed to the  
27 utilities pursuant to the procedure in section 476.10 and  
28 section 475A.6.

29 Sec. 32. Section 505.7, subsection 4, Code 2001, is  
30 amended by striking the subsection and inserting in lieu  
31 thereof the following:

32 4. Except as otherwise provided in subsection 6, the  
33 insurance division may expend additional funds if those  
34 additional expenditures are actual expenses which exceed the  
35 funds budgeted for statutory duties of the division and

1 directly result from the statutory duties of the division. The  
2 amounts necessary to fund the excess division expenses shall  
3 be collected from additional fees and other moneys collected  
4 by the division. The division shall notify in writing the  
5 legislative fiscal bureau and the department of management  
6 when hiring additional personnel. The written notification  
7 shall include documentation that any additional expenditure  
8 related to such hiring will be totally reimbursed to the  
9 general fund, and shall also include the division's  
10 justification for hiring such personnel. The division must  
11 obtain the approval of the department of management only if  
12 the number of additional personnel to be hired exceeds the  
13 number of full-time equivalent positions authorized by the  
14 general assembly.

15 Sec. 33. Section 546.10, subsection 3, Code Supplement  
16 2001, is amended by adding the following new unnumbered  
17 paragraph:

18 NEW UNNUMBERED PARAGRAPH. Notwithstanding subsection 5,  
19 eighty-five percent of the funds received annually resulting  
20 from an increase in licensing fees implemented on or after  
21 April 1, 2002, by a licensing board or commission listed in  
22 subsection 1, is appropriated to the professional licensing  
23 and regulation division to be allocated to the board or  
24 commission for the fiscal year beginning July 1, 2002, and  
25 succeeding fiscal years, for purposes related to the duties of  
26 the board or commission, including but not limited to  
27 additional full-time equivalent positions. The director of  
28 revenue and finance shall draw warrants upon the treasurer of  
29 state from the funds appropriated as provided in this section  
30 and shall make the funds available to the professional  
31 licensing division on a monthly basis during each fiscal year.

32 Sec. 34. 2001 Iowa Acts, First Extraordinary Session,  
33 chapter 5, section 1, is repealed.

34 Sec. 35. EFFECTIVE DATE. This division of this Act takes  
35 effect July 1, 2002.

DIVISION II

AGRICULTURE AND NATURAL RESOURCES

DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP

1  
2  
3  
4 Sec. 36. GENERAL DEPARTMENT APPROPRIATION. There is  
5 appropriated from the general fund of the state to the  
6 department of agriculture and land stewardship for the fiscal  
7 year beginning July 1, 2002, and ending June 30, 2003, the  
8 following amount, or so much thereof as is necessary, to be  
9 used for the purposes designated:

10 For purposes of supporting the department, including its  
11 divisions, for administration, regulations, and programs, for  
12 salaries, support, maintenance, miscellaneous purposes, and  
13 for not more than the following full-time equivalent  
14 positions:

15 ..... \$ 16,469,640  
16 ..... FTEs 440.13

17 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP

18 SPECIAL APPROPRIATIONS

19 Sec. 37. RIVER AUTHORITIES. There is appropriated from  
20 the general fund of the state to the department of agriculture  
21 and land stewardship for the fiscal year beginning July 1,  
22 2002, and ending June 30, 2003, the following amount, or so  
23 much thereof as is necessary, to be used for the purposes  
24 designated:

25 For purposes of supporting the department for membership in  
26 the state interagency Missouri river authority, created in  
27 2002 Iowa Acts, Senate File 2051, in the Missouri river basin  
28 association:

29 ..... \$ 9,780

30 Sec. 38. FEED GRAIN PROJECT. There is appropriated from  
31 the general fund of the state to the department of agriculture  
32 and land stewardship for the fiscal year beginning July 1,  
33 2002, and ending June 30, 2003, the following amount, or so  
34 much thereof as is necessary, to be used for the purposes  
35 designated:



1 For purposes of administering a pilot process verification  
2 program for feed grains. The program shall be administered in  
3 conjunction with the Iowa corn growers association:

4 ..... \$ 19,560

5 Sec. 39. HORSE AND DOG RACING. There is appropriated from  
6 the moneys available under section 99D.13 to the  
7 administrative division of the department of agriculture and  
8 land stewardship for the fiscal year beginning July 1, 2002,  
9 and ending June 30, 2003, the following amount, or so much  
10 thereof as is necessary, to be used for the purposes  
11 designated:

12 For salaries, support, maintenance, and miscellaneous  
13 purposes for the administration of section 99D.22:

14 ..... \$ 293,441

15 Sec. 40. REGULATORY DIVISION DAIRY PRODUCTS CONTROL  
16 BUREAU. There is appropriated from the general fund of the  
17 state to the department of agriculture and land stewardship  
18 for the fiscal year beginning July 1, 2002, and ending June  
19 30, 2003, the following amount, or so much thereof as is  
20 necessary, to be used for the purposes designated:

21 For purposes of supporting the operations of the dairy  
22 products control bureau within the department's regulatory  
23 division, including salaries, support, maintenance, and  
24 miscellaneous purposes:

25 ..... \$ 664,646

26 DEPARTMENT OF NATURAL RESOURCES

27 GENERAL APPROPRIATIONS

28 Sec. 41. GENERAL DEPARTMENT APPROPRIATION.

29 1. There is appropriated from the general fund of the  
30 state to the department of natural resources for the fiscal  
31 year beginning July 1, 2002, and ending June 30, 2003, the  
32 following amount, or so much thereof as is necessary, to be  
33 used for the purposes designated:

34 For purposes of supporting the department, including its  
35 divisions, for administration, regulations, and programs, for

1 salaries, support, maintenance, miscellaneous purposes, and  
2 for not more than the following full-time equivalent  
3 positions:

4 ..... \$ 15,555,316  
5 ..... FTEs 1,075.12

6 2. Of the amount appropriated in subsection 1, the air  
7 quality bureau may expend up to \$5,000 for purposes of  
8 supporting public education programs for controlled burning of  
9 demolition sites and the proper disposal of waste materials  
10 from demolition sites.

11 3. Of the amount appropriated in subsection 1, \$5,949,760  
12 shall be used by the parks and preserves division for  
13 salaries, support, maintenance, and miscellaneous purposes.

14 4. Of the amount appropriated in subsection 1, \$1,250,000  
15 shall be used for salaries, support, maintenance, and  
16 miscellaneous purposes for activities regarding animal  
17 agriculture.

18 Sec. 42. STATE FISH AND GAME PROTECTION FUND --  
19 APPROPRIATION TO THE DIVISION OF FISH AND WILDLIFE.

20 1. a. There is appropriated from the state fish and game  
21 protection fund to the department of natural resources for the  
22 fiscal year beginning July 1, 2002, and ending June 30, 2003,  
23 the following amount, or so much thereof as is necessary, to  
24 be used for the purposes designated:

25 For use by the division of fish and wildlife for  
26 administrative support, and for salaries, support,  
27 maintenance, equipment, and miscellaneous purposes:  
28 ..... \$ 28,044,786

29 b. The department may use moneys appropriated in paragraph  
30 "a", as is necessary to provide compensation to conservation  
31 peace officers employed in a protection occupation who retire,  
32 pursuant to section 97B.49B.

33 2. The department shall not expend more moneys from the  
34 fish and game protection fund than provided in this section,  
35 unless the expenditure derives from contributions made by a

1 private entity, or a grant or moneys received from the federal  
2 government, and is approved by the natural resource  
3 commission. The department of natural resources shall  
4 promptly notify the legislative fiscal bureau and the  
5 chairpersons and ranking members of the joint appropriations  
6 subcommittee on agriculture and natural resources concerning  
7 the commission's approval.

8 DEPARTMENT OF NATURAL RESOURCES

9 RELATED TRANSFERS AND APPROPRIATIONS

10 Sec. 43. SNOWMOBILE FEES -- TRANSFER FOR ENFORCEMENT

11 PURPOSES. There is transferred on July 1, 2002, from the fees  
12 deposited under section 321G.7 to the fish and game protection  
13 fund and appropriated to the department of natural resources  
14 for the fiscal year beginning July 1, 2002, and ending June  
15 30, 2003, the following amount, or so much thereof as is  
16 necessary, to be used for the purpose designated:

17 For enforcing snowmobile laws as part of the state  
18 snowmobile program administered by the department of natural  
19 resources:

20 ..... \$ 100,000

21 Sec. 44. VESSEL FEES -- TRANSFER FOR ENFORCEMENT PURPOSES.

22 There is transferred on July 1, 2002, from the fees deposited  
23 under section 462A.52 to the fish and game protection fund and  
24 appropriated to the natural resource commission for the fiscal  
25 year beginning July 1, 2002, and ending June 30, 2003, the  
26 following amount, or so much thereof as is necessary, to be  
27 used for the purpose designated:

28 For the administration and enforcement of navigation laws  
29 and water safety:

30 ..... \$ 1,400,000

31 Notwithstanding section 8.33, moneys transferred and  
32 appropriated in this section that remain unencumbered or  
33 unobligated at the close of the fiscal year shall not revert  
34 to the credit of the fish and game protection fund but shall  
35 be credited to the special conservation fund established by

1 section 462A.52 to be used as provided in that section.

2 DEPARTMENT OF NATURAL RESOURCES

3 SPECIAL APPROPRIATIONS

4 Sec. 45. REVENUE ADMINISTERED BY THE IOWA COMPREHENSIVE  
5 UNDERGROUND STORAGE TANK FUND BOARD. There is appropriated  
6 from the unassigned revenue fund administered by the Iowa  
7 comprehensive underground storage tank fund board, to the  
8 department of natural resources for the fiscal year beginning  
9 July 1, 2002, and ending June 30, 2003, the following amount,  
10 or so much thereof as is necessary, to be used for the purpose  
11 designated:

12 For administration expenses of the underground storage tank  
13 section of the department of natural resources:

14 ..... \$ 75,000

15 Sec. 46. FLOODPLAIN PERMIT BACKLOG. Notwithstanding any  
16 contrary provision of state law, for the fiscal year beginning  
17 July 1, 2002, and ending June 30, 2003, the department of  
18 natural resources may use additional funds available to the  
19 department from stormwater discharge permit fees for the  
20 staffing of the following additional full-time staff members  
21 to reduce the department's floodplain permit backlog:

22 ..... FTEs 2.00

23 Sec. 47. IMPLEMENTATION OF THE FEDERAL TOTAL MAXIMUM DAILY  
24 LOAD PROGRAM. Notwithstanding any contrary provision of state  
25 law, for the fiscal year beginning July 1, 2002, and ending  
26 June 30, 2003, the department of natural resources may use  
27 additional funds available to the department from stormwater  
28 discharge permit fees for the staffing of the following  
29 additional full-time equivalent positions for implementation  
30 of the federal total maximum daily load program:

31 ..... FTEs 2.00

32 Sec. 48. EFFECTIVE DATE. This division of this Act takes  
33 effect July 1, 2002.

34 DIVISION III  
35 ECONOMIC DEVELOPMENT

1     Sec. 49. GOALS AND ACCOUNTABILITY.

2     1. The goals for the department of economic development  
3 shall be to expand and stimulate the state economy, increase  
4 the wealth of Iowans, and increase the population of the  
5 state.

6     2. To achieve the goals in subsection 1, the department of  
7 economic development shall do all of the following:

8     a. Concentrate its efforts on programs and activities that  
9 result in commercially viable products and services.

10    b. Adopt practices and services consistent with free  
11 market, private sector philosophies.

12    c. Ensure economic growth and development throughout the  
13 state.

14    3. The department of economic development shall  
15 demonstrate accountability by using performance measures  
16 appropriate to show the attainment of the goals in subsection  
17 1 for the state and by measuring the effectiveness and results  
18 of the department's programs and activities. The performance  
19 measures and associated benchmarks shall be developed or  
20 identified in cooperation with the legislative fiscal bureau  
21 and approved by the joint appropriations subcommittee on  
22 economic development. The data demonstrating accountability  
23 collected by the department shall be made readily available  
24 and maintained in computer-readable format.

25    Sec. 50. DEPARTMENT OF ECONOMIC DEVELOPMENT. There is  
26 appropriated from the general fund of the state to the  
27 department of economic development for the fiscal year  
28 beginning July 1, 2002, and ending June 30, 2003, the  
29 following amounts, or so much thereof as is necessary, to be  
30 used for the purposes designated:

31    1. ADMINISTRATIVE SERVICES DIVISION

32    a. General administration

33    For salaries, support, maintenance, miscellaneous purposes,  
34 programs, for the transfer to the Iowa state commission grant  
35 program, and for not more than the following full-time

1 equivalent positions:

2 ..... \$ 1,509,134  
3 ..... FTEs 28.75

4 b. The department shall work with businesses and  
5 communities to continually improve the economic development  
6 climate along with the economic well-being and quality of life  
7 for Iowans. The administrative services division shall  
8 coordinate with other state agencies ensuring that all state  
9 departments are attentive to the needs of an entrepreneurial  
10 culture.

11 2. BUSINESS DEVELOPMENT DIVISION

12 a. Business development operations

13 For business development operations and programs,  
14 international trade, export assistance, workforce recruitment,  
15 the partner state program, for transfer to the strategic  
16 investment fund, for transfer to the value-added agricultural  
17 products and processes financial assistance fund, salaries,  
18 support, maintenance, miscellaneous purposes, and for not more  
19 than the following full-time equivalent positions:

20 ..... \$ 10,311,286  
21 ..... FTEs 60.00

22 b. The department shall establish a strong and aggressive  
23 marketing image to showcase Iowa's workforce, existing  
24 industry, and potential. A priority shall be placed on  
25 recruiting new businesses, business expansion, and retaining  
26 existing Iowa businesses. Emphasis shall also be placed on  
27 entrepreneurial development through helping to secure capital  
28 for entrepreneurs, and developing networks and a business  
29 climate conducive to entrepreneurs and small business.

30 c. Notwithstanding section 8.33, moneys appropriated in  
31 this subsection that remain unencumbered or unobligated at the  
32 close of the fiscal year shall not revert but shall remain  
33 available for expenditure for the purposes designated until  
34 the close of the succeeding fiscal year.

35 3. COMMUNITY AND RURAL DEVELOPMENT DIVISION

1 a. Community development programs

2 For salaries, support, maintenance, miscellaneous purposes,  
3 community economic development programs, tourism operations,  
4 community assistance, the film office, the mainstreet and  
5 rural mainstreet programs, the school-to-career program, the  
6 community development block grant, and housing and shelter-  
7 related programs and for not more than the following full-time  
8 equivalent positions:

9 .....	\$	4,591,404
10 .....	FTEs	65.00

11 b. The department shall encourage development of  
12 communities and quality of life to foster economic growth. The  
13 department shall prepare communities for future growth and  
14 development through development, expansion, and modernization  
15 of infrastructure.

16 c. The department shall develop public-private  
17 partnerships with Iowa businesses in the tourism industry,  
18 Iowa tour groups, Iowa tourism organizations, and political  
19 subdivisions in this state to assist in the development of  
20 advertising efforts. The department shall, to the fullest  
21 extent possible, develop cooperative efforts for advertising  
22 with contributions from other sources.

23 d. Notwithstanding section 8.33, moneys that remain  
24 unexpended at the end of the fiscal year shall not revert to  
25 any fund but shall remain available for expenditure for the  
26 designated purposes during the succeeding fiscal year.

27 4. For allocating moneys for the world food prize:  
28 ..... \$ 285,000

29 Sec. 51. VISION IOWA PROGRAM -- FTE AUTHORIZATION. For  
30 purposes of administrative duties associated with the vision  
31 Iowa program, the department of economic development is  
32 authorized an additional 3.00 full-time equivalent positions  
33 above those otherwise authorized in this division of this Act.

34 Sec. 52. RURAL COMMUNITY 2000 PROGRAM. There is  
35 appropriated from loan repayments on loans under the former

1 rural community 2000 program, sections 15.281 through 15.288,  
2 Code 2001, to the department of economic development for the  
3 fiscal year beginning July 1, 2002, and ending June 30, 2003,  
4 the following amounts, or so much thereof as is necessary, to  
5 be used for the purposes designated:

6 1. For providing financial assistance to Iowa's councils  
7 of governments that provide technical and planning assistance  
8 to local governments:

9 ..... \$ 150,000

10 2. For the rural development program for the purposes of  
11 the program including the rural enterprise fund and  
12 collaborative skills development training:

13 ..... \$ 370,000

14 Sec. 53. INSURANCE ECONOMIC DEVELOPMENT. There is  
15 appropriated from moneys collected by the division of  
16 insurance in excess of the anticipated gross revenues under  
17 section 505.7, subsection 3, to the department of economic  
18 development for the fiscal year beginning July 1, 2002, and  
19 ending June 30, 2003, the following amount, or so much thereof  
20 as is necessary, for insurance economic development and  
21 international insurance economic development:

22 ..... \$ 100,000

23 Sec. 54. TOURISM OPERATIONS. There is appropriated from  
24 the community attraction and tourism fund created in section  
25 15F.204 to the department of economic development for the  
26 fiscal year beginning July 1, 2002, and ending June 30, 2003,  
27 the following amount, or so much thereof as is necessary, to  
28 be used for the purposes designated:

29 For tourism operations, including salaries, support,  
30 maintenance, and miscellaneous purposes:

31 ..... \$ 1,200,000

32 Moneys appropriated pursuant to this section shall not be  
33 appropriated from moneys in the community attraction and  
34 tourism fund which are moneys originating from the tax-exempt  
35 bond proceeds restricted capital funds account of the tobacco



1 settlement trust fund.

2 Sec. 55. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding  
3 section 15E.120, subsections 5 and 6, there is appropriated  
4 from the Iowa community development loan fund all the moneys  
5 available during the fiscal year beginning July 1, 2002, and  
6 ending June 30, 2003, to the department of economic  
7 development for the community development program to be used  
8 by the department for the purposes of the program.

9 Sec. 56. WORKFORCE DEVELOPMENT FUND. There is  
10 appropriated from the workforce development fund account  
11 created in section 15.342A, to the workforce development fund  
12 created in section 15.343, for the fiscal year beginning July  
13 1, 2002, and ending June 30, 2003, the following amount, for  
14 the purposes of the workforce development fund, and for not  
15 more than the following full-time equivalent positions:  
16 ..... \$ 4,000,000  
17 ..... FTEs 4.00

18 Sec. 57. WORKFORCE DEVELOPMENT ADMINISTRATION. From funds  
19 appropriated or transferred to or receipts credited to the  
20 workforce development fund created in section 15.343, up to  
21 \$400,000 for the fiscal year beginning July 1, 2002, and  
22 ending June 30, 2003, may be used for the administration of  
23 workforce development activities including salaries, support,  
24 maintenance, and miscellaneous purposes and for not more than  
25 4.00 full-time equivalent positions.

26 Sec. 58. JOB TRAINING FUND. Notwithstanding section  
27 15.251, all remaining moneys in the job training fund on July  
28 1, 2002, and any moneys appropriated or credited to the fund  
29 during the fiscal year beginning July 1, 2002, shall be  
30 transferred to the workforce development fund established  
31 pursuant to section 15.343.

32 Sec. 59. IOWA STATE UNIVERSITY.  
33 1. There is appropriated from the general fund of the  
34 state to the Iowa state university of science and technology  
35 for the fiscal year beginning July 1, 2002, and ending June

1 30, 2003, the following amount, or so much thereof as is  
2 necessary, to be used for small business development centers,  
3 the science and technology research park, the institute for  
4 physical research, and for not more than the following full-  
5 time equivalent positions:

6 ..... \$ 2,384,063  
7 ..... FTEs 56.53

8 2. Iowa state university of science and technology shall  
9 do all of the following:

10 a. Direct expenditures for research toward projects that  
11 will provide economic stimulus for Iowa.

12 b. Emphasize that a business and an individual that  
13 creates a business and receives benefits from a program  
14 funded, in part, through moneys appropriated in this section  
15 have a commercially viable product or service.

16 c. Provide emphasis to providing services to Iowa-based  
17 companies.

18 3. It is the intent of the general assembly that the  
19 industrial incentive program focus on Iowa industrial sectors  
20 and seek contributions and in-kind donations from businesses,  
21 industrial foundations, and trade associations and that moneys  
22 for the institute for physical research and technology  
23 industrial incentive program shall only be allocated for  
24 projects which are matched by private sector moneys for  
25 directed contract research or for nondirected research. The  
26 match required of small businesses as defined in section  
27 15.102, subsection 4, for directed contract research or for  
28 nondirected research shall be \$1 for each \$3 of state funds.  
29 The match required for other businesses for directed contract  
30 research or for nondirected research shall be \$1 for each \$1  
31 of state funds. The match required of industrial foundations  
32 or trade associations shall be \$1 for each \$1 of state funds.

33 Iowa state university of science and technology shall  
34 report annually to the joint appropriations subcommittee on  
35 economic development and the legislative fiscal bureau the

1 total amount of private contributions, the proportion of  
2 contributions from small businesses and other businesses, and  
3 the proportion for directed contract research and nondirected  
4 research of benefit to Iowa businesses and industrial sectors.

5 Notwithstanding section 8.33, moneys appropriated in this  
6 section that remain unencumbered or unobligated at the close  
7 of the fiscal year shall not revert but shall remain available  
8 for expenditure for the purposes designated until the close of  
9 the succeeding fiscal year.

10 Sec. 60. UNIVERSITY OF IOWA.

11 1. There is appropriated from the general fund of the  
12 state to the state university of Iowa for the fiscal year  
13 beginning July 1, 2002, and ending June 30, 2003, the  
14 following amount, or so much thereof as is necessary, to be  
15 used for the university of Iowa research park and for the  
16 advanced drug development program at the Oakdale research  
17 park, including salaries, support, maintenance, equipment,  
18 miscellaneous purposes, and for not more than the following  
19 full-time equivalent positions:

20 .....	\$	245,463
21 .....	FTEs	6.00

22 2. The university of Iowa shall do all of the following:

23 a. Direct expenditures for research toward projects that  
24 will provide economic stimulus for Iowa.

25 b. Emphasize that a business and an individual that  
26 creates a business and receives benefits from a program  
27 funded, in part, through moneys appropriated in this section  
28 have a commercially viable product or service.

29 c. Provide emphasis to providing services to Iowa-based  
30 companies.

31 3. The board of regents shall submit a report on the  
32 progress of regents institutions in meeting the strategic plan  
33 for technology transfer and economic development to the  
34 secretary of the senate, the chief clerk of the house of  
35 representatives, and the legislative fiscal bureau by January

1 15, 2003.

2 4. Notwithstanding section 8.33, moneys appropriated in  
3 this section that remain unencumbered or unobligated at the  
4 close of the fiscal year shall not revert but shall remain  
5 available for expenditure for the purposes designated until  
6 the close of the succeeding fiscal year.

7 Sec. 61. UNIVERSITY OF NORTHERN IOWA.

8 1. There is appropriated from the general fund of the  
9 state to the university of northern Iowa for the fiscal year  
10 beginning July 1, 2002, and ending June 30, 2003, the  
11 following amount, or so much thereof as is necessary, to be  
12 used for the metal casting institute, and for the institute of  
13 decision making, including salaries, support, maintenance,  
14 miscellaneous purposes, and for not more than the following  
15 full-time equivalent positions:

16 .....	\$	352,889
17 .....	FTEs	11.15

18 2. The university of northern Iowa shall do all of the  
19 following:

20 a. Direct expenditures for research toward projects that  
21 will provide economic stimulus for Iowa.

22 b. Emphasize that a business and an individual that  
23 creates a business and receives benefits from a program  
24 funded, in part, through moneys appropriated in this section  
25 have a commercially viable product or service.

26 c. Provide emphasis to providing services to Iowa-based  
27 companies.

28 3. Notwithstanding section 8.33, moneys appropriated in  
29 this section that remain unencumbered or unobligated at the  
30 close of the fiscal year shall not revert but shall remain  
31 available for expenditure for the purposes designated until  
32 the close of the succeeding fiscal year.

33 Sec. 62. DEPARTMENT OF WORKFORCE DEVELOPMENT.

34 1. There is appropriated from the general fund of the  
35 state, to the department of workforce development for the

1 fiscal year beginning July 1, 2002, and ending June 30, 2003,  
2 the following amount, or so much thereof as is necessary, for  
3 the division of labor services, the division of workers'  
4 compensation, the workforce development state and regional  
5 boards, the new employment opportunity fund, salaries,  
6 support, maintenance, miscellaneous purposes, and for not more  
7 than the following full-time equivalent positions:

8 ..... \$ 4,878,316  
9 ..... FTEs 113.30

10 2. From the contractor registration fees, the division of  
11 labor services shall reimburse the department of inspections  
12 and appeals for all costs associated with hearings under  
13 chapter 91C, relating to contractor registration.

14 3. The division of workers' compensation shall continue  
15 charging a \$65 filing fee for workers' compensation cases. The  
16 filing fee shall be paid by the petitioner of a claim.  
17 However, the fee can be taxed as a cost and paid by the losing  
18 party, except in cases where it would impose an undue hardship  
19 or be unjust under the circumstances.

20 4. Notwithstanding section 8.33, moneys appropriated in  
21 this section that remain unencumbered or unobligated at the  
22 close of the fiscal year shall not revert but shall remain  
23 available for expenditure for the purposes designated until  
24 the close of the succeeding fiscal year.

25 Sec. 63. ADMINISTRATIVE CONTRIBUTION SURCHARGE FUND.  
26 Notwithstanding section 96.7, subsection 12, paragraph "c",  
27 there is appropriated from the administrative contribution  
28 surcharge fund of the state to the department of workforce  
29 development for the fiscal year beginning July 1, 2002, and  
30 ending June 30, 2003, any moneys remaining in the  
31 administrative contribution surcharge fund on June 30, 2002,  
32 and the entire amount collected during the fiscal year  
33 beginning July 1, 2002, and ending June 30, 2003, or so much  
34 thereof as is necessary, for salaries, support, maintenance,  
35 conducting labor market surveys, miscellaneous purposes, and

1 for workforce development regional advisory board member  
2 expenses.

3 Sec. 64. EMPLOYMENT SECURITY CONTINGENCY FUND. There is  
4 appropriated from the special employment security contingency  
5 fund to the department of workforce development for the fiscal  
6 year beginning July 1, 2002, and ending June 30, 2003, the  
7 following amounts, or so much thereof as is necessary, for the  
8 purposes designated:

9 1. DIVISION OF WORKERS' COMPENSATION

10 For salaries, support, maintenance, and miscellaneous  
11 purposes:

12 ..... \$ 471,000

13 2. IMMIGRATION SERVICE CENTERS

14 For salaries, support, maintenance, and miscellaneous  
15 purposes for the pilot immigration service centers:

16 ..... \$ 160,000

17 The department of workforce development shall maintain  
18 pilot immigration service centers that offer one-stop services  
19 to deal with the multiple issues related to immigration and  
20 employment. The pilot centers shall be designed to support  
21 workers, businesses, and communities with information,  
22 referrals, job placement assistance, translation, language  
23 training, resettlement, as well as technical and legal  
24 assistance on such issues as forms and documentation. Through  
25 the coordination of local, state, and federal service  
26 providers, and through the development of partnerships with  
27 public, private, and nonprofit entities with established  
28 records of international service, these pilot centers shall  
29 seek to provide a seamless service delivery system for new  
30 Iowans.

31 3. LABOR MARKET INFORMATION

32 For salaries, support, maintenance, miscellaneous purposes  
33 for collection of labor market information, and for not more  
34 than the following full-time equivalent position:

35 ..... \$ 67,078

1 ..... FTEs 1.00

2 Any additional penalty and interest revenue may be used to  
3 accomplish the mission of the department upon notification of  
4 the use to the chairpersons and ranking members of the joint  
5 appropriations subcommittee on economic development, the  
6 department of management, and the legislative fiscal bureau.  
7 However, the department shall not allocate any additional  
8 penalty and interest revenue prior to January 30, 2003.

9 Sec. 65. PUBLIC EMPLOYMENT RELATIONS BOARD. There is  
10 appropriated from the general fund of the state to the public  
11 employment relations board for the fiscal year beginning July  
12 1, 2002, and ending June 30, 2003, the following amount, or so  
13 much thereof as is necessary, for the purposes designated:

14 For salaries, support, maintenance, miscellaneous purposes,  
15 and for not more than the following full-time equivalent  
16 positions:

17 ..... \$ 815,857  
18 ..... FTEs 12.00

19 Sec. 66. Section 15E.112, subsection 5, Code 2001, is  
20 amended by striking the subsection.

21 Sec. 67. Section 159A.7, subsection 6, Code 2001, is  
22 amended by striking the subsection.

23 Sec. 68. 2000 Iowa Acts, chapter 1230, section 11,  
24 unnumbered paragraph 3, as amended by 2001 Iowa Acts, chapter  
25 188, section 19, is amended to read as follows:

26 In addition to moneys appropriated by this section,  
27 notwithstanding section 96.7, subsection 12, paragraph "c",  
28 for the fiscal year beginning July 1, 2000, there is  
29 appropriated from the administrative contribution surcharge  
30 fund of the state to the department of workforce development  
31 \$700,000, or so much thereof as is necessary, for matching  
32 funds for welfare-to-work grants authorized through the United  
33 States department of labor. Notwithstanding section 8.33,  
34 moneys appropriated in this unnumbered paragraph that remain  
35 unencumbered or unobligated on June 30, 2001, shall not revert

1 but shall remain available for expenditure for the purposes  
2 designated for the fiscal year years beginning July 1, 2001,  
3 and July 1, 2002.

4 Sec. 69. VALUE-ADDED AGRICULTURAL PRODUCTS AND PROCESSES  
5 FINANCIAL ASSISTANCE FUND MONEYS. The office of renewable  
6 fuels and coproducts may apply to the department of economic  
7 development for moneys in value-added agricultural products  
8 and processes financial assistance fund for deposit in the  
9 renewable fuels and coproducts fund created in section 159A.7.

10 Sec. 70. IOWA FINANCE AUTHORITY AUDIT. The auditor of  
11 state is requested to review the audit of the Iowa finance  
12 authority performed by the auditor hired by the authority. The  
13 auditor of state is also requested to conduct a performance  
14 audit of the authority to determine the effectiveness of the  
15 authority and the programs of the authority.

16 Sec. 71. APPLICATION FOR DEPARTMENT OF ECONOMIC  
17 DEVELOPMENT MONEYS. For the fiscal year beginning July 1,  
18 2002, any entity that was specifically identified in 2001 Iowa  
19 Acts, chapter 188, to receive funding from the department of  
20 economic development, excluding any entity identified to  
21 receive a direct appropriation beginning July 1, 2002, may  
22 apply to the department for assistance through the appropriate  
23 program. The department shall provide application criteria  
24 necessary to implement this section.

25 Sec. 72. EXPENDITURE AND ALLOCATION REPORTS. The  
26 department of economic development, the department of  
27 workforce development, and the regents institutions receiving  
28 an appropriation pursuant to this division of this Act shall  
29 file a written report on a quarterly basis with the  
30 chairpersons and ranking members of the joint appropriations  
31 subcommittee on economic development and the legislative  
32 fiscal bureau regarding all expenditures of moneys  
33 appropriated pursuant to this division of this Act during the  
34 quarter, allocations of moneys appropriated pursuant to this  
35 division of this Act during the quarter, and full-time



1 equivalent positions allocated during the quarter.

2     Sec. 73. EMPLOYER'S CONTRIBUTION AND PAYROLL REPORT FORM.  
3 Notwithstanding Iowa administrative code 871, chapter 22, an  
4 entity filing the employer's contribution and payroll report  
5 form and any other unemployment insurance forms on behalf of  
6 multiple accounts shall be allowed to submit one check for  
7 these accounts. A listing of applicable account numbers shall  
8 be submitted with the payment.

9     Sec. 74. SHELTER ASSISTANCE FUND. In providing moneys  
10 from the shelter assistance fund to homeless shelter programs  
11 in the fiscal year beginning July 1, 2002, and ending June 30,  
12 2003, the department of economic development shall explore the  
13 potential of allocating moneys to homeless shelter programs  
14 based in part on their ability to move their clients toward  
15 self-sufficiency.

16     Sec. 75. ISCC REPORT. By December 31, 2002, the  
17 department of economic development shall submit a written  
18 report to the chairpersons and the ranking members of the  
19 joint appropriations subcommittee on economic development and  
20 the legislative fiscal bureau. The report shall identify any  
21 moneys received from the ISCC liquidation corporation.

22     Sec. 76. FEDERAL GRANTS. All federal grants to and the  
23 federal receipts of agencies appropriated funds under this  
24 division of this Act, not otherwise appropriated, are  
25 appropriated for the purposes set forth in the federal grants  
26 or receipts unless otherwise provided by the general assembly.

27     Sec. 77. UNEMPLOYMENT COMPENSATION PROGRAM.  
28 Notwithstanding section 96.9, subsection 4, paragraph "a",  
29 moneys credited to the state by the secretary of the treasury  
30 of the United States pursuant to section 903 of the Social  
31 Security Act shall be appropriated to the department of  
32 workforce development and shall be used by the department for  
33 the administration of the unemployment compensation program  
34 only. This appropriation shall not apply to any fiscal year  
35 beginning after December 31, 2002.

1 Sec. 78. PAYROLL EXPENDITURE REFUNDS. In lieu of the  
2 appropriation made in section 15.365, subsection 3, there is  
3 appropriated for the fiscal year beginning July 1, 2002, and  
4 ending June 30, 2003, \$28,498, or so much thereof as is  
5 necessary, from the general fund of the state to the  
6 department of economic development to pay refunds as provided  
7 under section 15.365.

8 Sec. 79. EFFECTIVE DATE. This division of this Act takes  
9 effect July 1, 2002.

10 DIVISION IV  
11 EDUCATION

12 Sec. 80. 2002 Iowa Acts, Senate File 2326, section 76,  
13 subsection 3, paragraph a, is amended by striking the  
14 paragraph.

15 Sec. 81. 2002 Iowa Acts, Senate File 2326, section 76,  
16 subsection 5, is amended by striking the subsection.

17 Sec. 82. 2002 Iowa Acts, Senate File 2326, section 78,  
18 subsection 1, unnumbered paragraph 1, is amended to read as  
19 follows:

20 For salaries, support, maintenance, miscellaneous purposes,  
21 and for not more than the following full-time equivalent  
22 positions:

23 .....	\$	231,707
24 .....		<u>215,488</u>
25 .....	FTEs	4.30

26 Sec. 83. 2002 Iowa Acts, Senate File 2326, section 78,  
27 subsections 2, 3, and 5, are amended to read as follows:

28 2. COMMUNITY CULTURAL GRANTS

29 For planning and programming for the community cultural  
30 grants program established under section 303.3, and for not  
31 more than the following full-time equivalent position:

32 .....	\$	598,450
33 .....		<u>300,000</u>
34 .....	FTEs	0.70

35 3. HISTORICAL DIVISION

1 For salaries, support, maintenance, miscellaneous purposes,  
 2 and for not more than the following full-time equivalent  
 3 positions:

4 .....	\$	3,702,578.91
5 .....		<u>2,814,079</u>
6 .....	FTEs	66.70

7 5. ARTS DIVISION

8 For salaries, support, maintenance, miscellaneous purposes,  
 9 including funds to match federal grants and for not more than  
 10 the following full-time equivalent positions:

11 .....	\$	1,725,467.79
12 .....		<u>1,166,851</u>
13 .....	FTEs	11.00

14 Sec. 84. 2002 Iowa Acts, Senate File 2326, section 79,  
 15 subsections 1 through 3, are amended to read as follows:

16 1. GENERAL ADMINISTRATION

17 For salaries, support, maintenance, miscellaneous purposes,  
 18 and for not more than the following full-time equivalent  
 19 positions:

20 .....	\$	5,716,575.31
21 .....		<u>5,051,889</u>
22 .....	FTEs	104.45

23 The director of the department of education shall ensure  
 24 that all school districts are aware of the state education  
 25 resources available on the state website for listing teacher  
 26 job openings and shall make every reasonable effort to enable  
 27 qualified practitioners to post their resumes on the state  
 28 website. The department shall administer the posting of job  
 29 vacancies for school districts, accredited nonpublic schools,  
 30 and area education agencies on the state website. The  
 31 department may coordinate this activity with the Iowa school  
 32 board association or other interested education associations  
 33 in the state.

34 2. VOCATIONAL EDUCATION ADMINISTRATION

35 For salaries, support, maintenance, miscellaneous purposes,

1 and for not more than the following full-time equivalent  
 2 positions:

3 .....	\$	500,111
4 .....		<u>489,109</u>
5 .....	FTEs	15.60

6 3. BOARD OF EDUCATIONAL EXAMINERS

7 For salaries, support, maintenance, miscellaneous purposes,  
 8 and for not more than the following full-time equivalent  
 9 positions:

10 .....	\$	437,695
11 .....		<u>42,734</u>
12 .....	FTEs	9.00

13 Sec. 85. 2002 Iowa Acts, Senate File 2326, section 79,  
 14 subsection 4, paragraph a, unnumbered paragraph 1, is amended  
 15 to read as follows:

16 For salaries, support, maintenance, miscellaneous purposes,  
 17 and for not more than the following full-time equivalent  
 18 positions:

19 .....	\$	4,386,854
20 .....		<u>4,290,343</u>
21 .....	FTEs	290.50

22 Sec. 86. 2002 Iowa Acts, Senate File 2326, section 79,  
 23 subsection 4, paragraph b, unnumbered paragraph 1, is amended  
 24 to read as follows:

25 For matching funds for programs to enable persons with  
 26 severe physical or mental disabilities to function more  
 27 independently, including salaries and support, and for not  
 28 more than the following full-time equivalent position:

29 .....	\$	57,158
30 .....		<u>55,901</u>
31 .....	FTEs	1.00

32 Sec. 87. 2002 Iowa Acts, Senate File 2326, section 79,  
 33 subsection 5, paragraph a, is amended to read as follows:

34 a. For salaries, support, maintenance, miscellaneous  
 35 purposes, and for not more than the following full-time

1 equivalent positions:

2	.....	\$	<u>1,500,000</u>
3			<u>1,250,000</u>
4	.....	FTEs	20.00

5 Sec. 88. 2002 Iowa Acts, Senate File 2326, section 79,  
6 subsection 5, paragraph b, unnumbered paragraph 1, is amended  
7 to read as follows:

8 For the enrich Iowa program:

9	.....	\$	<u>1,781,168</u>
10			<u>1,741,982</u>

11 Sec. 89. 2002 Iowa Acts, Senate File 2326, section 79,  
12 subsections 6 and 7, are amended to read as follows:

13 6. LIBRARY SERVICE AREA SYSTEM

14 For state aid:

15	.....	\$	<u>1,443,613</u>
16			<u>1,411,854</u>

17 7. PUBLIC BROADCASTING DIVISION

18 For salaries, support, maintenance, capital expenditures,  
19 miscellaneous purposes, and for not more than the following  
20 full-time equivalent positions:

21	.....	\$	<u>6,856,407</u>
22			<u>6,356,407</u>
23	.....	FTEs	89.00

24 Sec. 90. 2002 Iowa Acts, Senate File 2326, section 79,  
25 subsection 11, unnumbered paragraph 1, is amended to read as  
26 follows:

27 For deposit in the school ready children grants account of  
28 the Iowa empowerment fund created in section 28.9:

29	.....	\$	<u>14,033,448</u>
30			<u>13,724,712</u>

31 Sec. 91. 2002 Iowa Acts, Senate File 2326, section 79,  
32 subsections 13 through 16, are amended by striking the  
33 subsections.

34 Sec. 92. Section 256.9, subsection 48, Code Supplement  
35 2001, is amended to read as follows:

1 48. Develop and administer, with the cooperation of the  
2 commission of veterans affairs, a program which shall be known  
3 as "operation recognition". The purpose of the program is to  
4 award high school diplomas to ~~World-War-II~~ veterans of World  
5 War I, World War II, and the Korean and Vietnam conflicts who  
6 left high school prior to graduation to enter United States  
7 military service. The department and the commission shall  
8 jointly develop an application procedure, distribute  
9 applications, and publicize the program to school districts,  
10 accredited nonpublic schools, county commissions of veteran  
11 affairs, veterans organizations, and state, regional, and  
12 local media. All honorably discharged ~~World-War-II~~ veterans  
13 who are residents or former residents of the state<sup>7</sup>; who  
14 served at any time between April 6, 1917, and November 11,  
15 1918, at any time between September 16, 1940, and December 31,  
16 1946, at any time between June 25, 1950, and January 31, 1955,  
17 or at any time between February 28, 1961, and May 5, 1975, all  
18 dates inclusive; and who did not return to school and complete  
19 their education after the war or conflict shall be eligible to  
20 receive a diploma. Diplomas may be issued posthumously. Upon  
21 approval of an application, the department shall issue an  
22 honorary high school diploma for an eligible veteran. The  
23 diploma shall indicate the veteran's school of attendance. The  
24 department and the commission shall work together to provide  
25 school districts, schools, communities, and county commissions  
26 of veteran affairs with information about hosting a diploma  
27 ceremony on or around Veterans Day. The diploma shall be  
28 mailed to the veteran or, if the veteran is deceased, to the  
29 veteran's family.

30 Sec. 93. Section 261.25, subsection 1, Code 2001, as  
31 amended by 2002 Iowa Acts, Senate File 2326, section 85, is  
32 amended to read as follows:

33 1. There is appropriated from the general fund of the  
34 state to the commission for each fiscal year the sum of forty-  
35 seven forty-six million one hundred fifty-five seventeen

1 thousand three nine hundred eighty-two sixty-four dollars for  
2 tuition grants.

3 Sec. 94. Chapter 260A, Code 2001 and Code Supplement 2001,  
4 is repealed.

5 Sec. 95. EFFECTIVE DATE.

6 1. Except as otherwise provided in subsection 2, this  
7 division of this Act takes effect July 1, 2002.

8 2. The section of this division of this Act amending  
9 section 256.9, being deemed of immediate importance, takes  
10 effect upon enactment.

11 DIVISION V

12 HEALTH AND HUMAN RIGHTS

13 Sec. 96. DEPARTMENT FOR THE BLIND. There is appropriated  
14 from the general fund of the state to the department for the  
15 blind for the fiscal year beginning July 1, 2002, and ending  
16 June 30, 2003, the following amount, or so much thereof as is  
17 necessary, to be used for the purposes designated:

18 For salaries, support, maintenance, miscellaneous purposes,  
19 and for not more than the following full-time equivalent  
20 positions:

21 .....	\$	1,529,780
22 .....	FTEs	106.50

23 Sec. 97. CIVIL RIGHTS COMMISSION. There is appropriated  
24 from the general fund of the state to the Iowa state civil  
25 rights commission for the fiscal year beginning July 1, 2002,  
26 and ending June 30, 2003, the following amount, or so much  
27 thereof as is necessary, to be used for the purposes  
28 designated:

29 For salaries, support, maintenance, miscellaneous purposes,  
30 and for not more than the following full-time equivalent  
31 positions:

32 .....	\$	908,253
33 .....	FTEs	35.75

34 If the anticipated amount of federal funding from the  
35 federal equal employment opportunity commission and the

1 federal department of housing and urban development exceeds  
2 \$1,144,875 during the fiscal year beginning July 1, 2002, the  
3 Iowa state civil rights commission may exceed the staffing  
4 level authorized in this section to hire additional staff to  
5 process or to support the processing of employment and housing  
6 complaints during that fiscal year.

7 Sec. 98. DEPARTMENT OF ELDER AFFAIRS. There is  
8 appropriated from the general fund of the state to the  
9 department of elder affairs for the fiscal year beginning July  
10 1, 2002, and ending June 30, 2003, the following amount, or so  
11 much thereof as is necessary, to be used for the purposes  
12 designated:

13 1. For aging programs for the department of elder affairs  
14 and area agencies on aging to provide citizens of Iowa who are  
15 60 years of age and older with case management for the frail  
16 elderly, Alzheimer's support, the retired and senior volunteer  
17 program, resident advocate committee coordination, employment,  
18 and other services which may include, but are not limited to,  
19 adult day services, respite care, chore services, telephone  
20 reassurance, information and assistance, and home repair  
21 services, including the winterizing of homes, and for the  
22 construction of entrance ramps which make residences  
23 accessible to the physically handicapped, and for salaries,  
24 support, administration, maintenance, miscellaneous purposes,  
25 and for not more than the following full-time equivalent  
26 positions with the department of elder affairs:

27 .....	\$	3,928,156
28 .....	FTEs	28.00

29 a. Funds appropriated in this subsection may be used to  
30 supplement federal funds under federal regulations. To  
31 receive funds appropriated in this subsection, a local area  
32 agency on aging shall match the funds with moneys from other  
33 sources according to rules adopted by the department. Funds  
34 appropriated in this subsection may be used for elderly  
35 services not specifically enumerated in this subsection only



1 if approved by an area agency on aging for provision of the  
2 service within the area.

3 b. It is the intent of the general assembly that the Iowa  
4 chapters of the Alzheimer's association and the case  
5 management program for the frail elderly shall collaborate and  
6 cooperate fully to assist families in maintaining family  
7 members with Alzheimer's disease in the community for the  
8 longest period of time possible.

9 c. The department shall maintain policies and procedures  
10 regarding Alzheimer's support and the retired and senior  
11 volunteer program.

12 2. The department may grant an exception for a limited  
13 period of time, determined by the department to be reasonable,  
14 to allow for compliance by persons regulated by the department  
15 or applicants for assisted living certification with any part  
16 of chapter 104A relative to buildings in existence on July 1,  
17 1998. The determination of the period of time allowed for  
18 compliance shall be commensurate with the anticipated  
19 magnitude of expenditure, disruption of services, and the  
20 degree of hazard presented. The department shall also be  
21 authorized to modify the accessibility requirements otherwise  
22 applicable to such applicants for buildings in existence on  
23 July 1, 1998, if the department determines that compliance  
24 with the requirements would be unreasonable, but only if it is  
25 determined that noncompliance with the requirements would not  
26 present an unreasonable degree of danger.

27 Sec. 99. GOVERNOR'S OFFICE OF DRUG CONTROL POLICY.

28 1. There is appropriated from the general fund of the  
29 state to the governor's office of drug control policy for the  
30 fiscal year beginning July 1, 2002, and ending June 30, 2003,  
31 the following amount, or so much thereof as is necessary, to  
32 be used for the purposes designated:

33 For salaries, support, maintenance, miscellaneous purposes  
34 including statewide coordination of the drug abuse resistance  
35 education (D.A.R.E.) programs or similar programs, and for not

1 more than the following full-time equivalent positions:

2 ..... \$ 261,504  
3 ..... FTEs 11.00

4 2. The governor's office of drug control policy, in  
5 consultation with the Iowa department of public health, and  
6 after discussion and collaboration with all interested  
7 agencies, shall coordinate substance abuse treatment and  
8 prevention efforts in order to avoid duplication of services.

9 Sec. 100. DEPARTMENT OF PUBLIC HEALTH. There is  
10 appropriated from the general fund of the state to the Iowa  
11 department of public health for the fiscal year beginning July  
12 1, 2002, and ending June 30, 2003, the following amounts, or  
13 so much thereof as is necessary, to be used for the purposes  
14 designated:

15 1. ADDICTIVE DISORDERS

16 For reducing the prevalence of use of tobacco, alcohol, and  
17 other drugs, and treating individuals affected by addictive  
18 behaviors, including gambling, and for not more than the  
19 following full-time equivalent positions:

20 ..... \$ 1,182,980  
21 ..... FTEs 15.51

22 a. The department shall continue to coordinate with  
23 substance abuse treatment and prevention providers regardless  
24 of funding source to assure the delivery of substance abuse  
25 treatment and prevention programs.

26 b. The commission on substance abuse, in conjunction with  
27 the department, shall continue to coordinate the delivery of  
28 substance abuse services involving prevention, social and  
29 medical detoxification, and other treatment by medical and  
30 nonmedical providers to uninsured and court-ordered substance  
31 abuse patients in all counties of the state.

32 c. The department and any grantee or subgrantee of the  
33 department shall not discriminate against a nongovernmental  
34 organization that provides substance abuse treatment and  
35 prevention services or applies for funding to provide those

1 services on the basis that the organization has a religious  
 2 character. The department shall report to the governor and  
 3 the general assembly on or before February 1, 2003, regarding  
 4 the number of religious or other nongovernmental organizations  
 5 that applied for funds in the preceding fiscal year, the  
 6 amounts awarded to those organizations, and the basis for any  
 7 refusal by the department or grantee or subgrantee of the  
 8 department to award funds to any of those organizations that  
 9 applied.

10 2. ADULT WELLNESS

11 For maintaining or improving the health status of adults,  
 12 with target populations between the ages of 18 through 60, and  
 13 for not more than the following full-time equivalent  
 14 positions:

15 .....	\$	497,647
16 .....	FTEs	24.27

17 3. CHILD AND ADOLESCENT WELLNESS

18 For promoting the optimum health status for children and  
 19 adolescents from birth through 21 years of age, and for not  
 20 more than the following full-time equivalent positions:

21 .....	\$	1,092,689
22 .....	FTEs	47.07

23 4. CHRONIC CONDITIONS

24 For serving individuals identified as having chronic  
 25 conditions or special health care needs, and for not more than  
 26 the following full-time equivalent positions:

27 .....	\$	1,171,453
28 .....	FTEs	10.30

29 5. COMMUNITY CAPACITY

30 For strengthening the health care delivery system at the  
 31 local level, and for not more than the following full-time  
 32 equivalent positions:

33 .....	\$	1,225,717
34 .....	FTEs	26.12

35 6. ELDERLY WELLNESS

1 For optimizing the health of persons 60 years of age and  
2 older, and for not more than the following full-time  
3 equivalent positions:

4 ..... \$ 9,455,265  
5 ..... FTEs 4.05

6 7. ENVIRONMENTAL HAZARDS

7 For reducing the public's exposure to hazards in the  
8 environment, primarily chemical hazards, and for not more than  
9 the following full-time equivalent positions:

10 ..... \$ 158,258  
11 ..... FTEs 9.20

12 8. INFECTIOUS DISEASES

13 For reducing the incidence and prevalence of communicable  
14 diseases, and for not more than the following full-time  
15 equivalent positions:

16 ..... \$ 1,095,419  
17 ..... FTEs 36.40

18 9. INJURIES

19 For providing support and protection to victims of abuse or  
20 injury, or programs that are designed to prevent abuse or  
21 injury, and for not more than the following full-time  
22 equivalent positions:

23 ..... \$ 1,467,105  
24 ..... FTEs 8.55

25 Of the funds appropriated in this subsection, \$660,000  
26 shall be credited to the emergency medical services fund  
27 created in section 135.25.

28 10. PUBLIC PROTECTION

29 For protecting the health and safety of the public through  
30 establishing standards and enforcing regulations, and for not  
31 more than the following full-time equivalent positions:

32 ..... \$ 6,269,235  
33 ..... FTEs 129.77

34 a. The department may expend funds received from licensing  
35 fees in addition to amounts appropriated in this subsection,

1 if those additional expenditures are directly the result of a  
2 scope of practice review committee unanticipated litigation  
3 costs arising from the discharge of an examining board's  
4 regulatory duties. Before the department expends or encumbers  
5 funds for a scope of practice review committee or for an  
6 amount in excess of the funds budgeted for an examining board,  
7 the director of the department of management shall approve the  
8 expenditure or encumbrance. The amounts necessary to fund any  
9 unanticipated litigation or scope of practice review committee  
10 expense in the fiscal year beginning July 1, 2002, shall not  
11 exceed 5 percent of the average annual fees generated by the  
12 boards for the previous two fiscal years.

13 b. For the fiscal year beginning July 1, 2002, the  
14 department shall retain fees collected from the certification  
15 of lead inspectors and lead abaters pursuant to section  
16 135.105A to support the certification program; and shall  
17 retain fees collected from the licensing, registration,  
18 authorization, accreditation, and inspection of x-ray machines  
19 used for mammographically guided breast biopsy, screening, and  
20 diagnostic mammography, pursuant to section 136C.10 to support  
21 the administration of the chapter. The department may also  
22 retain fees collected pursuant to section 136C.10 on all  
23 shippers of radioactive material waste containers transported  
24 across Iowa if the department does not obtain funding to  
25 support the oversight and regulation of this activity, and for  
26 x-ray radiology examination fees collected by the department  
27 and reimbursed to a private organization conducting the  
28 examination.

29 c. The department may retain and expend not more than  
30 \$279,056 for lease and maintenance expenses from fees  
31 collected pursuant to section 147.80 by the board of dental  
32 examiners, the board of pharmacy examiners, the board of  
33 medical examiners, and the board of nursing in the fiscal year  
34 beginning July 1, 2002, and ending June 30, 2003. Fees  
35 retained by the department pursuant to this lettered paragraph

1 are appropriated to the department for the purposes described  
2 in this lettered paragraph.

3 d. The department may retain and expend not more than  
4 \$100,000 for reduction of the number of days necessary to  
5 process medical license requests and for reduction of the  
6 number of days needed for consideration of malpractice cases  
7 from fees collected pursuant to section 147.80 by the board of  
8 medical examiners in the fiscal year beginning July 1, 2002,  
9 and ending June 30, 2003. Fees retained by the department  
10 pursuant to this lettered paragraph are appropriated to the  
11 department for the purposes described in this lettered  
12 paragraph.

13 e. If a person in the course of responding to an emergency  
14 renders aid to an injured person and becomes exposed to bodily  
15 fluids of the injured person, that emergency responder shall  
16 be entitled to hepatitis testing and immunization in  
17 accordance with the latest available medical technology to  
18 determine if infection with hepatitis has occurred. The  
19 person shall be entitled to reimbursement from the funds  
20 appropriated in this subsection only if the reimbursement is  
21 not available through any employer or third-party payor.

22 f. The board of dental examiners may retain and expend not  
23 more than \$148,060 from revenues generated pursuant to section  
24 147.80. Fees retained by the board pursuant to this lettered  
25 paragraph are appropriated to the department to be used for  
26 the purposes of regulating dental assistants.

27 g. The board of medical examiners, the board of pharmacy  
28 examiners, the board of dental examiners, and the board of  
29 nursing shall prepare estimates of projected receipts to be  
30 generated by the licensing, certification, and examination  
31 fees of each board as well as a projection of the fairly  
32 apportioned administrative costs and rental expenses  
33 attributable to each board. Each board shall annually review  
34 and adjust its schedule of fees so that, as nearly as  
35 possible, projected receipts equal projected costs.

1 h. The board of medical examiners, the board of pharmacy  
2 examiners, the board of dental examiners, and the board of  
3 nursing shall retain their individual executive officers, but  
4 are strongly encouraged to share administrative, clerical, and  
5 investigative staffs to the greatest extent possible.

6 i. The licensing boards funded under this section shall  
7 submit a report by February 1, 2003, to the chairpersons and  
8 ranking members of the joint appropriations subcommittee on  
9 health and human rights providing management to staff ratios  
10 of all funded positions as of January 13, 2003.

11 11. RESOURCE MANAGEMENT

12 For establishing and sustaining the overall ability of the  
13 department to deliver services to the public, and for not more  
14 than the following full-time equivalent positions:

15 .....	\$	1,101,021
16 .....	FTEs	53.76

17 12. The state university of Iowa hospitals and clinics  
18 under the control of the state board of regents shall not  
19 receive indirect costs from the funds appropriated in this  
20 section.

21 13. A local health care provider or nonprofit health care  
22 organization seeking grant moneys administered by the Iowa  
23 department of public health shall provide documentation that  
24 the provider or organization has coordinated its services with  
25 other local entities providing similar services.

26 14. a. The department shall apply for available federal  
27 funds for sexual abstinence education programs.

28 b. It is the intent of the general assembly to comply with  
29 the United States Congress' intent to provide education that  
30 promotes abstinence from sexual activity outside of marriage  
31 and reduces pregnancies, by focusing efforts on those persons  
32 most likely to father and bear children out of wedlock.

33 c. Any sexual abstinence education program awarded moneys  
34 under the grant program shall meet the definition of  
35 abstinence education in the federal law. Grantees shall be

1 evaluated based upon the extent to which the abstinence  
2 program successfully communicates the goals set forth in the  
3 federal law.

4 d. It is the intent of the general assembly that the Iowa  
5 department of public health and the department of human  
6 services shall discuss the feasibility of combining adolescent  
7 pregnancy prevention programs under one department and shall  
8 submit a written report regarding such discussions to the  
9 chairpersons and ranking members of the joint appropriations  
10 subcommittee on health and human rights by November 1, 2002.

11 Sec. 101. DEPARTMENT OF HUMAN RIGHTS. There is  
12 appropriated from the general fund of the state to the  
13 department of human rights for the fiscal year beginning July  
14 1, 2002, and ending June 30, 2003, the following amounts, or  
15 so much thereof as is necessary, to be used for the purposes  
16 designated:

17 1. CENTRAL ADMINISTRATION DIVISION

18 For salaries, support, maintenance, miscellaneous purposes,  
19 and for not more than the following full-time equivalent  
20 positions:

21 .....	\$	255,624
22 .....	FTEs	7.00

23 2. DEAF SERVICES DIVISION

24 For salaries, support, maintenance, miscellaneous purposes,  
25 and for not more than the following full-time equivalent  
26 positions:

27 .....	\$	313,828
28 .....	FTEs	7.00

29 The fees collected by the division for provision of  
30 interpretation services by the division to obligated agencies  
31 shall be disbursed pursuant to the provisions of section 8.32,  
32 and shall be dedicated and used by the division for continued  
33 and expanded interpretation services.

34 3. PERSONS WITH DISABILITIES DIVISION

35 For salaries, support, maintenance, miscellaneous purposes,



1 and for not more than the following full-time equivalent  
2 positions:

3 ..... \$ 173,136  
4 ..... FTEs 3.50

5 4. LATINO AFFAIRS DIVISION

6 For salaries, support, maintenance, miscellaneous purposes,  
7 and for not more than the following full-time equivalent  
8 positions:

9 ..... \$ 155,124  
10 ..... FTEs 3.00

11 5. STATUS OF WOMEN DIVISION

12 For salaries, support, maintenance, miscellaneous purposes,  
13 including the Iowans in transition program, and the domestic  
14 violence and sexual assault-related grants, and for not more  
15 than the following full-time equivalent positions:

16 ..... \$ 333,415  
17 ..... FTEs 3.00

18 6. STATUS OF AFRICAN-AMERICANS DIVISION

19 For salaries, support, maintenance, miscellaneous purposes,  
20 and for not more than the following full-time equivalent  
21 positions:

22 ..... \$ 124,373  
23 ..... FTEs 2.00

24 The appropriation in this subsection is contingent upon the  
25 appointment of an administrator of the division on the status  
26 of African-Americans and the appointment of all nine members  
27 to the commission on the status of African-Americans.

28 7. CRIMINAL AND JUVENILE JUSTICE PLANNING DIVISION

29 For salaries, support, maintenance, miscellaneous purposes,  
30 and for not more than the following full-time equivalent  
31 positions:

32 ..... \$ 368,604  
33 ..... FTEs 9.15

34 The criminal and juvenile justice planning advisory council  
35 and the juvenile justice advisory council shall coordinate

1 their efforts in carrying out their respective duties relative  
2 to juvenile justice.

3 8. SHARED STAFF. The divisions of the department of human  
4 rights shall retain their individual administrators, but shall  
5 share staff to the greatest extent possible.

6 Sec. 102. COMMISSION OF VETERANS AFFAIRS. There is  
7 appropriated from the general fund of the state to the  
8 commission of veterans affairs for the fiscal year beginning  
9 July 1, 2002, and ending June 30, 2003, the following amounts,  
10 or so much thereof as is necessary, to be used for the  
11 purposes designated:

12 1. COMMISSION OF VETERANS AFFAIRS ADMINISTRATION

13 For salaries, support, maintenance, miscellaneous purposes,  
14 including the war orphan educational fund established pursuant  
15 to chapter 35, and for not more than the following full-time  
16 equivalent positions:

17 .....	\$	192,792
18 .....	FTEs	3.00

19 The commission of veterans affairs may use the gifts  
20 accepted by the chairperson of the commission of veterans  
21 affairs, or designee, and other resources available to the  
22 commission for use at its Camp Dodge office. The commission  
23 shall report annually to the governor and the general assembly  
24 on monetary gifts received by the commission for the Camp  
25 Dodge office.

26 2. IOWA VETERANS HOME

27 For salaries, support, maintenance, miscellaneous purposes,  
28 and for not more than the following full-time equivalent  
29 positions:

30 .....	\$	14,445,694
31 .....	FTEs	843.00

32 a. The Iowa veterans home may use the gifts accepted by  
33 the chairperson of the commission of veterans affairs and  
34 other resources available to the commission for use at the  
35 Iowa veterans home.

1 b. Any Iowa veterans home successor contractor shall not  
2 consider employees of a state institution or facility to be  
3 new employees for purposes of employee wages, health  
4 insurance, or retirement benefits.

5 c. The chairpersons and ranking members of the joint  
6 appropriations subcommittee on health and human rights shall  
7 be notified by January 15 of any calendar year during which a  
8 request for proposals is anticipated to be issued regarding  
9 any Iowa veterans home contract involving employment, for  
10 purposes of providing legislative review and oversight.

11 d. The Iowa veterans home shall operate with a net state  
12 general fund appropriation. The amount appropriated in this  
13 subsection is the net amount of state moneys projected to be  
14 needed for the Iowa veterans home. The purposes of operating  
15 with a net state general fund appropriation are to encourage  
16 the Iowa veterans home to operate with increased self-  
17 sufficiency, to improve quality and efficiency, and to support  
18 collaborative efforts among all funders of services available  
19 from the Iowa veterans home. Moneys appropriated in this  
20 subsection may be used throughout the fiscal year in the  
21 manner necessary for purposes of cash flow management, and for  
22 purposes of cash flow management the Iowa veterans home may  
23 temporarily draw more than the amount appropriated, provided  
24 the amount appropriated is not exceeded at the close of the  
25 fiscal year. Beginning September 1, 2002, the Iowa veterans  
26 home shall submit a report every other month to the  
27 chairpersons and ranking members of the joint appropriations  
28 subcommittee on health and human rights and to the legislative  
29 fiscal committee providing a financial analysis of revenues  
30 and expenses.

31 e. Revenues attributable to the Iowa veterans home for the  
32 fiscal year beginning July 1, 2002, shall be deposited into  
33 the Iowa veterans home account and shall be treated as  
34 repayment receipts, including but not limited to all of the  
35 following:

- 1 (1) Federal veterans administration payments.
- 2 (2) Medical assistance revenue received under chapter
- 3 249A.
- 4 (3) Federal Medicare program payments.
- 5 (4) Moneys received from client financial participation.
- 6 (5) Other revenues generated from current, new, or
- 7 expanded services which the Iowa veterans home is authorized
- 8 to provide.

9 f. For the purposes of allocating the salary adjustment  
10 fund moneys appropriated in another Act, the Iowa veterans  
11 home shall be considered to be funded entirely with state  
12 moneys.

13 g. Notwithstanding section 8.33, up to \$500,000 of the  
14 Iowa veterans home revenues that remain unencumbered or  
15 unobligated at the close of the fiscal year shall not revert  
16 but shall remain available to be used in the succeeding fiscal  
17 year.

18 Sec. 103. GAMBLING TREATMENT FUND -- APPROPRIATION.

19 1. There is appropriated from funds available in the  
20 gambling treatment fund established in the office of the  
21 treasurer of state pursuant to section 99E.10 to the Iowa  
22 department of public health for the fiscal year beginning July  
23 1, 2002, and ending June 30, 2003, the following amount, or so  
24 much thereof as is necessary, to be used for the purpose  
25 designated:

26 a. Addictive disorders

27 To be utilized for the benefit of persons with addictions:  
28 ..... \$ 1,690,000

29 b. It is the intent of the general assembly that from the  
30 moneys appropriated in this section, persons with a dual  
31 diagnosis of substance abuse and gambling addictions shall be  
32 given priority in treatment services.

33 c. Gambling treatment program

34 The funds remaining in the gambling treatment fund after  
35 the appropriation in paragraph "a" is made shall be used for

1 funding of administrative costs and to provide programs which  
2 may include, but are not limited to, outpatient and follow-up  
3 treatment for persons affected by problem gambling,  
4 rehabilitation and residential treatment programs, information  
5 and referral services, education and preventive services, and  
6 financial management services.

7 2. For the fiscal year beginning July 1, 2002, and ending  
8 June 30, 2003, from the tax revenue received by the state  
9 racing and gaming commission pursuant to section 99D.15,  
10 subsections 1, 3, and 4, an amount equal to three-tenths of  
11 one percent of the gross sum wagered by the pari-mutuel method  
12 is to be deposited into the gambling treatment fund.

13 Sec. 104. VITAL RECORDS. The vital records modernization  
14 project as enacted in 1993 Iowa Acts, chapter 55, section 1,  
15 as amended by 1994 Iowa Acts, chapter 1068, section 8, as  
16 amended by 1997 Iowa Acts, chapter 203, section 9, 1998 Iowa  
17 Acts, chapter 1221, section 9, and 1999 Iowa Acts, chapter  
18 201, section 17, and as continued by 2000 Iowa Acts, chapter  
19 1222, section 10, and 2001 Iowa Acts, chapter 182, section 13,  
20 shall be extended until June 30, 2003, and the increased fees  
21 to be collected pursuant to that project shall continue to be  
22 collected and are appropriated to the Iowa department of  
23 public health until June 30, 2003.

24 Sec. 105. SPAN OF CONTROL REPORTING. The department for  
25 the blind, the Iowa state civil rights commission, the  
26 department of elder affairs, the Iowa department of public  
27 health, the department of human rights, the governor's office  
28 of drug control policy, and the commission of veterans affairs  
29 shall submit a report by February 1, 2003, to the chairpersons  
30 and ranking members of the joint appropriations subcommittee  
31 on health and human rights providing all management to staff  
32 ratios of all funded positions as of January 13, 2003.

33 Sec. 106. PROGRAM PERFORMANCE BUDGETS. It is the intent  
34 of the general assembly that the department for the blind, the  
35 Iowa state civil rights commission, the department of elder

1 affairs, the Iowa department of public health, the department  
2 of human rights, the governor's office of drug control policy,  
3 and the commission of veterans affairs develop program  
4 performance budget measures to include, but not be limited to,  
5 the development and tracking of demand, workload,  
6 productivity, and effectiveness performance indicators for  
7 each program. The program performance measures shall include  
8 minority programs and grants received by minority programs.  
9 The program performance measures shall also include gender-  
10 based programs. The purpose of the program performance budget  
11 initiative is to emphasize the programs the agencies provide  
12 based upon citizen needs, the agencies' responses to those  
13 needs, and the resources the agencies require to respond to  
14 those needs. The agencies shall submit a report on the status  
15 of achieving the program performance measures to the  
16 chairpersons and ranking members of the joint appropriations  
17 subcommittee on health and human rights by December 16, 2002.

18 Sec. 107. SCOPE OF PRACTICE REVIEW PROJECT. The scope of  
19 practice review committee pilot project as enacted in 1997  
20 Iowa Acts, chapter 203, section 6, shall be extended until  
21 July 1, 2003. The Iowa department of public health shall  
22 submit an annual progress report to the governor and the  
23 general assembly by January 15 and shall include any  
24 recommendations for legislative action as a result of review  
25 committee activities. The department may contract with a  
26 school or college of public health in Iowa to assist in  
27 implementing the project.

28 Sec. 108. Section 232.190, Code 2001, is repealed.

29 Sec. 109. EFFECTIVE DATE. This division of this Act takes  
30 effect July 1, 2002.

31

DIVISION VI

32

HUMAN SERVICES

33

34 Sec. 110. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK  
35 GRANT. There is appropriated from the fund created in section  
35 8.41 to the department of human services for the fiscal year

1 beginning July 1, 2002, and ending June 30, 2003, from moneys  
2 received under the federal temporary assistance for needy  
3 families block grant pursuant to the federal Personal  
4 Responsibility and Work Opportunity Reconciliation Act of  
5 1996, Pub. L. No. 104-193 and successor legislation, which are  
6 federally appropriated for the federal fiscal years beginning  
7 October 1, 2001, and ending September 30, 2002, and beginning  
8 October 1, 2002, and ending September 30, 2003, the following  
9 amounts, or so much thereof as is necessary, to be used for  
10 the purposes designated:

11 If the federal government appropriation received for Iowa's  
12 portion of the federal temporary assistance for needy families  
13 block grant for the federal fiscal year beginning October 1,  
14 2002, and ending September 30, 2003, is less than  
15 \$131,524,959, it is the intent of the general assembly to act  
16 expeditiously during the 2003 legislative session to adjust  
17 appropriations or take other actions to address the reduced  
18 amount. Moneys appropriated in this section shall be used in  
19 accordance with the federal law making the funds available,  
20 applicable Iowa law, appropriations made from the general fund  
21 of the state in this Act for the purpose designated, and  
22 administrative rules adopted to implement the federal and Iowa  
23 law:

24 1. To be credited to the family investment program account  
25 and used for assistance under the family investment program  
26 under chapter 239B:

27 ..... \$ 46,508,982

28 2. To be credited to the family investment program account  
29 and used for the job opportunities and basic skills (JOBS)  
30 program, and implementing family investment agreements, in  
31 accordance with chapter 239B:

32 ..... \$ 13,412,794

33 3. For field operations:

34 ..... \$ 12,885,790

35 4. For general administration:

1 ..... \$ 3,238,614  
2 5. For local administrative costs:  
3 ..... \$ 2,122,982  
4 6. For state child care assistance:  
5 ..... \$ 28,638,329  
6 a. Of the funds appropriated in this subsection, \$200,000  
7 shall be used for provision of educational opportunities to  
8 registered child care home providers in order to improve  
9 services and programs offered by this category of providers  
10 and to increase the number of providers. The department may  
11 contract with institutions of higher education or child care  
12 resource and referral centers to provide the educational  
13 opportunities. Allowable administrative costs under the  
14 contracts shall not exceed 5 percent. The application for a  
15 grant shall not exceed two pages in length.  
16 b. Of the funds appropriated in this subsection, the  
17 maximum amount allowed under Pub. L. No. 104-193 shall be  
18 transferred to the child care and development block grant  
19 appropriation. Funds appropriated in this subsection that  
20 remain following the transfer shall be used to provide direct  
21 spending for the child care needs of working parents in  
22 families eligible for the family investment program.  
23 7. For emergency assistance:  
24 ..... \$ 1,000,000  
25 8. For mental health and developmental disabilities  
26 community services:  
27 ..... \$ 4,349,266  
28 9. For child and family services:  
29 ..... \$ 22,896,571  
30 10. For child abuse prevention grants:  
31 ..... \$ 250,000  
32 11. For pregnancy prevention grants on the condition that  
33 family planning services are funded:  
34 ..... \$ 2,514,413  
35 a. Pregnancy prevention grants shall be awarded to



1 programs in existence on or before July 1, 2002, if the  
2 programs are comprehensive in scope and have demonstrated  
3 positive outcomes. Grants shall be awarded to pregnancy  
4 prevention programs which are developed after July 1, 2002, if  
5 the programs are comprehensive in scope and are based on  
6 existing models that have demonstrated positive outcomes.  
7 Grants shall comply with the requirements provided in 1997  
8 Iowa Acts, chapter 208, section 14, subsections 1 and 2,  
9 including the requirement that grant programs must emphasize  
10 sexual abstinence. Priority in the awarding of grants shall  
11 be given to programs that serve areas of the state which  
12 demonstrate the highest percentage of unplanned pregnancies of  
13 females age 13 or older but younger than age 18 within the  
14 geographic area to be served by the grant.

15 b. In addition to the full-time equivalent positions  
16 funded in this division of this Act, the department may use a  
17 portion of the funds appropriated in this subsection to employ  
18 an employee in up to 1.00 full-time equivalent position for  
19 the administration of programs specified in this subsection.

20 12. For technology needs and other resources necessary to  
21 meet federal welfare reform reporting, tracking, and case  
22 management requirements:

23 ..... \$ 565,088

24 13. For volunteers:

25 ..... \$ 42,663

26 14. For individual development accounts under chapter  
27 541A:

28 ..... \$ 150,000

29 15. For the healthy opportunities for parents to  
30 experience success (HOPES) program administered by the Iowa  
31 department of public health to target child abuse prevention:

32 ..... \$ 200,000

33 16. To be credited to the state child care assistance  
34 appropriation made in this section to be used for funding of  
35 community-based early childhood programs targeted to children

1 from birth through five years of age, developed by community  
2 empowerment areas as provided in this subsection:

3 ..... \$ 6,350,000

4 a. The department may transfer federal temporary  
5 assistance for needy families block grant funding appropriated  
6 and allocated in this subsection to the child care and  
7 development block grant appropriation in accordance with  
8 federal law as necessary to comply with the provisions of this  
9 subsection. The funding shall then be provided to community  
10 empowerment areas for the fiscal year beginning July 1, 2002,  
11 in accordance with all of the following:

12 (1) The area must be approved as a designated community  
13 empowerment area by the Iowa empowerment board.

14 (2) The maximum funding amount a community empowerment  
15 area is eligible to receive shall be determined by applying  
16 the area's percentage of the state's average monthly family  
17 investment program population in the preceding fiscal year to  
18 the total amount appropriated for fiscal year 2002-2003 from  
19 the TANF block grant to fund community-based programs targeted  
20 to children from birth through five years of age developed by  
21 community empowerment areas.

22 (3) A community empowerment area receiving funding shall  
23 comply with any federal reporting requirements associated with  
24 the use of that funding and other results and reporting  
25 requirements established by the Iowa empowerment board. The  
26 department shall provide technical assistance in identifying  
27 and meeting the federal requirements.

28 (4) The availability of funding provided under this  
29 subsection is subject to changes in federal requirements and  
30 amendments to Iowa law.

31 b. The moneys distributed in accordance with this  
32 subsection shall be used by communities for the purposes of  
33 enhancing quality child care capacity in support of parent  
34 capability to obtain or retain employment. The moneys shall  
35 be used with a primary emphasis on low-income families and

1 children from birth to five years of age. Moneys shall be  
2 provided in a flexible manner to communities, and shall be  
3 used to implement strategies identified by the communities to  
4 achieve such purposes. In addition to the full-time  
5 equivalent positions funded in this division of this Act, 1.00  
6 full-time equivalent position is authorized and the department  
7 may use funding appropriated in this subsection for provision  
8 of technical assistance and other support to communities  
9 developing and implementing strategies with moneys distributed  
10 in accordance with this subsection.

11 c. Moneys that are subject to this subsection which are  
12 not distributed to a community empowerment area or otherwise  
13 remain unobligated or unexpended at the end of the fiscal year  
14 shall revert to the fund created in section 8.41 to be  
15 available for appropriation by the general assembly in a  
16 subsequent fiscal year.

17 Of the amounts appropriated in this section, \$11,612,112  
18 for the fiscal year beginning July 1, 2002, shall be  
19 transferred to the appropriation of the federal social  
20 services block grant for that fiscal year.

21 Eligible funding available under the federal temporary  
22 assistance for needy families block grant that is not  
23 appropriated or not otherwise expended shall be considered  
24 reserved for economic downturns and welfare reform purposes  
25 and is subject to further state appropriation to support  
26 families in their movement toward self-sufficiency.

27 Federal funding received that is designated for activities  
28 supporting marriage or two-parent families is appropriated to  
29 the Iowa marriage initiative grant fund created in section  
30 234.45.

31 Sec. 111. FAMILY INVESTMENT PROGRAM ACCOUNT.

32 1. Moneys credited to the family investment program (FIP)  
33 account for the fiscal year beginning July 1, 2002, and ending  
34 June 30, 2003, shall be used in accordance with the following  
35 requirements:

1 a. The department shall provide assistance in accordance  
2 with chapter 239B.

3 b. The department shall continue the special needs program  
4 under the family investment program.

5 c. The department shall continue to comply with federal  
6 welfare reform data requirements pursuant to the  
7 appropriations made for that purpose.

8 d. (1) The department shall continue expansion of the  
9 electronic benefit transfer program as necessary to comply  
10 with federal food stamp benefit requirements. The target date  
11 for statewide implementation of the program is October 1,  
12 2003.

13 (2) Notwithstanding section 234.12A, subsection 1, for the  
14 fiscal year beginning July 1, 2002, a retailer providing  
15 electronic equipment shall not be reimbursed a transaction  
16 fee.

17 2. The department may use a portion of the moneys credited  
18 to the family investment account under this section, as  
19 necessary for salaries, support, maintenance, and  
20 miscellaneous purposes for not more than the following full-  
21 time equivalent positions which are in addition to any other  
22 full-time equivalent positions authorized by this Act:

23 ..... FTEs 6.00

24 3. The department may transfer funds in accordance with  
25 section 8.39, either federal or state, to or from the child  
26 care appropriations made for the fiscal year beginning July 1,  
27 2002, if the department deems this would be a more effective  
28 method of paying for JOBS program child care, to maximize  
29 federal funding, or to meet federal maintenance of effort  
30 requirements.

31 4. Moneys appropriated in this division of this Act and  
32 credited to the family investment program account for the  
33 fiscal year beginning July 1, 2002, and ending June 30, 2003,  
34 are allocated as follows:

35 a. For the family development and self-sufficiency grant

1 program as provided under section 217.12:

2 ..... \$ 5,133,042

3 (1) Of the funds allocated for the family development and  
4 self-sufficiency grant program in this lettered paragraph, not  
5 more than 5 percent of the funds shall be used for the  
6 administration of the grant program.

7 (2) Based upon the annual evaluation report concerning  
8 each grantee funded by previously appropriated funds and  
9 through the solicitation of additional grant proposals, the  
10 family development and self-sufficiency council may use the  
11 allocated funds to renew or expand existing grants or award  
12 new grants. In utilizing the funding allocated in this  
13 lettered paragraph, the council shall give consideration, in  
14 addition to other criteria established by the council, to a  
15 grantee's intended use of local funds with a grant and to  
16 whether approval of a grant proposal would expand the  
17 availability of the program's services.

18 (3) The department may continue to implement the family  
19 development and self-sufficiency grant program statewide  
20 during FY 2002-2003.

21 b. For the diversion subaccount of the family investment  
22 program account:

23 ..... \$ 1,814,000

24 (1) Moneys allocated to the diversion subaccount shall be  
25 used to continue the pilot initiative of providing incentives  
26 to assist families who meet income eligibility requirements  
27 for the family investment program in obtaining or retaining  
28 employment, to assist participant families in overcoming  
29 barriers to obtaining employment, and to assist families in  
30 stabilizing employment and in reducing the likelihood of the  
31 family returning to the family investment program. The  
32 requirements established and position authorized under 2001  
33 Iowa Acts, chapter 191, section 3, subsection 5, paragraph  
34 "c", subparagraph (1), shall remain applicable to the  
35 initiative for fiscal year 2002-2003.

1 (2) Of the moneys allocated to the diversion subaccount,  
2 not more than \$250,000 shall be used to develop or continue  
3 community-level parental obligation pilot projects. The  
4 requirements established under 2001 Iowa Acts, chapter 191,  
5 section 3, subsection 5, paragraph "c", subparagraph (3),  
6 shall remain applicable to the parental obligation pilot  
7 projects for fiscal year 2002-2003.

8 c. For the food stamp employment and training program:  
9 ..... \$ 63,000

10 5. Of the child support collections assigned under the  
11 family investment program, an amount equal to the federal  
12 share of support collections shall be credited to the child  
13 support recovery appropriation. Of the remainder of the  
14 assigned child support collections received by the child  
15 support recovery unit, a portion shall be credited to the  
16 family investment program account and a portion may be used to  
17 increase recoveries.

18 6. The department may adopt emergency administrative rules  
19 for the family investment, food stamp, and medical assistance  
20 programs, if necessary, to comply with federal requirements.  
21 Prior to adoption of the rules, the department shall consult  
22 with the welfare reform council and the chairpersons and  
23 ranking members of the joint appropriations subcommittee on  
24 human services.

25 7. The department may continue the initiative to  
26 streamline and simplify the employer verification process for  
27 applicants, participants, and employers in the administration  
28 of the department's programs. The department may contract  
29 with companies collecting data from employers when the  
30 information is needed in the administration of these programs.  
31 The department may limit the availability of the initiative on  
32 the basis of geographic area or number of individuals.

33 Sec. 112. FAMILY INVESTMENT PROGRAM GENERAL FUND. There  
34 is appropriated from the general fund of the state to the  
35 department of human services for the fiscal year beginning

1 July 1, 2002, and ending June 30, 2003, the following amount,  
2 or so much thereof as is necessary, to be used for the purpose  
3 designated:

4 To be credited to the family investment program account and  
5 used for family investment program assistance under chapter  
6 239B:

7 ..... \$ 35,288,782

8 1. The department of workforce development, in  
9 consultation with the department of human services, shall  
10 continue to utilize recruitment and employment practices to  
11 include former and current family investment program  
12 recipients.

13 2. The department of human services shall continue to work  
14 with the department of workforce development and local  
15 community collaborative efforts to provide support services  
16 for family investment program participants. The support  
17 services shall be directed to those participant families who  
18 would benefit from the support services and are likely to have  
19 success in achieving economic independence.

20 3. Of the funds appropriated in this section, \$9,274,143  
21 is allocated for the JOBS program.

22 4. The department shall continue to work with religious  
23 organizations and other charitable institutions to increase  
24 the availability of host homes, referred to as second chance  
25 homes or other living arrangements under the federal Personal  
26 Responsibility and Work Opportunity Reconciliation Act of  
27 1996, Pub. L. No. 104-193, § 103. The purpose of the homes or  
28 arrangements is to provide a supportive and supervised living  
29 arrangement for minor parents receiving assistance under the  
30 family investment program who, under chapter 239B, may receive  
31 assistance while living in an alternative setting other than  
32 with their parent or legal guardian.

33 Sec. 113. EMERGENCY ASSISTANCE.

34 1. The emergency assistance funds received in accordance  
35 with this section and federal moneys appropriated for this

1 purpose in this division of this Act shall be available  
2 beginning October 1, 2002, and shall be provided only if all  
3 other publicly funded resources have been exhausted.  
4 Specifically, emergency assistance is the program of last  
5 resort and shall not supplant assistance provided by the low-  
6 income home energy assistance program (LIHEAP), county general  
7 relief, and veterans affairs programs. The department shall  
8 establish a \$500 maximum payment, per family, in a 12-month  
9 period. The emergency assistance includes, but is not limited  
10 to, assisting people who face eviction, potential eviction, or  
11 foreclosure, utility shutoff or fuel shortage, loss of heating  
12 energy supply or equipment, homelessness, utility or rental  
13 deposits, or other specified crisis which threatens family or  
14 living arrangements. The emergency assistance shall be  
15 available to migrant families who would otherwise meet  
16 eligibility criteria. The department may contract for the  
17 administration and delivery of the program. The program shall  
18 be terminated when funds are exhausted.

19 2. a. For the fiscal year beginning July 1, 2002, the  
20 department shall continue the process for the state to receive  
21 refunds of utility and rent deposits, including any accrued  
22 interest, for emergency assistance recipients which were paid  
23 by persons other than the state. The department shall also  
24 receive refunds, including any accrued interest, of assistance  
25 paid with funding available under this program. The refunds  
26 received by the department under this subsection shall be  
27 deposited with the moneys of the appropriation made in this  
28 Act and are appropriated to be used as additional funds for  
29 the emergency assistance program.

30 b. Notwithstanding section 8.33, moneys received by the  
31 department under this subsection which remain after the  
32 emergency assistance program is terminated and state or  
33 federal moneys in the emergency assistance account which  
34 remain unobligated or unexpended at the close of the fiscal  
35 year beginning July 1, 2002, shall not revert but shall remain



1 available for expenditure when the program resumes operation  
2 on October 1 in the succeeding fiscal year.

3 Sec. 114. CHILD SUPPORT RECOVERY. There is appropriated  
4 from the general fund of the state to the department of human  
5 services for the fiscal year beginning July 1, 2002, and  
6 ending June 30, 2003, the following amount, or so much thereof  
7 as is necessary, to be used for the purposes designated:

8 For child support recovery, including salaries, support,  
9 maintenance, and miscellaneous purposes and for not more than  
10 the following full-time equivalent positions:

11 .....	\$	5,895,189
12 .....	FTEs	406.40

13 1. The director of human services, within the limitations  
14 of the moneys appropriated in this section, or moneys  
15 transferred from the family investment program account for  
16 this purpose, shall establish new positions and add employees  
17 to the child support recovery unit if the director determines  
18 that both the current and additional employees together can  
19 reasonably be expected to maintain or increase net state  
20 revenue at or beyond the budgeted level.

21 2. Nonpublic assistance application fees and other user  
22 fees received by the child support recovery unit are  
23 appropriated and shall be used for the purposes of the child  
24 support recovery program. The director of human services may  
25 add positions within the limitations of the amount  
26 appropriated for salaries and support for the positions.

27 3. The director of human services, in consultation with  
28 the department of management and the legislative fiscal  
29 committee, is authorized to receive and deposit state child  
30 support incentive earnings in the manner specified under  
31 applicable federal requirements.

32 4. a. The director of human services may establish new  
33 positions and add state employees to the child support  
34 recovery unit or contract for delivery of services if the  
35 director determines the employees are necessary to replace

1 county-funded positions eliminated due to termination,  
2 reduction, or nonrenewal of a chapter 28E contract. However,  
3 the director must also determine that the resulting increase  
4 in the state share of child support recovery incentives  
5 exceeds the cost of the positions or contract, the positions  
6 or contract are necessary to ensure continued federal funding  
7 of the program, or the new positions or contract can  
8 reasonably be expected to recover at least twice the amount of  
9 money necessary to pay the salaries and support for the new  
10 positions or the contract will generate at least 200 percent  
11 of the cost of the contract.

12 b. Employees in full-time positions that transition from  
13 county government to state government employment under this  
14 subsection are exempt from testing, selection, and appointment  
15 provisions of chapter 19A and from the provisions of  
16 collective bargaining agreements relating to the filling of  
17 vacant positions.

18 5. Surcharges paid by obligors and received by the unit as  
19 a result of the referral of support delinquency by the child  
20 support recovery unit to any private collection agency are  
21 appropriated to the department and shall be used to pay the  
22 costs of any contracts with the collection agencies.

23 6. The department shall expend up to \$51,000, including  
24 federal financial participation, for the fiscal year beginning  
25 July 1, 2002, for a child support public awareness campaign.  
26 The department and the office of the attorney general shall  
27 cooperate in continuation of the campaign. The public  
28 awareness campaign shall emphasize, through a variety of media  
29 activities, the importance of maximum involvement of both  
30 parents in the lives of their children as well as the  
31 importance of payment of child support obligations.

32 7. Federal access and visitation grant moneys shall be  
33 issued directly to private not-for-profit agencies that  
34 provide services designed to increase compliance with the  
35 child access provisions of court orders, including but not

1 limited to neutral visitation site and mediation services.

2 Sec. 115. MEDICAL ASSISTANCE. There is appropriated from  
3 the general fund of the state to the department of human  
4 services for the fiscal year beginning July 1, 2002, and  
5 ending June 30, 2003, the following amount, or so much thereof  
6 as is necessary, to be used for the purpose designated:

7 For medical assistance reimbursement and associated costs  
8 as specifically provided in the reimbursement methodologies in  
9 effect on June 30, 2002, except as otherwise expressly  
10 authorized by law, including reimbursement for abortion  
11 services, which shall be available under the medical  
12 assistance program only for those abortions which are  
13 medically necessary:

14 ..... \$380,907,073

15 1. Medically necessary abortions are those performed under  
16 any of the following conditions:

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

19 b. The attending physician certifies that the fetus is  
20 physically deformed, mentally deficient, or afflicted with a  
21 congenital illness.

22 c. The pregnancy is the result of a rape which is reported  
23 within 45 days of the incident to a law enforcement agency or  
24 public or private health agency which may include a family  
25 physician.

26 d. The pregnancy is the result of incest which is reported  
27 within 150 days of the incident to a law enforcement agency or  
28 public or private health agency which may include a family  
29 physician.

30 e. Any spontaneous abortion, commonly known as a  
31 miscarriage, if not all of the products of conception are  
32 expelled.

33 2. Notwithstanding section 8.39, the department may  
34 transfer funds appropriated in this section to a separate  
35 account established in the department's case management unit

1 for expenditures required to provide case management services  
2 for mental health, mental retardation, and developmental  
3 disabilities services under medical assistance which are  
4 jointly funded by the state and county, pending final  
5 settlement of the expenditures. Funds received by the case  
6 management unit in settlement of the expenditures shall be  
7 used to replace the transferred funds and are available for  
8 the purposes for which the funds were appropriated in this  
9 section.

10 3. a. The county of legal settlement shall be billed for  
11 50 percent of the nonfederal share of the cost of case  
12 management provided for adults, day treatment, and partial  
13 hospitalization in accordance with sections 249A.26 and  
14 249A.27, and 100 percent of the nonfederal share of the cost  
15 of care for adults which is reimbursed under a federally  
16 approved home and community-based waiver that would otherwise  
17 be approved for provision in an intermediate care facility for  
18 persons with mental retardation, provided under the medical  
19 assistance program. The state shall have responsibility for  
20 the remaining 50 percent of the nonfederal share of the cost  
21 of case management provided for adults, day treatment, and  
22 partial hospitalization. For persons without a county of  
23 legal settlement, the state shall have responsibility for 100  
24 percent of the nonfederal share of the costs of case  
25 management provided for adults, day treatment, partial  
26 hospitalization, and the home and community-based waiver  
27 services. The case management services specified in this  
28 subsection shall be billed to a county only if the services  
29 are provided outside of a managed care contract.

30 b. The state shall pay the entire nonfederal share of the  
31 costs for case management services provided to persons 17  
32 years of age and younger who are served in a medical  
33 assistance home and community-based waiver program for persons  
34 with mental retardation.

35 c. Medical assistance funding for case management services

1 for eligible persons 17 years of age and younger shall also be  
2 provided to persons residing in counties with child welfare  
3 decategorization projects implemented in accordance with  
4 section 232.188, provided these projects have included these  
5 persons in their service plan and the decategorization project  
6 county is willing to provide the nonfederal share of costs.

7 d. When paying the necessary and legal expenses of  
8 intermediate care facilities for persons with mental  
9 retardation (ICFMR), the cost payment requirements of section  
10 222.60 shall be considered fulfilled when payment is made in  
11 accordance with the medical assistance payment rates  
12 established for ICFMRs by the department and the state or a  
13 county of legal settlement is not obligated for any amount in  
14 excess of the rates.

15 e. Unless a county has paid or is paying for the  
16 nonfederal share of the cost of a person's home and community-  
17 based waiver services or ICFMR placement under the county's  
18 mental health, mental retardation, and developmental  
19 disabilities services fund, or unless a county of legal  
20 settlement would become liable for the costs of services at  
21 the ICFMR level of care for a person due to the person  
22 reaching the age of majority, the state shall pay the  
23 nonfederal share of the costs of an eligible person's services  
24 under the home and community-based waiver for persons with  
25 brain injury.

26 4. The department shall utilize not more than \$60,000 of  
27 the funds appropriated in this section to continue the  
28 AIDS/HIV health insurance premium payment program as  
29 established in 1992 Iowa Acts, Second Extraordinary Session,  
30 chapter 1001, section 409, subsection 6. Of the funds  
31 allocated in this subsection, not more than \$5,000 may be  
32 expended for administrative purposes.

33 5. Of the funds appropriated to the Iowa department of  
34 public health for substance abuse grants, \$950,000 for the  
35 fiscal year beginning July 1, 2002, shall be transferred to

1 the department of human services for an integrated substance  
2 abuse managed care system.

3 6. In administering the medical assistance home and  
4 community-based waivers, the total number of openings for  
5 persons with physical disabilities served at any one time  
6 shall be limited to the number approved for a waiver by the  
7 secretary of the United States department of health and human  
8 services. The openings shall be available on a first-come,  
9 first-served basis.

10 7. The department of human services, in consultation with  
11 the Iowa department of public health and the department of  
12 education, shall continue the program to utilize the early and  
13 periodic screening, diagnosis, and treatment (EPSDT) funding  
14 under medical assistance, to the extent possible, to implement  
15 the screening component of the EPSDT program through the  
16 school system. The department may enter into contracts to  
17 utilize maternal and child health centers, the public health  
18 nursing program, or school nurses in implementing this  
19 provision.

20 8. The department shall continue the medical assistance  
21 home and community-based services waiver to allow children  
22 with mental retardation, who would otherwise require ICF/MR  
23 care, to be served in out-of-home settings of up to eight beds  
24 which meet standards established by the department. Up to  
25 \$1,487,314 of the funds appropriated in this section may be  
26 used for the costs of the waiver.

27 9. The department shall continue working with county  
28 representatives in aggressively implementing the  
29 rehabilitation option for services to persons with chronic  
30 mental illness under the medical assistance program, and  
31 county funding shall be used to provide the match for the  
32 federal funding, except for individuals with state case  
33 status, for whom state funding shall provide the match.

34 10. If the federal centers for Medicare and Medicaid  
35 services approves a waiver request from the department, the

1 department shall provide a period of 24 months of guaranteed  
2 eligibility for medical assistance family planning services,  
3 regardless of the change in circumstances of a woman who was a  
4 medical assistance recipient when a pregnancy ended.

5 11. The department shall aggressively pursue options for  
6 providing medical assistance or other assistance to  
7 individuals with special needs who become ineligible to  
8 continue receiving services under the early and periodic,  
9 screening, diagnosis, and treatment program under the medical  
10 assistance program due to becoming 21 years of age, who have  
11 been approved for additional assistance through the  
12 department's exception to policy provisions, but who have  
13 health care needs in excess of the funding available through  
14 the exception to policy process.

15 12. Of the funds appropriated in this section, \$150,000  
16 shall be used as state matching funds, in combination with  
17 federal and private funds for participation in a federal home  
18 telecare pilot program intended to manage health care needs of  
19 subpopulations of Iowans and specifically including  
20 subpopulations of Iowans who require high utilization of  
21 health care services and represent a disproportionate share of  
22 consumption of health care services. The program shall be  
23 administered by the Iowa telecare consortium, which is a  
24 collaboration of public, private, academic, and governmental  
25 participants coordinated by Des Moines university --  
26 osteopathic medical center. The program may direct telecare  
27 services to persons with diagnoses of specific nonacute  
28 chronic illnesses, which may include, but are not limited to,  
29 chronic obstructive pulmonary disease, congestive heart  
30 disease, diabetes, and asthma. Des Moines university --  
31 osteopathic medical center shall submit a report to the  
32 general assembly by January 15, 2003, regarding the status of  
33 the pilot program. The program guidelines shall be consistent  
34 with those specified under 2001 Iowa Acts, chapter 191,  
35 section 7, subsection 15.

1 13. The drug utilization review board shall submit copies  
2 of the board's annual review, including facts and findings, of  
3 the drugs on the department's prior authorization list to the  
4 department and to the members of the joint appropriations  
5 subcommittee on human services.

6 14. The department shall expend the anticipated savings  
7 for operation of the state maximum allowable cost program for  
8 pharmaceuticals as additional funding for the medical  
9 assistance program.

10 Sec. 116. HEALTH INSURANCE PREMIUM PAYMENT PROGRAM. There  
11 is appropriated from the general fund of the state to the  
12 department of human services for the fiscal year beginning  
13 July 1, 2002, and ending June 30, 2003, the following amount,  
14 or so much thereof as is necessary, to be used for the purpose  
15 designated:

16 For administration of the health insurance premium payment  
17 program, including salaries, support, maintenance, and  
18 miscellaneous purposes, and for not more than the following  
19 full-time equivalent positions:

20 .....	\$	580,044
21 .....	FTEs	22.00

22 Sec. 117. MEDICAL CONTRACTS. 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, 2002, and  
25 ending June 30, 2003, the following amount, or so much thereof  
26 as is necessary, to be used for the purpose designated:

27 For medical contracts:  
28 .....

	\$	8,729,141
--	----	-----------

29 1. The department shall receive input and recommendations  
30 from the chairpersons and ranking members of the joint  
31 appropriations subcommittee on human services prior to  
32 entering into or extending any managed care contract for  
33 mental health or substance abuse services.

34 2. In any managed care contract for mental health or  
35 substance abuse services entered into or extended by the



1 department on or after July 1, 2002, the request for proposals  
2 shall provide for coverage of dual diagnosis mental health and  
3 substance abuse treatment provided at the state mental health  
4 institute at Mount Pleasant. To the extent possible, the  
5 department shall also amend any such contract existing on July  
6 1, 2002, to provide for such coverage.

7 Sec. 118. STATE SUPPLEMENTARY ASSISTANCE. There is  
8 appropriated from the general fund of the state to the  
9 department of human services for the fiscal year beginning  
10 July 1, 2002, and ending June 30, 2003, the following amount,  
11 or so much thereof as is necessary, to be used for the  
12 purposes designated:

13 For state supplementary assistance and the medical  
14 assistance home and community-based services waiver rent  
15 subsidy program:

16 ..... \$ 19,500,000

17 1. The department shall increase the personal needs  
18 allowance for residents of residential care facilities by the  
19 same percentage and at the same time as federal supplemental  
20 security income and federal social security benefits are  
21 increased due to a recognized increase in the cost of living.  
22 The department may adopt emergency rules to implement this  
23 subsection.

24 2. If during the fiscal year beginning July 1, 2002, the  
25 department projects that state supplementary assistance  
26 expenditures for a calendar year will not meet the federal  
27 pass-along requirement specified in Title XVI of the federal  
28 Social Security Act, section 1618, as codified in 42 U.S.C. §  
29 1382g, the department may take actions including but not  
30 limited to increasing the personal needs allowance for  
31 residential care facility residents and making programmatic  
32 adjustments or upward adjustments of the residential care  
33 facility or in-home health-related care reimbursement rates  
34 prescribed in this division of this Act to ensure that federal  
35 requirements are met. The department may adopt emergency

1 rules to implement the provisions of this subsection.

2 3. The department may use up to \$25,000 of the funds  
3 appropriated in this section for a rent subsidy program for  
4 adult persons. The requirements under 2001 Iowa Acts, chapter  
5 191, section 11, subsection 3, shall apply to the program and  
6 the participants in the program.

7 Sec. 119. CHILD CARE ASSISTANCE. There is appropriated  
8 from the general fund of the state to the department of human  
9 services for the fiscal year beginning July 1, 2002, and  
10 ending June 30, 2003, the following amount, or so much thereof  
11 as is necessary, to be used for the purpose designated:

12 For child care programs:

13 ..... \$ 4,939,635

14 1. a. Of the funds appropriated in this section,  
15 \$4,414,111 shall be used for state child care assistance in  
16 accordance with section 237A.13.

17 b. During the 2002-2003 fiscal year, the moneys deposited  
18 in the child care credit fund created in section 237A.28 are  
19 appropriated to the department to be used for state child care  
20 assistance in accordance with section 237A.13, in addition to  
21 the moneys allocated for that purpose in paragraph "a".

22 2. Nothing in this section shall be construed or is  
23 intended as, or shall imply, a grant of entitlement for  
24 services to persons who are eligible for assistance due to an  
25 income level consistent with the waiting list requirements of  
26 section 237A.13. Any state obligation to provide services  
27 pursuant to this section is limited to the extent of the funds  
28 appropriated in this section.

29 3. Of the funds appropriated in this section, \$525,524 is  
30 allocated for the statewide program for child care resource  
31 and referral services under section 237A.26.

32 4. The department may use any of the funds appropriated in  
33 this section as a match to obtain federal funds for use in  
34 expanding child care assistance and related programs. For the  
35 purpose of expenditures of state and federal child care

1 funding, funds shall be considered obligated at the time  
2 expenditures are projected or are allocated to the  
3 department's regions. Projections shall be based on current  
4 and projected caseload growth, current and projected provider  
5 rates, staffing requirements for eligibility determination and  
6 management of program requirements including data systems  
7 management, staffing requirements for administration of the  
8 program, contractual and grant obligations and any transfers  
9 to other state agencies, and obligations for decategorization  
10 or innovation projects.

11 5. If the federal government appropriates additional  
12 funding under the federal child care and development block  
13 grant than was anticipated would be received for the state  
14 fiscal year beginning July 1, 2002, in addition to the  
15 notification requirements for expenditure requirements for  
16 additional federal funds under 2002 Iowa Acts, House File  
17 2582, the department shall consult with the chairpersons and  
18 ranking members of the joint appropriations subcommittee on  
19 human services at least thirty days in advance of committing  
20 to expenditure of the additional funding.

21 Sec. 120. JUVENILE INSTITUTIONS. There is appropriated  
22 from the general fund of the state to the department of human  
23 services for the fiscal year beginning July 1, 2002, and  
24 ending June 30, 2003, the following amounts, or so much  
25 thereof as is necessary, to be used for the purposes  
26 designated:

- 27 1. For operation of the Iowa juvenile home at Toledo and
- 28 for salaries, support, maintenance, and for not more than the
- 29 following full-time equivalent positions:
- 30 ..... \$ 6,273,663
- 31 ..... FTEs 134.54

32 It is the intent of the general assembly that beginning in  
33 the fiscal year commencing on July 1, 2003, the Iowa juvenile  
34 home at Toledo will serve only females.

- 35 2. For operation of the state training school at Eldora

1 and for salaries, support, maintenance, and for not more than  
2 the following full-time equivalent positions:

3 ..... \$ 10,434,719  
4 ..... FTEs 218.53

5 3. During the fiscal year beginning July 1, 2002, the  
6 population levels at the state juvenile institutions shall not  
7 exceed the population guidelines established under 1990 Iowa  
8 Acts, chapter 1239, section 21, as adjusted for additional  
9 beds developed at the institutions.

10 4. A portion of the moneys appropriated in this section  
11 shall be used by the state training school and by the Iowa  
12 juvenile home for grants for adolescent pregnancy prevention  
13 activities at the institutions in the fiscal year beginning  
14 July 1, 2002.

15 5. Within the amounts appropriated in this section, the  
16 department may transfer funds as necessary to best fulfill the  
17 needs of the institutions provided for in the appropriation.

18 Sec. 121. CHILD AND FAMILY SERVICES. There is  
19 appropriated from the general fund of the state to the  
20 department of human services for the fiscal year beginning  
21 July 1, 2002, and ending June 30, 2003, the following amount,  
22 or so much thereof as is necessary, to be used for the purpose  
23 designated:

24 For child and family services:  
25 ..... \$98,144,163

26 1. The department may transfer funds appropriated in this  
27 section as necessary to pay the nonfederal costs of services  
28 reimbursed under medical assistance or the family investment  
29 program which are provided to children who would otherwise  
30 receive services paid under the appropriation in this section.  
31 The department may transfer funds appropriated in this section  
32 to the appropriations in this division of this Act for general  
33 administration and for field operations for resources  
34 necessary to implement and operate the services funded in this  
35 section.

1 2. a. Of the funds appropriated in this section, up to  
2 \$28,665,950 is allocated as the statewide expenditure target  
3 under section 232.143 for group foster care maintenance and  
4 services.

5 b. If at any time after September 30, 2002, annualization  
6 of a service area's current expenditures indicates a service  
7 area is at risk of exceeding its group foster care expenditure  
8 target under section 232.143 by more than five percent, the  
9 department and juvenile court services shall examine all group  
10 foster care placements in that service area in order to  
11 identify those which might be appropriate for termination. In  
12 addition, any aftercare services believed to be needed for the  
13 children whose placements may be terminated shall be  
14 identified. The department and juvenile court services shall  
15 initiate action to set dispositional review hearings for the  
16 placements identified. In such a dispositional review  
17 hearing, the juvenile court shall determine whether needed  
18 aftercare services are available and whether termination of  
19 the placement is in the best interest of the child and the  
20 community.

21 c. (1) Of the funds appropriated in this section, not  
22 more than \$6,585,993 is allocated as the state match funding  
23 for psychiatric medical institutions for children.

24 (2) The department may transfer all or a portion of the  
25 amount allocated in this lettered paragraph for psychiatric  
26 medical institutions for children (PMICs) to the appropriation  
27 in this division of this Act for medical assistance.

28 d. Of the funds allocated in this subsection, \$1,370,127  
29 is allocated as the state match funding for 50 highly  
30 structured juvenile program beds. If the number of beds  
31 provided for in this lettered paragraph is not utilized, the  
32 remaining funds allocated may be used for group foster care.

33 e. For the fiscal year beginning July 1, 2002, the  
34 requirements of section 232.143 applicable to the juvenile  
35 court and to representatives of the juvenile court shall be

1 applicable instead to juvenile court services and to  
2 representatives of juvenile court services. The  
3 representatives appointed by the department of human services  
4 and by juvenile court services to establish the plan to  
5 contain expenditures for children placed in group foster care  
6 ordered by the court within the budget target allocated to the  
7 service area shall establish the plan in a manner so as to  
8 ensure the moneys allocated to the service area under section  
9 232.143 shall last the entire fiscal year. Funds for a child  
10 placed in group foster care shall be considered encumbered for  
11 the duration of the child's projected or actual length of  
12 stay, whichever is applicable.

13 3. The department shall continue the goal that not more  
14 than 15 percent of the children placed in foster care funded  
15 under the federal Social Security Act, Title IV-E, may be  
16 placed in foster care for a period of more than 24 months.

17 4. In accordance with the provisions of section 232.188,  
18 the department shall continue the program to decategorize  
19 child welfare services funding in additional counties or  
20 clusters of counties.

21 5. A portion of the funding appropriated in this section  
22 may be used for emergency family assistance to provide other  
23 resources required for a family participating in a family  
24 preservation or reunification project to stay together or to  
25 be reunified.

26 6. Notwithstanding section 234.35, subsection 1, for the  
27 fiscal year beginning July 1, 2002, state funding for shelter  
28 care paid pursuant to section 234.35, subsection 1, paragraph  
29 "h", shall be limited to \$7,120,382.

30 7. The department shall continue to make adoption  
31 presubsidy and adoption subsidy payments to adoptive parents  
32 at the beginning of the month for the current month.

33 8. Federal funds received by the state during the fiscal  
34 year beginning July 1, 2002, as the result of the expenditure  
35 of state funds appropriated during a previous state fiscal

1 year for a service or activity funded under this section,  
2 shall be used as additional funding for services provided  
3 under this section.

4 9. The department and juvenile court services shall  
5 continue to develop criteria for the department service area  
6 administrator and chief juvenile court officer to grant  
7 exceptions to extend eligibility, within the funds allocated,  
8 for intensive tracking and supervision and for supervised  
9 community treatment to delinquent youth beyond age 18 who are  
10 subject to release from the state training school, a highly  
11 structured juvenile program, or group foster care.

12 10. Of the moneys appropriated in this section, not more  
13 than \$415,135 is allocated to provide clinical assessment  
14 services as necessary to continue funding of children's  
15 rehabilitation services under medical assistance in accordance  
16 with federal law and requirements. The funding allocated is  
17 the amount projected to be necessary for providing the  
18 clinical assessment services.

19 11. Of the funding appropriated in this section,  
20 \$3,696,285 shall be used for protective child care assistance.

21 12. Of the moneys appropriated in this section, up to  
22 \$2,924,183 is allocated for the payment of the expenses of  
23 court-ordered services provided to juveniles which are a  
24 charge upon the state pursuant to section 232.141, subsection  
25 4.

26 a. Notwithstanding section 232.141 or any other provision  
27 of law, the amount allocated in this subsection shall be  
28 distributed to the judicial districts as determined by the  
29 state court administrator. The state court administrator  
30 shall make the determination of the distribution amounts on or  
31 before June 15, 2002.

32 b. Notwithstanding chapter 232 or any other provision of  
33 law, a district or juvenile court shall not order any service  
34 which is a charge upon the state pursuant to section 232.141  
35 if there are insufficient court-ordered services funds

1 available in the district court distribution amount to pay for  
2 the service. The chief juvenile court officer shall encourage  
3 use of the funds allocated in this subsection such that there  
4 are sufficient funds to pay for all court-related services  
5 during the entire year. The chief juvenile court officers  
6 shall attempt to anticipate potential surpluses and shortfalls  
7 in the distribution amounts and shall cooperatively request  
8 the state court administrator to transfer funds between the  
9 districts' distribution amounts as prudent.

10 c. Notwithstanding any provision of law to the contrary, a  
11 district or juvenile court shall not order a county to pay for  
12 any service provided to a juvenile pursuant to an order  
13 entered under chapter 232 which is a charge upon the state  
14 under section 232.141, subsection 4.

15 d. Of the funding allocated in this subsection, not more  
16 than \$100,000 may be used by the judicial branch for  
17 administration of the requirements under this subsection and  
18 for travel associated with court-ordered placements which are  
19 a charge upon the state pursuant to section 232.141,  
20 subsection 4.

21 13. a. Of the funding appropriated in this section,  
22 \$2,927,602 is allocated to provide school-based supervision of  
23 children adjudicated under chapter 232, including not more  
24 than \$1,463,801 from the allocation in this section for court-  
25 ordered services. Not more than \$15,000 of the funding  
26 allocated in this subsection may be used for the purpose of  
27 training.

28 b. A portion of the cost of each school-based liaison  
29 officer shall be paid by the school district or other funding  
30 source as approved by the chief juvenile court officer.

31 14. The department shall maximize the capacity to draw  
32 federal funding under Title IV-E of the federal Social  
33 Security Act.

34 15. Any unanticipated federal funding that is received  
35 during the fiscal year due to improvements in the hours



1 counted by the judicial branch under the claiming process for  
2 federal Title IV-E funding are appropriated to the department  
3 to be used for additional or expanded services and support for  
4 court-ordered services pursuant to section 232.141.

5 Notwithstanding section 8.33, moneys appropriated in this  
6 subsection that remain unencumbered or unobligated at the  
7 close of the fiscal year shall not revert but shall remain  
8 available for expenditure for the purposes designated until  
9 the close of the succeeding fiscal year.

10 16. Notwithstanding section 234.39, subsection 5, and 2000  
11 Iowa Acts, chapter 1228, section 43, the department may  
12 operate a subsidized guardianship program if the United States  
13 department of health and human services approves a waiver  
14 under Title IV-E of the federal Social Security Act and the  
15 subsidized guardianship program can be operated without loss  
16 of Title IV-E funds.

17 17. It is the intent of the general assembly that the  
18 department continue its practice of providing strong support  
19 for Iowa's nationally recognized initiative of  
20 decategorization of child welfare funding.

21 18. It is the intent of the general assembly that  
22 administration of the foster care and adoption programs be  
23 privatized.

24 Sec. 122. JUVENILE DETENTION HOME FUND. Moneys deposited  
25 in the juvenile detention home fund created in section 232.142  
26 during the fiscal year beginning July 1, 2002, and ending June  
27 30, 2003, are appropriated to the department of human services  
28 for the fiscal year beginning July 1, 2002, and ending June  
29 30, 2003, for distribution as follows:

30 1. An amount equal to ten percent of the costs of the  
31 establishment, improvement, operation, and maintenance of  
32 county or multicounty juvenile detention homes in the fiscal  
33 year beginning July 1, 2001. Moneys appropriated for  
34 distribution in accordance with this paragraph shall be  
35 allocated among eligible detention homes, prorated on the

1 basis of an eligible detention home's proportion of the costs  
2 of all eligible detention homes in the fiscal year beginning  
3 July 1, 2001. Notwithstanding section 232.142, subsection 3,  
4 the financial aid payable by the state under that provision  
5 for the fiscal year beginning July 1, 2002, shall be limited  
6 to the amount appropriated for the purposes of this  
7 subsection.

8 2. For renewal of a grant to a county with a population  
9 between 168,000 and 175,000 for implementation of the county's  
10 runaway treatment plan under section 232.195:

11 ..... \$ 80,000

12 3. For grants to counties implementing a runaway treatment  
13 plan under section 232.195.

14 4. The remainder for additional allocations to county or  
15 multicounty juvenile detention homes, in accordance with the  
16 distribution requirements of subsection 1.

17 Sec. 123. FAMILY SUPPORT SUBSIDY PROGRAM. There is  
18 appropriated from the general fund of the state to the  
19 department of human services for the fiscal year beginning  
20 July 1, 2002, and ending June 30, 2003, the following amount,  
21 or so much thereof as is necessary, to be used for the purpose  
22 designated:

23 For the family support subsidy program:

24 ..... \$ 1,936,434

25 1. The department may use up to \$333,312 of the moneys  
26 appropriated in this section to continue the children-at-home  
27 program in current counties, of which not more than \$20,000  
28 shall be used for administrative costs.

29 2. Notwithstanding section 225C.38, subsection 1, the  
30 monthly family support payment amount for the fiscal year  
31 beginning July 1, 2002, shall remain the same as the payment  
32 amount in effect on June 30, 2002.

33 Sec. 124. CONNER DECREE. There is appropriated from the  
34 general fund of the state to the department of human services  
35 for the fiscal year beginning July 1, 2002, and ending June

1 30, 2003, the following amount, or so much thereof as is  
2 necessary, to be used for the purpose designated:

3 For building community capacity through the coordination  
4 and provision of training opportunities in accordance with the  
5 consent decree of Conner v. Branstad, No. 4-86-CV-30871(S.D.  
6 Iowa, July 14, 1994):

7 ..... \$ 42,623

8 Sec. 125. MENTAL HEALTH INSTITUTES. There is appropriated  
9 from the general fund of the state to the department of human  
10 services for the fiscal year beginning July 1, 2002, and  
11 ending June 30, 2003, the following amounts, or so much  
12 thereof as is necessary, to be used for the purposes  
13 designated:

14 1. For the state mental health institute at Cherokee for  
15 salaries, support, maintenance, and miscellaneous purposes and  
16 for not more than the following full-time equivalent  
17 positions:

18 ..... \$ 12,747,990

19 ..... FTEs 227.65

20 2. For the state mental health institute at Clarinda for  
21 salaries, support, maintenance, and miscellaneous purposes and  
22 for not more than the following full-time equivalent  
23 positions:

24 ..... \$ 7,244,131

25 ..... FTEs 126.15

26 3. For the state mental health institute at Independence  
27 for salaries, support, maintenance, and miscellaneous purposes  
28 and for not more than the following full-time equivalent  
29 positions:

30 ..... \$ 16,552,128

31 ..... FTEs 333.80

32 The state mental health institute at Independence shall  
33 continue the 30 psychiatric medical institution for children  
34 (PMIC) beds authorized in section 135H.6, in a manner which  
35 results in no net state expenditure amount in excess of the

1 amount appropriated in this subsection. Counties are not  
2 responsible for the costs of PMIC services described in this  
3 subsection. Subject to the approval of the department, with  
4 the exception of revenues required under section 249A.11 to be  
5 credited to the appropriation in this division of this Act for  
6 medical assistance, revenues attributable to the PMIC beds  
7 described in this subsection for the fiscal year beginning  
8 July 1, 2002, and ending June 30, 2003, shall be deposited in  
9 the institute's account, including but not limited to any of  
10 the following revenues:

11 a. The federal share of medical assistance revenue  
12 received under chapter 249A.

13 b. Moneys received through client participation.

14 c. Any other revenues directly attributable to the PMIC  
15 beds.

16 4. For the state mental health institute at Mount Pleasant  
17 for salaries, support, maintenance, and miscellaneous purposes  
18 and for not more than the following full-time equivalent  
19 positions:

20 .....	\$	5,343,829
21 .....	FTEs	100.07

22 a. Funding is provided in this subsection for the state  
23 mental health institute at Mount Pleasant to continue the dual  
24 diagnosis mental health and substance abuse program on a net  
25 budgeting basis in which 50 percent of the actual per diem and  
26 ancillary services costs are chargeable to the patient's  
27 county of legal settlement or as a state case, as appropriate.  
28 Subject to the approval of the department, revenues  
29 attributable to the dual diagnosis program for the fiscal year  
30 beginning July 1, 2002, and ending June 30, 2003, shall be  
31 deposited in the institute's account, including but not  
32 limited to all of the following revenues:

33 (1) Moneys received by the state from billings to counties  
34 under section 230.20.

35 (2) Moneys received from billings to the Medicare program.

1 (3) Moneys received from a managed care contractor  
2 providing services under contract with the department or any  
3 private third-party payor.

4 (4) Moneys received through client participation.

5 (5) Any other revenues directly attributable to the dual  
6 diagnosis program.

7 b. The following additional provisions are applicable in  
8 regard to the dual diagnosis program:

9 (1) A county may split the charges between the county's  
10 mental health, mental retardation, and developmental  
11 disabilities services fund and the county's budget for  
12 substance abuse expenditures.

13 (2) If an individual is committed to the custody of the  
14 department of corrections at the time the individual is  
15 referred for dual diagnosis treatment, the department of  
16 corrections shall be charged for the costs of treatment.

17 (3) Prior to an individual's admission for dual diagnosis  
18 treatment, the individual shall have been screened through a  
19 county's single entry point process to determine the  
20 appropriateness of the treatment.

21 (4) A county shall not be chargeable for the costs of  
22 treatment for an individual enrolled in and authorized by or  
23 decertified by a managed behavioral care plan under the  
24 medical assistance program.

25 (5) Notwithstanding section 8.33, state mental health  
26 institute revenues related to the dual diagnosis program that  
27 remain unencumbered or unobligated at the close of the fiscal  
28 year shall not revert but shall remain available up to the  
29 amount which would allow the state mental health institute to  
30 meet credit obligations owed to counties as a result of year-  
31 end per diem adjustments for the dual diagnosis program.

32 5. Within the funds appropriated in this section, the  
33 department may transfer funds as necessary to best fulfill the  
34 needs of the institutes provided for in the appropriation.

35 6. As part of the discharge planning process at the state

1 mental health institutes, the department shall provide  
2 assistance in obtaining eligibility for federal supplemental  
3 security income (SSI) to those individuals whose care at a  
4 state mental health institute is the financial responsibility  
5 of the state or a county.

6 Sec. 126. STATE RESOURCE CENTERS. There is appropriated  
7 from the general fund of the state to the department of human  
8 services for the fiscal year beginning July 1, 2002, and  
9 ending June 30, 2003, the following amounts, or so much  
10 thereof as is necessary, to be used for the purposes  
11 designated:

12 1. For the state resource center at Glenwood for salaries,  
13 support, maintenance, and miscellaneous purposes:

14 ..... \$ 2,170,150

15 2. For the state resource center at Woodward for salaries,  
16 support, maintenance, and miscellaneous purposes:

17 ..... \$ 1,463,073

18 3. a. The department shall continue operating the state  
19 resource centers at Glenwood and Woodward with a net general  
20 fund appropriation. The amounts allocated in this section are  
21 the net amounts of state moneys projected to be needed for the  
22 state resource centers. The purposes of operating with a net  
23 general fund appropriation are to encourage the state resource  
24 centers to operate with increased self-sufficiency, to improve  
25 quality and efficiency, and to support collaborative efforts  
26 between the state resource centers and counties and other  
27 funders of services available from the state resource centers.  
28 The state resource centers shall not be operated under the net  
29 appropriation in a manner which results in a cost increase to  
30 the state or cost shifting between the state, the medical  
31 assistance program, counties, or other sources of funding for  
32 the state resource centers. Moneys appropriated in this  
33 section may be used throughout the fiscal year in the manner  
34 necessary for purposes of cash flow management, and for  
35 purposes of cash flow management the state resource centers

1 may temporarily draw more than the amounts appropriated,  
2 provided the amounts appropriated are not exceeded at the  
3 close of the fiscal year.

4 b. Subject to the approval of the department, except for  
5 revenues under section 249A.11, revenues attributable to the  
6 state resource centers for the fiscal year beginning July 1,  
7 2002, shall be deposited into each state resource center's  
8 account, including but not limited to all of the following:

9 (1) Moneys received by the state from billings to counties  
10 under section 222.73.

11 (2) The federal share of medical assistance revenue  
12 received under chapter 249A.

13 (3) Federal Medicare program payments.

14 (4) Moneys received from client financial participation.

15 (5) Other revenues generated from current, new, or  
16 expanded services which the state resource center is  
17 authorized to provide.

18 c. For the purposes of allocating the salary adjustment  
19 fund moneys appropriated in another Act, the state resource  
20 centers shall be considered to be funded entirely with state  
21 moneys.

22 d. Notwithstanding section 8.33, up to \$500,000 of a state  
23 resource center's revenues that remain unencumbered or  
24 unobligated at the close of the fiscal year shall not revert  
25 but shall remain available to be used in the succeeding fiscal  
26 year.

27 4. Within the funds appropriated in this section, the  
28 department may transfer funds as necessary to best fulfill the  
29 needs of the institutions provided for in the appropriation.

30 5. The department may continue to bill for state resource  
31 center services utilizing a scope of services approach used  
32 for private providers of ICFMR services, in a manner which  
33 does not shift costs between the medical assistance program,  
34 counties, or other sources of funding for the state resource  
35 centers.

1 6. The state resource centers may expand the time limited  
2 assessment and respite services during the fiscal year.

3 7. If the department's administration and the department  
4 of management concur with a finding by a state resource  
5 center's superintendent that projected revenues can reasonably  
6 be expected to pay the salary and support costs for a new  
7 employee position, or that such costs for adding a particular  
8 number of new positions for the fiscal year would be less than  
9 the overtime costs if new positions would not be added, the  
10 superintendent may add the new position or positions. If the  
11 vacant positions available to a resource center do not include  
12 the position classification desired to be filled, the state  
13 resource center's superintendent may reclassify any vacant  
14 position as necessary to fill the desired position. The  
15 superintendents of the state resource centers may, by mutual  
16 agreement, pool vacant positions and position classifications  
17 during the course of the fiscal year in order to assist one  
18 another in filling necessary positions.

19 8. If existing capacity limitations are reached in  
20 operating units, a waiting list is in effect for a service or  
21 a special need for which a payment source or other funding is  
22 available for the service or to address the special need, and  
23 facilities for the service or to address the special need can  
24 be provided within the available payment source or other  
25 funding, the superintendent of a state resource center may  
26 authorize opening not more than two units or other facilities  
27 and to begin implementing the service or addressing the  
28 special need during fiscal year 2002-2003.

29 Sec. 127. SPECIAL NEEDS GRANTS. There is appropriated  
30 from the general fund of the state to the department of human  
31 services for the fiscal year beginning July 1, 2002, and  
32 ending June 30, 2003, the following amount, or so much thereof  
33 as is necessary, to be used for the purpose designated:

34 To provide special needs grants to families with a family  
35 member at home who has a developmental disability or to a



1 person with a developmental disability:

2 ..... \$ 47,827

3 Grants must be used by a family to defray special costs of  
4 caring for the family member to prevent out-of-home placement  
5 of the family member or to provide for independent living  
6 costs. The grants may be administered by a private nonprofit  
7 agency which serves people statewide provided that no  
8 administrative costs are received by the agency.

9 Sec. 128. MI/MR/DD STATE CASES. There is appropriated  
10 from the general fund of the state to the department of human  
11 services for the fiscal year beginning July 1, 2002, and  
12 ending June 30, 2003, the following amount, or so much thereof  
13 as is necessary, to be used for the purpose designated:

14 For purchase of local services for persons with mental  
15 illness, mental retardation, and developmental disabilities  
16 where the client has no established county of legal  
17 settlement:

18 ..... \$ 11,414,619

19 The general assembly encourages the department to continue  
20 discussions with the Iowa state association of counties and  
21 administrators of county central point of coordination offices  
22 regarding proposals for moving state cases to county budgets.

23 Sec. 129. MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES --  
24 COMMUNITY SERVICES FUND. There is appropriated from the  
25 general fund of the state to the mental health and  
26 developmental disabilities community services fund created in  
27 section 225C.7 for the fiscal year beginning July 1, 2002, and  
28 ending June 30, 2003, the following amount, or so much thereof  
29 as is necessary, to be used for the purpose designated:

30 For mental health and developmental disabilities community  
31 services in accordance with this division of this Act:

32 ..... \$ 17,757,890

33 1. Of the funds appropriated in this section, \$17,727,890  
34 shall be allocated to counties for funding of community-based  
35 mental health and developmental disabilities services. The

1 moneys shall be allocated to a county as follows:

2 a. Fifty percent based upon the county's proportion of the  
3 state's population of persons with an annual income which is  
4 equal to or less than the poverty guideline established by the  
5 federal office of management and budget.

6 b. Fifty percent based upon the county's proportion of the  
7 state's general population.

8 2. a. A county shall utilize the funding the county  
9 receives pursuant to subsection 1 for services provided to  
10 persons with a disability, as defined in section 225C.2.  
11 However, no more than 50 percent of the funding shall be used  
12 for services provided to any one of the service populations.

13 b. A county shall use at least 50 percent of the funding  
14 the county receives under subsection 1 for contemporary  
15 services provided to persons with a disability, as described  
16 in rules adopted by the department.

17 3. Of the funds appropriated in this section, \$30,000  
18 shall be used to support the Iowa compass program providing  
19 computerized information and referral services for Iowans with  
20 disabilities and their families.

21 4. a. Funding appropriated for purposes of the federal  
22 social services block grant is allocated for distribution to  
23 counties for local purchase of services for persons with  
24 mental illness or mental retardation or other developmental  
25 disability.

26 b. The funds allocated in this subsection shall be  
27 expended by counties in accordance with the county's approved  
28 county management plan. A county without an approved county  
29 management plan shall not receive allocated funds until the  
30 county's management plan is approved.

31 c. The funds provided by this subsection shall be  
32 allocated to each county as follows:

33 (1) Fifty percent based upon the county's proportion of  
34 the state's population of persons with an annual income which  
35 is equal to or less than the poverty guideline established by

1 the federal office of management and budget.

2 (2) Fifty percent based upon the amount provided to the  
3 county for local purchase of services in the preceding fiscal  
4 year.

5 5. A county is eligible for funds under this section if  
6 the county qualifies for a state payment as described in  
7 section 331.439.

8 Sec. 130. PERSONAL ASSISTANCE. There is appropriated from  
9 the general fund of the state to the department of human  
10 services for the fiscal year beginning July 1, 2002, and  
11 ending June 30, 2003, the following amount, or so much thereof  
12 as is necessary, to be used for the purpose designated:

13 For continuation of a pilot project for the personal  
14 assistance services program in accordance with this section:

15 ..... \$ 157,921

16 1. The funds appropriated in this section shall be used to  
17 continue the pilot project for the personal assistance  
18 services program under section 225C.46 in an urban and a rural  
19 area. Not more than 10 percent of the amount appropriated  
20 shall be used for administrative costs. The pilot project  
21 shall not be implemented in a manner which would require  
22 additional county or state costs for assistance provided to an  
23 individual served under the pilot project.

24 2. In accordance with 2001 Iowa Acts, chapter 191, section  
25 25, subsection 2, new applicants shall not be accepted into  
26 the pilot project. An individual receiving services under the  
27 pilot project as of June 30, 2002, shall continue receiving  
28 services until the individual voluntarily leaves the project  
29 or until another program with similar services exists.

30 Sec. 131. SEXUALLY VIOLENT PREDATORS. There is  
31 appropriated from the general fund of the state to the  
32 department of human services for the fiscal year beginning  
33 July 1, 2002, and ending June 30, 2003, the following amount,  
34 or so much thereof as is necessary, to be used for the purpose  
35 designated:

1 For costs associated with the commitment and treatment of  
2 sexually violent predators in the unit located at the state  
3 mental health institute at Cherokee, including costs of legal  
4 services and other associated costs, including salaries,  
5 support, maintenance, and miscellaneous purposes and for not  
6 more than the following full-time equivalent positions:

7 ..... \$ 3,459,855  
8 ..... FTEs 44.00

9 In implementing the relocation of the unit for commitment  
10 of sexually violent predators from Oakdale to the state mental  
11 health institute at Cherokee in the fiscal year beginning July  
12 1, 2002, it is the intent of the general assembly that the  
13 department of human services complete the renovation of space  
14 at the institute and the relocation of the unit as  
15 expeditiously as possible. If requested by the department of  
16 human services as necessary to complete the renovation of  
17 space and relocation as expeditiously as possible,  
18 notwithstanding any provision of law or rule to the contrary,  
19 the department of general services shall grant a waiver for  
20 purposes of the renovation project from those requirements in  
21 administrative rule and policy that would otherwise govern the  
22 length of time the renovation project components are noticed.

23 Sec. 132. FIELD OPERATIONS. There is appropriated from  
24 the general fund of the state to the department of human  
25 services for the fiscal year beginning July 1, 2002, and  
26 ending June 30, 2003, the following amount, or so much thereof  
27 as is necessary, to be used for the purposes designated:

28 1. For field operations, including salaries, support,  
29 maintenance, and miscellaneous purposes and for not more than  
30 the following full-time equivalent positions:

31 ..... \$ 51,204,264  
32 ..... FTEs 1,920.00

33 Priority in filling full-time equivalent positions shall be  
34 given to those positions related to child protection services.

35 2. In implementing the transition from a regional system

1 to the service area system established pursuant to 2001 Iowa  
2 Acts, Second Extraordinary Session, chapter 4, for the fiscal  
3 year beginning July 1, 2002, and ending June 30, 2003, the  
4 department shall utilize the service areas and service area  
5 administrators in lieu of regions and regional administrators,  
6 notwithstanding the references to department regions or  
7 regional administrators in sections 232.2, 232.52, 232.68,  
8 232.72, 232.102, 232.117, 232.127, 232.143, 232.188, and  
9 234.35, or other provision in law. The department shall  
10 submit proposed legislation under section 2.16 for  
11 consideration by the Eightieth General Assembly, 2003 Session,  
12 to correct the references in the necessary Code sections.

13 Sec. 133. ADDITIONAL FEDERAL FUNDING -- FISCAL YEAR 2002-  
14 2003.

15 1. The provisions of this section are applicable for the  
16 fiscal year beginning July 1, 2002.

17 2. It is the intent of the general assembly that the  
18 director of human services work to secure federal financial  
19 participation through Titles IV-E and XIX of the federal  
20 Social Security Act for services and activities that are  
21 currently funded with state, county, or community moneys. It  
22 is further intended that the director initially focus on  
23 securing targeted case management funding under medical  
24 assistance for state child protection staff and for services  
25 and activities currently funded with juvenile court services,  
26 county, or community moneys and state moneys used in  
27 combination with such moneys.

28 3. Additional federal financial participation secured for  
29 the fiscal year beginning July 1, 2002, and ending June 30,  
30 2003, is appropriated to the department of human services for  
31 use as provided in this section. All of the following are  
32 applicable to the additional federal financial participation  
33 and efforts made to secure the federal financial  
34 participation:

35 a. The department may pursue federal approval of a state

1 plan amendment to use medical assistance funding for targeted  
2 case management services. The population to be served through  
3 targeted case management services is children who are at risk  
4 of maltreatment or who are in need of protective services. The  
5 funding shall be based on the federal and state moneys  
6 available under the medical assistance program. For the  
7 additional federal financial participation received under the  
8 reimbursement methodology established for the services, a  
9 distribution plan shall attribute revenue to the cost sources  
10 upon which the reimbursement rates are based. In addition, of  
11 the additional federal funds received, a 5 percent set-aside  
12 shall be used for funding the revenue enhancement activities  
13 and for service delivery and results improvement efforts.

14 b. The director may use part or all of the additional  
15 federal financial participation received from medical  
16 assistance claims for child protection staff for full-time  
17 equivalent state child protection staff positions, including  
18 child abuse assessment positions, social workers, and support  
19 positions performing related functions. Positions added in  
20 accordance with this paragraph "b" are in addition to those  
21 authorized in the appropriation made in this Act for field  
22 operations.

23 c. The director may also use a portion of the additional  
24 federal financial participation received from medical  
25 assistance claims for child protection staff for providing  
26 grants to communities to support the community partnership  
27 approach to child protection. Potential grantees may include  
28 child welfare funding decategorization projects, community  
29 empowerment area boards, or other community-based entities  
30 who, in partnership with the local departmental  
31 administrators, agree to implement the four community  
32 partnership components.

33 4. The department may adopt emergency rules to implement  
34 the provisions of this section.

35 Sec. 134. ADDITIONAL FEDERAL FINANCIAL PARTICIPATION --

1 FISCAL 2001-2002 AND FISCAL 2002-2003. The first \$10 million  
2 of federal financial participation received under the section  
3 of this division of this Act providing for the department of  
4 human services' efforts to secure additional federal funding  
5 for FY 2002-2003 through Titles IV-E and XIX of the federal  
6 Social Security Act or from other efforts by the department of  
7 human services to draw additional federal financial  
8 participation associated with funds appropriated for child and  
9 family services in fiscal years 2001-2002 and 2002-2003 shall  
10 be used in those two fiscal years to offset reductions in  
11 federal financial participation for child welfare services due  
12 to changes in federal regulations or interpretations of  
13 federal regulations, changes in federal cost allocations or  
14 federal match provisions, or federal sanctions. The  
15 department may adopt emergency rules to implement the  
16 provisions of this section.

17 Sec. 135. GENERAL ADMINISTRATION. There is appropriated  
18 from the general fund of the state to the department of human  
19 services for the fiscal year beginning July 1, 2002, and  
20 ending June 30, 2003, the following amount, or so much thereof  
21 as is necessary, to be used for the purpose designated:

22 For general administration, including salaries, support,  
23 maintenance, and miscellaneous purposes and for not more than  
24 the following full-time equivalent positions:

25 .....	\$ 11,587,936
26 .....	FTEs 356.00

27 1. Of the funds appropriated in this section, \$57,000 is  
28 allocated for the prevention of disabilities policy council  
29 established in section 225B.3.

30 2. The department shall report to the governor, the  
31 general assembly, the legislative fiscal bureau, and the  
32 legislative service bureau, within thirty days of notice from  
33 the source of payment of the future receipt of any bonus,  
34 incentive, or other payments received from the federal  
35 government, court settlement payments, and any other payments

1 received by the state that may be used to supplement state  
2 funds appropriated to the department.

3 3. If the department proposes an amendment to a state plan  
4 for a program that is subject to federal approval and the  
5 amendment would have an effect on state appropriations, unless  
6 the amendment is adopted as a rule that has been reviewed and  
7 approved by the administrative rules review committee, the  
8 amendment shall not be submitted to the federal government for  
9 consideration unless the fiscal committee of the legislative  
10 council has adopted a motion recommending implementation of  
11 the amendment.

12 Sec. 136. VOLUNTEERS. There is appropriated from the  
13 general fund of the state to the department of human services  
14 for the fiscal year beginning July 1, 2002, and ending June  
15 30, 2003, the following amount, or so much thereof as is  
16 necessary, to be used for the purpose designated:

17 For development and coordination of volunteer services:  
18 ..... \$ 109,568

19 Sec. 137. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY  
20 ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE  
21 DEPARTMENT OF HUMAN SERVICES.

22 1. a. For the fiscal year beginning July 1, 2002, nursing  
23 facilities shall be reimbursed as provided in 2002 Iowa Acts,  
24 House File 2613. Nursing facilities reimbursed under the  
25 medical assistance program shall submit annual cost reports  
26 and additional documentation as required by rules adopted by  
27 the department.

28 b. (1) For the fiscal year beginning July 1, 2002, the  
29 department shall reimburse pharmacy dispensing fees using a  
30 single rate of \$5.17 per prescription or the pharmacy's usual  
31 and customary fee, whichever is lower.

32 (2) The department shall implement a series of prospective  
33 drug utilization review edits on targeted drugs to facilitate  
34 the cost effective use of these drugs. The edits shall be  
35 implemented in a manner that does not change the therapy or



1 the therapeutic outcome for the patient.

2 (3) The department of human services shall require  
3 recipients of medical assistance to pay the following  
4 copayment on each covered drug prescription, including each  
5 refill as follows:

6 (a) A copayment of \$1 for each covered generic drug  
7 prescription.

8 (b) A copayment of \$1 for each covered brand-name drug  
9 prescription for which the cost to the state is less than \$25.

10 (c) A copayment of \$2 for each covered brand-name drug  
11 prescription for which the cost to the state is between \$25  
12 and \$50.

13 (d) A copayment of \$3 for each covered brand-name drug  
14 prescription for which the cost to the state is over \$50.

15 c. For the fiscal year beginning July 1, 2002,  
16 reimbursement rates for inpatient and outpatient hospital  
17 services shall remain at the rates in effect on June 30, 2002.

18 The department shall continue the outpatient hospital  
19 reimbursement system based upon ambulatory patient groups  
20 implemented pursuant to 1994 Iowa Acts, chapter 1186, section  
21 25, subsection 1, paragraph "f". In addition, the department  
22 shall continue the revised medical assistance payment policy  
23 implemented pursuant to that paragraph to provide  
24 reimbursement for costs of screening and treatment provided in  
25 the hospital emergency room if made pursuant to the  
26 prospective payment methodology developed by the department  
27 for the payment of outpatient services provided under the  
28 medical assistance program. Any rebasing of hospital  
29 inpatient or outpatient rates shall not increase total  
30 payments for inpatient and outpatient services.

31 d. For the fiscal year beginning July 1, 2002,  
32 reimbursement rates for rural health clinics, hospices,  
33 independent laboratories, and acute mental hospitals shall be  
34 increased in accordance with increases under the federal  
35 Medicare program or as supported by their Medicare audited

1 costs.

2 e. For the fiscal year beginning July 1, 2002,  
3 reimbursement rates for home health agencies shall remain at  
4 the rates in effect on June 30, 2002.

5 f. For the fiscal year beginning July 1, 2002, federally  
6 qualified health centers shall receive cost-based  
7 reimbursement for 100 percent of the reasonable costs for the  
8 provision of services to recipients of medical assistance.

9 g. Beginning July 1, 2002, the reimbursement rates for  
10 dental services shall remain at the rates in effect on June  
11 30, 2002.

12 h. Beginning July 1, 2002, the reimbursement rates for  
13 community mental health centers shall remain at the rates in  
14 effect on June 30, 2002.

15 i. For the fiscal year beginning July 1, 2002, the maximum  
16 reimbursement rate for psychiatric medical institutions for  
17 children shall remain at the rate in effect on June 30, 2002,  
18 based on per day rates for actual costs.

19 j. For the fiscal year beginning July 1, 2002, unless  
20 otherwise specified in this division of this Act, all  
21 noninstitutional medical assistance provider reimbursement  
22 rates shall remain at the rates in effect on June 30, 2002,  
23 except for area education agencies, local education agencies,  
24 infant and toddler services providers, and those providers  
25 whose rates are required to be determined pursuant to section  
26 249A.20.

27 k. Notwithstanding section 249A.20, the average  
28 reimbursement rates for health care providers eligible for use  
29 of the reimbursement methodology under that section shall  
30 remain at the rate in effect on June 30, 2002.

31 l. In addition to other dental services provided to adults  
32 under the medical assistance program in accordance with 2002  
33 Iowa Acts, House File 2245, section 7, subsection 2, for the  
34 fiscal year beginning July 1, 2002, the following services  
35 shall be provided:

1 (1) Root canal treatments on permanent anterior teeth.

2 (2) General anesthesia and intravenous sedation if  
3 necessitated by the physical or mental disability of the  
4 patient.

5 2. For the fiscal year beginning July 1, 2002, the maximum  
6 cost reimbursement rate for residential care facilities  
7 reimbursed by the department shall not be less than \$25.92 per  
8 day for the time period of July 1, 2002, through December 31,  
9 2002, and shall not be less than \$26.20 per day for the time  
10 period of January 1, 2003, through June 30, 2003. The flat  
11 reimbursement rate for facilities electing not to file  
12 semiannual cost reports shall not be less than \$18.52 per day  
13 for the time period of July 1, 2002, through December 31,  
14 2002, and shall not be less than \$18.72 per day for the time  
15 period of January 1, 2003, through June 30, 2003.

16 3. For the fiscal year beginning July 1, 2002, the maximum  
17 reimbursement rate for providers reimbursed under the in-home  
18 health-related care program shall not be less than \$498.29 per  
19 month for the time period of July 1, 2002, through December  
20 31, 2002, and shall not be less than \$503.67 per month for the  
21 time period of January 1, 2003, through June 30, 2003.

22 4. Unless otherwise directed in this section, when the  
23 department's reimbursement methodology for any provider  
24 reimbursed in accordance with this section includes an  
25 inflation factor, this factor shall not exceed the amount by  
26 which the consumer price index for all urban consumers  
27 increased during the calendar year ending December 31, 2001.

28 5. Notwithstanding section 234.38, in the fiscal year  
29 beginning July 1, 2002, the foster family basic daily  
30 maintenance rate and the maximum adoption subsidy rate for  
31 children ages 0 through 5 years shall be \$14.28, the rate for  
32 children ages 6 through 11 years shall be \$15.07, the rate for  
33 children ages 12 through 15 years shall be \$16.83, and the  
34 rate for children ages 16 and older shall be \$16.83.

35 6. For the fiscal year beginning July 1, 2002, the maximum

1 reimbursement rates for social service providers shall remain  
2 at the rates in effect on June 30, 2002. However, the rates  
3 may be adjusted under any of the following circumstances:

4 a. If a new service was added after June 30, 2002, the  
5 initial reimbursement rate for the service shall be based upon  
6 actual and allowable costs.

7 b. If a social service provider loses a source of income  
8 used to determine the reimbursement rate for the provider, the  
9 provider's reimbursement rate may be adjusted to reflect the  
10 loss of income, provided that the lost income was used to  
11 support actual and allowable costs of a service purchased  
12 under a purchase of service contract.

13 7. The group foster care reimbursement rates paid for  
14 placement of children out-of-state shall be calculated  
15 according to the same rate-setting principles as those used  
16 for in-state providers unless the director or the director's  
17 designee determines that appropriate care cannot be provided  
18 within the state. The payment of the daily rate shall be  
19 based on the number of days in the calendar month in which  
20 service is provided.

21 8. For the fiscal year beginning July 1, 2002, the  
22 reimbursement rates for rehabilitative treatment and support  
23 services providers shall remain at the rates in effect on June  
24 30, 2002.

25 9. For the fiscal year beginning July 1, 2002, the  
26 combined service and maintenance components of the  
27 reimbursement rate paid to a shelter care provider shall be  
28 based on the cost report submitted to the department. The  
29 maximum reimbursement rate shall be \$83.69 per day. The  
30 department shall reimburse a shelter care provider at the  
31 provider's actual and allowable unit cost, plus inflation, not  
32 to exceed the maximum reimbursement rate.

33 10. For the fiscal year beginning July 1, 2002, the  
34 department shall calculate reimbursement rates for  
35 intermediate care facilities for persons with mental

1 retardation at the 80th percentile.

2 11. For the fiscal year beginning July 1, 2002, for child  
3 care providers, the department shall set provider  
4 reimbursement rates based on the rate reimbursement survey  
5 completed in December 1998. The department shall set rates in  
6 a manner so as to provide incentives for a nonregistered  
7 provider to become registered.

8 12. For the fiscal year beginning July 1, 2002,  
9 reimbursements for providers reimbursed by the department of  
10 human services may be modified if appropriated funding is  
11 allocated for that purpose from the senior living trust fund  
12 created in section 249H.4, or as specified in appropriations  
13 from the healthy Iowans tobacco trust created in section  
14 12.65.

15 13. The department may adopt emergency rules to implement  
16 this section.

17 Sec. 138. HEALTH CARE FACILITY -- EXCEPTION.

18 Notwithstanding any provision of chapter 135, division VI, to  
19 the contrary and notwithstanding current applicable life  
20 safety code and physical plant requirements, a health care  
21 facility located in Dows, Iowa, that was operating prior to  
22 May 1, 2002, and that terminated operation prior to May 31,  
23 2002, that previously completed the certificate of need  
24 process and that was previously licensed by the state, shall  
25 not be subject to a subsequent certificate of need process and  
26 shall not be subject to current life safety code requirements  
27 or current physical plant requirements in order to be issued a  
28 conditional license, if the successor health care facility  
29 becomes operational on or before July 1, 2004.

30 Sec. 139. TRANSFER AUTHORITY. Subject to the provisions  
31 of section 8.39, for the fiscal year beginning July 1, 2002,  
32 if necessary to meet federal maintenance of effort  
33 requirements or to transfer federal temporary assistance for  
34 needy families block grant funding to be used for purposes of  
35 the federal social services block grant or to meet cash flow

1 needs resulting from delays in receiving federal funding or to  
2 implement, in accordance with this division of this Act,  
3 targeted case management for child protection and for  
4 activities currently funded with juvenile court services,  
5 county, or community moneys and state moneys used in  
6 combination with such moneys, the department of human services  
7 may transfer within or between any of the appropriations made  
8 in this division of this Act and appropriations in law for the  
9 federal social services block grant to the department for the  
10 following purposes, provided that the combined amount of state  
11 and federal temporary assistance for needy families block  
12 grant funding for each appropriation remains the same before  
13 and after the transfer:

- 14 1. For the family investment program.
- 15 2. For emergency assistance.
- 16 3. For child care assistance.
- 17 4. For child and family services.
- 18 5. For field operations.
- 19 6. For general administration.
- 20 7. MH/MR/DD/BI community services (local purchase).

21 This section shall not be construed to prohibit existing  
22 state transfer authority for other purposes.

23 Sec. 140. FRAUD AND RECOUPMENT ACTIVITIES. During the  
24 fiscal year beginning July 1, 2002, notwithstanding the  
25 restrictions in section 239B.14, recovered moneys generated  
26 through fraud and recoupment activities are appropriated to  
27 the department of human services to be used for additional  
28 fraud and recoupment activities performed by the department of  
29 human services or the department of inspections and appeals,  
30 and the department of human services may add not more than  
31 five full-time equivalent positions, in addition to those  
32 funded in this division of this Act, subject to both of the  
33 following conditions:

- 34 1. The director of human services determines that the  
35 investment can reasonably be expected to increase recovery of

1 assistance paid in error, due to fraudulent or nonfraudulent  
2 actions, in excess of the amount recovered in the fiscal year  
3 beginning July 1, 1997.

4 2. The amount expended for the additional fraud and  
5 recoupment activities shall not exceed the amount of the  
6 projected increase in assistance recovered.

7 Sec. 141. TARGETED CASE MANAGEMENT SERVICES FOR CHILDREN  
8 -- FY 2001-2002. It is the intent of the general assembly  
9 that the department evaluate the documentation provisions  
10 implemented in fiscal year 2001-2002 for medical assistance  
11 claiming of targeted case management services for children who  
12 are at risk of maltreatment or who are in need of protective  
13 services. The purpose of the evaluation is for the department  
14 to ease the administrative burden on department staff by  
15 limiting the documentation requirement to those children known  
16 to be eligible or implementing other appropriate measures.

17 Sec. 142. NEW SECTION. 249A.20A NURSING FACILITIES --  
18 DUAL CERTIFICATION REQUIRED.

19 Beginning October 1, 2002, all licensed nursing facilities  
20 shall be certified under both the federal Medicare program and  
21 the medical assistance program as a condition for  
22 participation in the medical assistance program. The  
23 department shall, in consultation with nursing facility  
24 provider organizations, adopt rules to establish criteria for  
25 individual exceptions to the dual certification requirement  
26 under this section.

27 Sec. 143. Section 252B.4, subsection 1, Code 2001, is  
28 amended to read as follows:

29 1. The director shall require an application fee of five  
30 twenty-five dollars.

31 Sec. 144. 2001 Iowa Acts, chapter 176, section 1, is  
32 amended to read as follows:

33 SECTION 1. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND  
34 DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR ADJUSTMENT  
35 AND ALLOCATIONS. There is appropriated from the general fund

1 of the state to the department of human services for the  
2 fiscal year beginning July 1, 2002, and ending June 30, 2003,  
3 the following amount, or so much thereof as is necessary, to  
4 be used for the purpose designated:

5 For distribution to counties of the county mental health,  
6 mental retardation, and developmental disabilities allowed  
7 growth factor adjustment, as provided in this section in lieu  
8 of the provisions of section 331.438, subsection 2, and  
9 section 331.439, subsection 3, and chapter 426B:

10 ..... \$ ~~14,874,702~~  
11 14,181,000

12 The funding appropriated in this section is the allowed  
13 growth factor adjustment for fiscal year 2002-2003, and is  
14 allocated for distribution as provided by law.

15 Sec. 145. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND  
16 DEVELOPMENTAL DISABILITIES (MH/MR/DD) ALLOWED GROWTH FACTOR  
17 ADJUSTMENT AND ALLOCATIONS -- DISTRIBUTION FOR FY 2002-2003.

18 1. For the fiscal year beginning July 1, 2002, the moneys  
19 appropriated in 2001 Acts, chapter 176, section 1, as amended  
20 by this division of this Act, for distribution to counties of  
21 the county mental health, mental retardation, and  
22 developmental disabilities allowed growth factor adjustment,  
23 shall be distributed as provided in this section in lieu of  
24 the provisions of section 331.438, subsection 2, and section  
25 331.439, subsection 3, and chapter 426B, as follows:

26 a. The first \$500,000 shall be credited to the risk pool  
27 created in the property tax relief fund and shall be  
28 distributed pursuant to section 426B.5, subsection 2.

29 b. The remaining \$13,681,000 shall be distributed as  
30 provided in this section.

31 2. The following formula amounts shall be utilized only to  
32 calculate preliminary distribution amounts for fiscal year  
33 2002-2003 under this section by applying the indicated formula  
34 provisions to the formula amounts and producing a preliminary  
35 distribution total for each county:



1 a. For calculation of an allowed growth factor adjustment  
2 amount for each county in accordance with the formula in  
3 section 331.438, subsection 2, paragraph "b":

4 ..... \$ 12,000,000

5 b. For calculation of a distribution amount for eligible  
6 counties from the per capita expenditure target pool created  
7 in the property tax relief fund in accordance with the  
8 requirements in section 426B.5, subsection 1:

9 ..... \$ 14,492,712

10 c. For calculation of a distribution amount for counties  
11 from the mental health and developmental disabilities (MH/DD)  
12 community services fund in accordance with the formula  
13 provided in this division of this Act:

14 ..... \$ 17,727,890

15 3. Notwithstanding any contrary provisions of sections  
16 225C.7, 331.438, subsection 2, 331.439, subsection 3, and  
17 426B.5, the moneys allocated for distribution in subsection 1,  
18 paragraph "b", and in any other Act of the Seventy-ninth  
19 General Assembly, 2002 Session, for distribution to counties  
20 in the fiscal year beginning July 1, 2002, for purposes of the  
21 mental health and developmental disabilities (MH/DD) community  
22 services fund under section 225C.7, and for the allowed growth  
23 factor adjustment for services paid under a county's section  
24 331.424A mental health, mental retardation, and developmental  
25 disabilities services fund and as calculated under subsection  
26 2 to produce preliminary distribution amounts for counties  
27 shall be subject to withholding as provided in this section.

28 4. After applying the applicable statutory distribution  
29 formulas to the amounts indicated in subsection 2 for purposes  
30 of formula calculations to produce preliminary distribution  
31 totals, the department of human services shall apply a  
32 withholding factor to adjust an eligible individual county's  
33 preliminary distribution total. An ending balance percentage  
34 for each county shall be determined by expressing the county's  
35 ending balance on a modified accrual basis under generally

1 accepted accounting principles for the fiscal year beginning  
2 July 1, 2001, in the county's mental health, mental  
3 retardation, and developmental disabilities services fund  
4 created under section 331.424A, as a percentage of the  
5 county's gross expenditures from that fund for that fiscal  
6 year. The withholding factor for a county shall be the  
7 following applicable percent:

8 a. For an ending balance percentage of less than 10  
9 percent, a withholding factor of 0 percent.

10 b. For an ending balance percentage of 10 through 24  
11 percent, a withholding factor of 48.1 percent.

12 c. For an ending balance percentage of 25 through 34  
13 percent, a withholding factor of 60 percent.

14 d. For an ending balance percentage of 35 through 44  
15 percent, a withholding factor of 85 percent.

16 e. For an ending balance percentage of 45 percent or more,  
17 a withholding factor of 100 percent.

18 5. The total withholding amounts applied pursuant to  
19 subsection 4 shall be equal to a withholding target amount of  
20 \$12,811,712 and the appropriation made in this division of  
21 this Act for the MH/DD community services fund and the  
22 appropriation made in 2001 Iowa Acts, chapter 176, section 1,  
23 as amended by this division of this Act shall be reduced by  
24 the amount necessary to attain the withholding target amount.  
25 If the department of human services determines that the amount  
26 to be withheld in accordance with subsection 4 is not equal to  
27 the target withholding amount, the department shall adjust the  
28 withholding factors listed in subsection 4 as necessary to  
29 achieve the withholding target amount. However, in making  
30 such adjustments to the withholding factors, the department  
31 shall strive to minimize changes to the withholding factors  
32 for those ending balance percentage ranges that are lower than  
33 others and shall not adjust the zero withholding factor  
34 specified in subsection 4, paragraph "a".

35 6. In order to be eligible for a funding distribution

1 under this section, a county must levy at least 70 percent of  
2 the maximum allowed for the county's services fund under  
3 section 331.424A for taxes due and payable in the fiscal year  
4 beginning July 1, 2002, and comply with the December 1, 2002,  
5 filing deadline for the county annual financial report in  
6 accordance with section 331.403. The amount that would  
7 otherwise be available for distribution to a county that fails  
8 to so comply shall be proportionately distributed among the  
9 eligible counties.

10 7. The department of human services shall authorize the  
11 issuance of warrants payable to the county treasurer for the  
12 distribution amounts due the counties eligible under this  
13 section and notwithstanding prior practice for the MH/DD  
14 community services fund, the warrants shall be issued in  
15 January 2003.

16 Sec. 146. EMERGENCY RULES. If specifically authorized by  
17 a provision of this division of this Act, the department of  
18 human services or the mental health and developmental  
19 disabilities commission may adopt administrative rules under  
20 section 17A.4, subsection 2, and section 17A.5, subsection 2,  
21 paragraph "b", to implement the provisions and the rules shall  
22 become effective immediately upon filing or on a later  
23 effective date specified in the rules, unless the effective  
24 date is delayed by the administrative rules review committee.  
25 Any rules adopted in accordance with this section shall not  
26 take effect before the rules are reviewed by the  
27 administrative rules review committee. The delay authority  
28 provided to the administrative rules review committee under  
29 section 17A.4, subsection 5, and section 17A.8, subsection 9,  
30 shall be applicable to a delay imposed under this section,  
31 notwithstanding a provision in those sections making them  
32 inapplicable to section 17A.5, subsection 2, paragraph "b".  
33 Any rules adopted in accordance with the provisions of this  
34 section shall also be published as notice of intended action  
35 as provided in section 17A.4.

1 Sec. 147. REPORTS.

2 1. Any reports or information required to be compiled and  
3 submitted under this division of this Act shall be submitted  
4 to the chairpersons and ranking members of the joint  
5 appropriations subcommittee on human services, the legislative  
6 fiscal bureau, the legislative service bureau, and to the  
7 legislative caucus staffs on or before the dates specified for  
8 submission of the reports or information.

9 2. In order to reduce mailing and paper processing costs,  
10 the department shall provide, to the extent feasible, reports,  
11 notices, minutes, and other documents by electronic means to  
12 those persons who have the capacity to access the documents in  
13 that manner.

14 Sec. 148. LAW INAPPLICABLE FOR FISCAL YEAR 2002-2003.

15 1. The following provisions in Code or rule shall be  
16 suspended for the period beginning July 1, 2002, and ending  
17 June 30, 2003:

18 a. The requirements of section 239B.2A, relating to school  
19 attendance by children participating in the family investment  
20 program.

21 b. For a case permanency plan, as defined in section  
22 232.2, the requirement for a six-month case permanency plan  
23 review for an intact family. In addition, the department of  
24 human services may implement a shortened case permanency plan  
25 format tailored to meet compliance issues.

26 c. The requirements of section 225C.42, relating to an  
27 annual evaluation of the family support subsidy program.

28 2. The department may adopt emergency rules to implement  
29 the provisions of this section.

30 Sec. 149. MEDICAL ASSISTANCE PROGRAM -- REPAYMENT OF  
31 SENIOR LIVING TRUST FUND FOR FY 2001-2002. If moneys

32 appropriated for the medical assistance program for the fiscal  
33 year beginning July 1, 2001, and ending June 30, 2002, from  
34 the general fund of the state, the tobacco settlement trust  
35 fund, the healthy Iowans tobacco trust fund, the senior living

1 trust fund, and the hospital trust fund are in excess of  
2 actual expenditures for the medical assistance program and  
3 remain available at the close of the fiscal year, the excess  
4 moneys in an amount not to exceed the amount appropriated from  
5 the senior living trust fund for the medical assistance  
6 program for the fiscal year beginning July 1, 2001, which have  
7 not otherwise been repaid, shall be transferred to the senior  
8 living trust fund created in section 249H.4.

9     Sec. 150. MEDICAL ASSISTANCE PROGRAM -- REPAYMENT OF  
10 SENIOR LIVING TRUST FUND FOR FY 2002-2003. If moneys  
11 appropriated for the medical assistance program for the fiscal  
12 year beginning July 1, 2002, and ending June 30, 2003, from  
13 the general fund of the state, the tobacco settlement trust  
14 fund, the healthy Iowans tobacco trust fund, the senior living  
15 trust fund, and the hospital trust fund are in excess of  
16 actual expenditures for the medical assistance program and  
17 remain available at the close of the fiscal year, the excess  
18 moneys, not to exceed the amount appropriated from the senior  
19 living trust fund for the medical assistance program for the  
20 fiscal years beginning July 1, 2001, and July 1, 2002, which  
21 have not otherwise been repaid, shall be transferred to the  
22 senior living trust fund created in section 249H.4.

23     Sec. 151. EFFECTIVE DATES.

24     1. Except as otherwise provided in subsection 2, this  
25 division of this Act takes effect July 1, 2002.

26     2. The following provisions of this division of this Act,  
27 being deemed of immediate importance, take effect upon  
28 enactment:

29     a. The provision under the appropriation for child and  
30 family services, relating to requirements of section 232.143  
31 for representatives of the department of human services and  
32 juvenile court services to establish a plan for continuing  
33 group foster care expenditures for the 2002-2003 fiscal year.

34     b. The provision under the appropriation for child and  
35 family services, relating to the state court administrator

1 determining allocation of court-ordered services funding by  
2 June 15, 2002.

3 c. The provision relating to the evaluation of  
4 documentation for targeted case management services for  
5 children in fiscal year 2001-2002.

6 d. The provision relating to obtaining additional federal  
7 financial participation for fiscal year 2001-2002 and fiscal  
8 year 2002-2003.

9 e. The provision relating to repayment of the senior  
10 living trust fund for fiscal year 2001-2002.

11 f. The provision enacting new section 249A.20A relating to  
12 dual certification of nursing facilities.

13 DIVISION VII

14 JUSTICE SYSTEM

15 Sec. 152. DEPARTMENT OF JUSTICE. There is appropriated  
16 from the general fund of the state to the department of  
17 justice for the fiscal year beginning July 1, 2002, and ending  
18 June 30, 2003, the following amounts, or so much thereof as is  
19 necessary, to be used for the purposes designated:

20 1. For the general office of attorney general for  
 21 salaries, support, maintenance, miscellaneous purposes  
 22 including prosecuting attorney training program, victim  
 23 assistance grants, office of drug control policy (ODCP)  
 24 prosecuting attorney program, legal services for persons in  
 25 poverty grants as provided in section 13.34, odometer fraud  
 26 enforcement, and for not more than the following full-time  
 27 equivalent positions:

28 .....	\$	7,340,260
29 .....	FTEs	210.48

30 2. In addition to the funds appropriated in subsection 1,  
31 there is appropriated from the general fund of the state to  
32 the department of justice for the fiscal year beginning July  
33 1, 2002, and ending June 30, 2003, an amount not exceeding  
34 \$200,000 to be used for the enforcement of the Iowa  
35 competition law. The funds appropriated in this subsection

1 are contingent upon receipt by the general fund of the state  
2 of an amount at least equal to the expenditure amount from  
3 either damages awarded to the state or a political subdivision  
4 of the state by a civil judgment under chapter 553, if the  
5 judgment authorizes the use of the award for enforcement  
6 purposes or costs or attorneys fees awarded the state in state  
7 or federal antitrust actions. However, if the amounts  
8 received as a result of these judgments are in excess of  
9 \$200,000, the excess amounts shall not be appropriated to the  
10 department of justice pursuant to this subsection.

11 3. In addition to the funds appropriated in subsection 1,  
12 there is appropriated from the general fund of the state to  
13 the department of justice for the fiscal year beginning July  
14 1, 2002, and ending June 30, 2003, an amount not exceeding  
15 \$1,125,000 to be used for public education relating to  
16 consumer fraud and for enforcement of section 714.16, and an  
17 amount not exceeding \$75,000 for investigation, prosecution,  
18 and consumer education relating to consumer and criminal fraud  
19 against older Iowans. The funds appropriated in this  
20 subsection are contingent upon receipt by the general fund of  
21 the state of an amount at least equal to the expenditure  
22 amount from damages awarded to the state or a political  
23 subdivision of the state by a civil consumer fraud judgment or  
24 settlement, if the judgment or settlement authorizes the use  
25 of the award for public education on consumer fraud. However,  
26 if the funds received as a result of these judgments and  
27 settlements are in excess of \$1,200,000, the excess funds  
28 shall not be appropriated to the department of justice  
29 pursuant to this subsection.

30 4. a. The funds used for victim assistance grants shall  
31 be used to provide grants to care providers providing services  
32 to crime victims of domestic abuse or to crime victims of rape  
33 and sexual assault.

34 b. The balance of the victim compensation fund established  
35 in section 915.94 may be used to provide salary and support of

1 not more than 22.0 FTEs and to provide maintenance for the  
2 victim compensation functions of the department of justice.

3 5. The department of justice shall submit monthly  
4 financial statements to the legislative fiscal bureau and the  
5 department of management containing all appropriated accounts  
6 in the same manner as provided in the monthly financial status  
7 reports and personal services usage reports of the department  
8 of revenue and finance. The monthly financial statements  
9 shall include comparisons of the moneys and percentage spent  
10 of budgeted to actual revenues and expenditures on a  
11 cumulative basis for full-time equivalent positions and  
12 available moneys.

13 6. a. The department of justice, in submitting budget  
14 estimates for the fiscal year commencing July 1, 2003,  
15 pursuant to section 8.23, shall include a report of funding  
16 from sources other than amounts appropriated directly from the  
17 general fund of the state to the department of justice or to  
18 the office of consumer advocate. These funding sources shall  
19 include, but are not limited to, reimbursements from other  
20 state agencies, commissions, boards, or similar entities, and  
21 reimbursements from special funds or internal accounts within  
22 the department of justice. The department of justice shall  
23 report actual reimbursements for the fiscal year commencing  
24 July 1, 2001, and actual and expected reimbursements for the  
25 fiscal year commencing July 1, 2002.

26 b. The department of justice shall include the report  
27 required under paragraph "a", as well as information regarding  
28 any revisions occurring as a result of reimbursements actually  
29 received or expected at a later date, in a report to the co-  
30 chairpersons and ranking members of the joint appropriations  
31 subcommittee on the justice system and the legislative fiscal  
32 bureau. The department of justice shall submit the report on  
33 or before January 15, 2003.

34 7. As a condition for accepting a grant for legal services  
35 for persons in poverty funded pursuant to section 13.34, an



1 organization receiving a grant shall submit a report to the  
2 general assembly by January 1, 2003, concerning the use of any  
3 grants received during the previous fiscal year and efforts  
4 made by the organization to find alternative sources of  
5 revenue to replace any reductions in federal funding for the  
6 organization.

7 Sec. 153. DEPARTMENT OF JUSTICE -- ENVIRONMENTAL CRIMES  
8 INVESTIGATION AND PROSECUTION -- FUNDING. There is  
9 appropriated from the environmental crime fund of the  
10 department of justice, consisting of court-ordered fines and  
11 penalties awarded to the department arising out of the  
12 prosecution of environmental crimes, to the department of  
13 justice for the fiscal year beginning July 1, 2002, and ending  
14 June 30, 2003, an amount not exceeding \$20,000 to be used by  
15 the department, at the discretion of the attorney general, for  
16 the investigation and prosecution of environmental crimes,  
17 including the reimbursement of expenses incurred by county,  
18 municipal, and other local governmental agencies cooperating  
19 with the department in the investigation and prosecution of  
20 environmental crimes.

21 The funds appropriated in this section are contingent upon  
22 receipt by the environmental crime fund of the department of  
23 justice of an amount at least equal to the appropriations made  
24 in this section and received from contributions, court-ordered  
25 restitution as part of judgments in criminal cases, and  
26 consent decrees entered into as part of civil or regulatory  
27 enforcement actions. However, if the funds received during  
28 the fiscal year are in excess of \$20,000, the excess funds  
29 shall be deposited in the general fund of the state.

30 Notwithstanding section 8.33, moneys appropriated in this  
31 section that remain unexpended or unobligated at the close of  
32 the fiscal year shall not revert but shall remain available  
33 for expenditure for the purpose designated until the close of  
34 the succeeding fiscal year.

35 Sec. 154. OFFICE OF CONSUMER ADVOCATE. There is

1 appropriated from the general fund of the state to the office  
2 of consumer advocate of the department of justice for the  
3 fiscal year beginning July 1, 2002, and ending June 30, 2003,  
4 the following amount, or so much thereof as is necessary, to  
5 be used for the purposes designated:

6 For salaries, support, maintenance, miscellaneous purposes,  
7 and for not more than the following full-time equivalent  
8 positions:

9 ..... \$ 2,443,903  
10 ..... FTEs 33.00

11 Sec. 155. DEPARTMENT OF CORRECTIONS -- FACILITIES. There  
12 is appropriated from the general fund of the state to the  
13 department of corrections for the fiscal year beginning July  
14 1, 2002, and ending June 30, 2003, the following amounts, or  
15 so much thereof as is necessary, to be used for the purposes  
16 designated:

17 1. For the operation of adult correctional institutions,  
18 reimbursement of counties for certain confinement costs, and  
19 federal prison reimbursement, to be allocated as follows:

20 a. For the operation of the Fort Madison correctional  
21 facility, including salaries, support, maintenance, employment  
22 of correctional officers, miscellaneous purposes, and for not  
23 more than the following full-time equivalent positions:

24 ..... \$ 32,168,605  
25 ..... FTEs 543.69

26 It is the intent of the general assembly to operate a  
27 special needs unit at the Fort Madison correctional facility  
28 at a capacity of 200 beds when funding constraints are  
29 eliminated.

30 b. For the operation of the Anamosa correctional facility,  
31 including salaries, support, maintenance, employment of  
32 correctional officers and a part-time chaplain to provide  
33 religious counseling to inmates of a minority race,  
34 miscellaneous purposes, and for not more than the following  
35 full-time equivalent positions:

1 ..... \$ 23,786,629  
2 ..... FTEs 379.75

3 Moneys are provided within this appropriation for one full-  
4 time substance abuse counselor for the Luster Heights  
5 facility, for the purpose of certification of a substance  
6 abuse program at that facility.

7 c. For the operation of the Oakdale correctional facility,  
8 including salaries, support, maintenance, employment of  
9 correctional officers, miscellaneous purposes, and for not  
10 more than the following full-time equivalent positions:

11 ..... \$ 21,497,363  
12 ..... FTEs 328.50

13 d. For the operation of the Newton correctional facility,  
14 including salaries, support, maintenance, employment of  
15 correctional officers, miscellaneous purposes, and for not  
16 more than the following full-time equivalent positions:

17 ..... \$ 22,538,275  
18 ..... FTEs 371.25

19 e. For the operation of the Mt. Pleasant correctional  
20 facility, including salaries, support, maintenance, employment  
21 of correctional officers and a full-time chaplain to provide  
22 religious counseling at the Oakdale and Mt. Pleasant  
23 correctional facilities, miscellaneous purposes, and for not  
24 more than the following full-time equivalent positions:

25 ..... \$ 21,161,133  
26 ..... FTEs 330.56

27 f. For the operation of the Rockwell City correctional  
28 facility, including salaries, support, maintenance, employment  
29 of correctional officers, miscellaneous purposes, and for not  
30 more than the following full-time equivalent positions:

31 ..... \$ 7,268,049  
32 ..... FTEs 110.00

33 g. For the operation of the Clarinda correctional  
34 facility, including salaries, support, maintenance, employment  
35 of correctional officers, miscellaneous purposes, and for not

1 more than the following full-time equivalent positions:

2 .....	\$ 18,326,306
3 .....	FTEs 291.76

4 Moneys received by the department of corrections as  
5 reimbursement for services provided to the Clarinda youth  
6 corporation are appropriated to the department and shall be  
7 used for the purpose of operating the Clarinda correctional  
8 facility.

9 h. For the operation of the Mitchellville correctional  
10 facility, including salaries, support, maintenance, employment  
11 of correctional officers, miscellaneous purposes, and for not  
12 more than the following full-time equivalent positions:

13 .....	\$ 12,024,416
14 .....	FTEs 215.50

15 i. For the operation of the Fort Dodge correctional  
16 facility, including salaries, support, maintenance, employment  
17 of correctional officers, miscellaneous purposes, and for not  
18 more than the following full-time equivalent positions:

19 .....	\$ 24,379,674
20 .....	FTEs 395.00

21 j. For reimbursement of counties for temporary confinement  
22 of work release and parole violators, as provided in sections  
23 901.7, 904.908, and 906.17 and for offenders confined pursuant  
24 to section 904.513:

25 .....	\$ 674,954
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26 k. For federal prison reimbursement, reimbursements for  
27 out-of-state placements, and miscellaneous contracts:

28 .....	\$ 241,293
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29 The department of corrections shall use funds appropriated  
30 in this subsection to continue to contract for the services of  
31 a Muslim imam.

32 2. a. If the inmate tort claim fund for inmate claims of  
33 less than \$100 is exhausted during the fiscal year, sufficient  
34 funds shall be transferred from the institutional budgets to  
35 pay approved tort claims for the balance of the fiscal year.

1 The warden or superintendent of each institution or  
2 correctional facility shall designate an employee to receive,  
3 investigate, and recommend whether to pay any properly filed  
4 inmate tort claim for less than the above amount. The  
5 designee's recommendation shall be approved or denied by the  
6 warden or superintendent and forwarded to the department of  
7 corrections for final approval and payment. The amounts  
8 appropriated to this fund pursuant to 1987 Iowa Acts, chapter  
9 234, section 304, subsection 2, are not subject to reversion  
10 under section 8.33.

11 b. Tort claims denied at the institution shall be  
12 forwarded to the state appeal board for their consideration as  
13 if originally filed with that body. This procedure shall be  
14 used in lieu of chapter 669 for inmate tort claims of less  
15 than \$100.

16 3. It is the intent of the general assembly that the  
17 department of corrections shall timely fill correctional  
18 positions authorized for correctional facilities pursuant to  
19 this section.

20 Sec. 156. DEPARTMENT OF CORRECTIONS -- ADMINISTRATION.  
21 There is appropriated from the general fund of the state to  
22 the department of corrections for the fiscal year beginning  
23 July 1, 2002, and ending June 30, 2003, the following amounts,  
24 or so much thereof as is necessary, to be used for the  
25 purposes designated:

26 1. For general administration, including salaries,  
27 support, maintenance, employment of an education director and  
28 clerk to administer a centralized education program for the  
29 correctional system, miscellaneous purposes, and for not more  
30 than the following full-time equivalent positions:

31 .....	\$	2,666,224
32 .....	FTEs	42.18

33 Notwithstanding section 904.108, for the fiscal year  
34 beginning July 1, 2002, and ending June 30, 2003, the  
35 correctional training center need not be maintained at the

1 Mount Pleasant correctional facility.

2 a. The department shall monitor the use of the  
3 classification model by the judicial district departments of  
4 correctional services and has the authority to override a  
5 district department's decision regarding classification of  
6 community-based clients. The department shall notify a  
7 district department of the reasons for the override.

8 b. It is the intent of the general assembly that as a  
9 condition of receiving the appropriation provided in this  
10 subsection, the department of corrections shall not, except as  
11 otherwise provided in paragraph "c", enter into a new  
12 contract, unless the contract is a renewal of an existing  
13 contract, for the expenditure of moneys in excess of \$100,000  
14 during the fiscal year beginning July 1, 2002, for the  
15 privatization of services performed by the department using  
16 state employees as of July 1, 2002, or for the privatization  
17 of new services by the department, without prior consultation  
18 with any applicable state employee organization affected by  
19 the proposed new contract and prior notification of the  
20 cochairpersons and ranking members of the joint appropriations  
21 subcommittee on the justice system.

22 c. It is the intent of the general assembly that each  
23 lease negotiated by the department of corrections with a  
24 private corporation for the purpose of providing private  
25 industry employment of inmates in a correctional institution  
26 shall prohibit the private corporation from utilizing inmate  
27 labor for partisan political purposes for any person seeking  
28 election to public office in this state and that a violation  
29 of this requirement shall result in a termination of the lease  
30 agreement.

31 d. It is the intent of the general assembly that as a  
32 condition of receiving the appropriation provided in this  
33 subsection, the department of corrections shall not enter into  
34 a lease or contractual agreement pursuant to section 904.809  
35 with a private corporation for the use of building space for

1 the purpose of providing inmate employment without providing  
2 that the terms of the lease or contract establish safeguards  
3 to restrict, to the greatest extent feasible, access by  
4 inmates working for the private corporation to personal  
5 identifying information of citizens.

6 e. It is the intent of the general assembly that as a  
7 condition of receiving the appropriation provided in this  
8 subsection, the department of corrections shall not enter into  
9 any new agreement with a private for-profit agency or  
10 corporation for the purpose of transferring inmates under the  
11 custody of the department to a jail or correctional facility  
12 or institution in this state which is established, maintained,  
13 or operated by a private for-profit agency or corporation  
14 without prior approval by the general assembly.

15 2. For educational programs for inmates at state penal  
16 institutions:

17 ..... \$ 100,000

18 It is the intent of the general assembly that moneys  
19 appropriated in this subsection shall be used solely for the  
20 purpose indicated and that the moneys shall not be transferred  
21 for any other purpose. In addition, it is the intent of the  
22 general assembly that the department shall consult with the  
23 community colleges in the areas in which the institutions are  
24 located to utilize moneys appropriated in this subsection to  
25 fund the high school completion, high school equivalency  
26 diploma, adult literacy, and adult basic education programs in  
27 a manner so as to maintain these programs at the institutions.

28 To maximize the funding for educational programs, the  
29 department shall establish guidelines and procedures to  
30 prioritize the availability of educational and vocational  
31 training for inmates based upon the goal of facilitating an  
32 inmate's successful release from the correctional institution.

33 The director of the department of corrections may transfer  
34 moneys from Iowa prison industries for use in educational  
35 programs for inmates.

1 Notwithstanding section 8.33, moneys appropriated in this  
2 subsection that remain unobligated or unexpended at the close  
3 of the fiscal year shall not revert but shall remain available  
4 for expenditure only for the purpose designated in this  
5 subsection until the close of the succeeding fiscal year.

6 3. For the development of the Iowa corrections offender  
7 network (ICON) data system:

8 ..... \$ 427,700

9 4. The department of corrections shall submit a report to  
10 the cochairpersons and ranking members of the joint  
11 appropriations subcommittee on the justice system and the  
12 legislative fiscal bureau, on or before January 15, 2003,  
13 concerning the development and implementation of the Iowa  
14 corrections offender network (ICON) data system. The report  
15 shall include a description of the system and functions, a  
16 plan for implementation of the system, including a timeline,  
17 resource and staffing requirements for the system, and a  
18 current status and progress report concerning the  
19 implementation of the system. In addition, the report shall  
20 specifically address the ability of the system to receive and  
21 transmit data between prisons, community-based corrections  
22 district departments, the judicial branch, board of parole,  
23 the criminal and juvenile justice planning division of the  
24 department of human rights, the department of public safety,  
25 and other applicable governmental agencies. The report should  
26 include a detailed discussion of the cooperation with other  
27 state agencies and the judicial branch in the development and  
28 implementation of the system.

29 5. It is the intent of the general assembly that the  
30 department of corrections shall continue to operate the  
31 correctional farms under the control of the department at the  
32 same or greater level of participation and involvement as  
33 existed as of January 1, 2002, shall not enter into any rental  
34 agreement or contract concerning any farmland under the  
35 control of the department that is not subject to a rental



1 agreement or contract as of January 1, 2002, without prior  
2 legislative approval, and shall further attempt to provide job  
3 opportunities at the farms for inmates. The department shall  
4 attempt to provide job opportunities at the farms for inmates  
5 by encouraging labor-intensive farming or gardening where  
6 appropriate, using inmates to grow produce and meat for  
7 institutional consumption, researching the possibility of  
8 instituting food canning and cook-and-chill operations, and  
9 exploring opportunities for organic farming and gardening,  
10 livestock ventures, horticulture, and specialized crops.

11 6. The department of corrections shall submit a report to  
12 the general assembly by January 1, 2003, concerning moneys  
13 recouped from inmate earnings for the reimbursement of  
14 operational expenses of the applicable facility during the  
15 fiscal year beginning July 1, 2001, for each correctional  
16 institution and judicial district department of correctional  
17 services. In addition, each correctional institution and  
18 judicial district department of correctional services shall  
19 continue to submit a report to the legislative fiscal bureau  
20 on a monthly basis concerning moneys recouped from inmate  
21 earnings pursuant to sections 904.702, 904.809, and 905.14.

22 Sec. 157. JUDICIAL DISTRICT DEPARTMENTS OF CORRECTIONAL  
23 SERVICES.

24 1. There is appropriated from the general fund of the  
25 state to the department of corrections for the fiscal year  
26 beginning July 1, 2002, and ending June 30, 2003, the  
27 following amounts, or so much thereof as is necessary, to be  
28 allocated as follows:

29 a. For the first judicial district department of  
30 correctional services, including the treatment and supervision  
31 of probation and parole violators who have been released from  
32 the department of corrections violator program, the following  
33 amount, or so much thereof as is necessary:

34 ..... \$ 8,953,795

35 b. For the second judicial district department of

1 correctional services, including the treatment and supervision  
2 of probation and parole violators who have been released from  
3 the department of corrections violator program, the following  
4 amount, or so much thereof as is necessary:

5 ..... \$ 6,992,061

6 c. For the third judicial district department of  
7 correctional services, including the treatment and supervision  
8 of probation and parole violators who have been released from  
9 the department of corrections violator program, the following  
10 amount, or so much thereof as is necessary:

11 ..... \$ 4,073,638

12 d. For the fourth judicial district department of  
13 correctional services, including the treatment and supervision  
14 of probation and parole violators who have been released from  
15 the department of corrections violator program, the following  
16 amount, or so much thereof as is necessary:

17 ..... \$ 3,854,236

18 e. For the fifth judicial district department of  
19 correctional services, including the treatment and supervision  
20 of probation and parole violators who have been released from  
21 the department of corrections violator program, the following  
22 amount, or so much thereof as is necessary:

23 ..... \$ 11,702,787

24 f. For the sixth judicial district department of  
25 correctional services, including the treatment and supervision  
26 of probation and parole violators who have been released from  
27 the department of corrections violator program, the following  
28 amount, or so much thereof as is necessary:

29 ..... \$ 8,965,564

30 g. For the seventh judicial district department of  
31 correctional services, including the treatment and supervision  
32 of probation and parole violators who have been released from  
33 the department of corrections violator program, the following  
34 amount, or so much thereof as is necessary:

35 ..... \$ 5,125,593

1 h. For the eighth judicial district department of  
2 correctional services, including the treatment and supervision  
3 of probation and parole violators who have been released from  
4 the department of corrections violator program, the following  
5 amount, or so much thereof as is necessary:

6 ..... \$ 5,097,521

7 2. Each judicial district department of correctional  
8 services shall continue programs and plans established within  
9 that district to provide for intensive supervision, sex  
10 offender treatment, diversion of low-risk offenders to the  
11 least restrictive sanction available, job development, and  
12 expanded use of intermediate criminal sanctions.

13 3. The department of corrections shall continue to  
14 contract with a judicial district department of correctional  
15 services to provide for the rental of electronic monitoring  
16 equipment which shall be available statewide.

17 4. Each judicial district department of correctional  
18 services and the department of corrections shall continue the  
19 treatment alternatives to street crime programs established in  
20 1989 Iowa Acts, chapter 225, section 9.

21 5. The governor's office of drug control policy shall  
22 consider federal grants made to the department of corrections  
23 for the benefit of each of the eight judicial district  
24 departments of correctional services as local government  
25 grants, as defined pursuant to federal regulations.

26 6. The department of corrections and the eight judicial  
27 district departments of correctional services shall submit a  
28 combined comprehensive report on the violator program and the  
29 violator aftercare program to the cochairpersons and ranking  
30 members of the joint appropriations subcommittee on the  
31 justice system and to the legislative fiscal bureau by  
32 December 1, 2002.

33 7. In addition to the requirements of section 8.39, the  
34 department of corrections shall not make an intradepartmental  
35 transfer of moneys appropriated to the department, unless

1 notice of the intradepartmental transfer is given prior to its  
2 effective date to the legislative fiscal bureau. The notice  
3 shall include information on the department's rationale for  
4 making the transfer and details concerning the work load and  
5 performance measures upon which the transfers are based.

6 8. The department of corrections and the eight judicial  
7 district departments of correctional services shall submit a  
8 combined comprehensive report on the use of intermediate  
9 criminal sanctions program pursuant to chapter 901B to the  
10 cochairpersons and ranking members of the joint appropriations  
11 subcommittee on the justice system, and to the legislative  
12 fiscal bureau by January 15, 2003. The report shall include a  
13 description of the program at each intermediate sanction level  
14 or sublevel of the corrections continuum within each district  
15 plan, and the number of offenders placed at each intermediate  
16 sanction level or sublevel in each district for the previous  
17 fiscal year, and the current fiscal year as of March 1. The  
18 report shall also include the personal characteristics of each  
19 offender, including the offender's race, gender, and age, and  
20 the offender's placement on the corrections continuum. The  
21 number of FTEs working in positions related to the corrections  
22 continuum shall also be included in the report.

23 9. The department of corrections in cooperation with the  
24 second, third, fourth, and fifth judicial district departments  
25 of correctional services, shall implement procedures to  
26 provide continuing evaluation of the drug courts. The  
27 evaluation shall include a description of the two models  
28 currently being used by the judicial districts, a description  
29 of the program, criteria for admission, program capacity,  
30 number of offenders in the program by offense class, program  
31 expenditures, and quantitative outcome measures including  
32 successful completion and recidivism rates.

33 Sec. 158. CORRECTIONAL INSTITUTIONS -- VOCATIONAL  
34 TRAINING.

35 1. The state prison industries board and the department of

1 corrections shall continue the implementation of a plan to  
2 enhance vocational training opportunities within the  
3 correctional institutions listed in section 904.102, as  
4 provided in 1993 Iowa Acts, chapter 171, section 12. The plan  
5 shall provide for increased vocational training opportunities  
6 within the correctional institutions, including the  
7 possibility of approving community college credit for inmates  
8 working in prison industries. The department of corrections  
9 shall provide a report concerning the implementation of the  
10 plan to the cochairpersons and ranking members of the joint  
11 appropriations subcommittee on the justice system and the  
12 legislative fiscal bureau, on or before January 15, 2003.

13 2. It is the intent of the general assembly that each  
14 correctional facility make all reasonable efforts to maintain  
15 vocational education programs for inmates and to identify  
16 available funding sources to continue these programs. The  
17 department of corrections shall submit a report to the general  
18 assembly by January 1, 2003, concerning the efforts made by  
19 each correctional facility in maintaining vocational education  
20 programs for inmates.

21 3. The department of corrections shall submit a report on  
22 inmate labor to the general assembly, the cochairpersons, and  
23 the ranking members of the joint appropriations subcommittee  
24 on the justice system, and to the legislative fiscal bureau by  
25 January 15, 2003. The report shall specifically address the  
26 progress the department has made in implementing the  
27 requirements of section 904.701, inmate labor on capital  
28 improvement projects, community work crews, and private-sector  
29 employment.

30 4. Each month the department shall provide a status report  
31 regarding private-sector employment to the legislative fiscal  
32 bureau beginning on July 1, 2002. The report shall include  
33 the number of offenders employed in the private sector, the  
34 combined number of hours worked by the offenders, and the  
35 total amount of allowances, and the distribution of allowances

1 pursuant to section 904.702, including any moneys deposited in  
2 the general fund of the state.

3 Sec. 159. STATE AGENCY PURCHASES FROM PRISON INDUSTRIES.

4 1. As used in this section, unless the context otherwise  
5 requires, "state agency" means the government of the state of  
6 Iowa, including but not limited to all executive branch  
7 departments, agencies, boards, bureaus, and commissions, the  
8 judicial branch, the general assembly and all legislative  
9 agencies, institutions within the purview of the state board  
10 of regents, and any corporation whose primary function is to  
11 act as an instrumentality of the state.

12 2. State agencies are hereby encouraged to purchase  
13 products from Iowa state industries, as defined in section  
14 904.802, when purchases are required and the products are  
15 available from Iowa state industries.

16 3. State agencies shall submit to the legislative fiscal  
17 bureau by January 15, 2003, a report of the dollar value of  
18 products and services purchased from Iowa state industries by  
19 the state agency during the fiscal year beginning July 1,  
20 2001, and ending June 30, 2002.

21 Sec. 160. STATE PUBLIC DEFENDER. There is appropriated  
22 from the general fund of the state to the office of the state  
23 public defender of the department of inspections and appeals  
24 for the fiscal year beginning July 1, 2002, and ending June  
25 30, 2003, the following amount, or so much thereof as is  
26 necessary, for the purposes designated:

27 ..... \$ 33,908,325

28 The funds appropriated and full-time equivalent positions  
29 authorized in this section are allocated as follows:

30 1. For salaries, support, maintenance, and miscellaneous  
31 purposes, and for not more than the following full-time  
32 equivalent positions:

33 ..... \$ 15,770,739

34 ..... FTEs 202.00

35 2. For the fees of court-appointed attorneys for indigent

1 adults and juveniles, in accordance with section 232.141 and  
2 chapter 815:

3 ..... \$ 18,137,586

4 Sec. 161. IOWA LAW ENFORCEMENT ACADEMY. There is  
5 appropriated from the general fund of the state to the Iowa  
6 law enforcement academy for the fiscal year beginning July 1,  
7 2002, and ending June 30, 2003, the following amount, or so  
8 much thereof as is necessary, to be used for the purposes  
9 designated:

10 1. For salaries, support, maintenance, miscellaneous  
11 purposes, including jailer training and technical assistance,  
12 and for not more than the following full-time equivalent  
13 positions:

14 ..... \$ 1,000,000

15 ..... FTEs 29.05

16 It is the intent of the general assembly that the Iowa law  
17 enforcement academy may provide training of state and local  
18 law enforcement personnel concerning the recognition of and  
19 response to persons with Alzheimer's disease.

20 2. The Iowa law enforcement academy may select at least  
21 five automobiles of the department of public safety, division  
22 of the Iowa state patrol, prior to turning over the  
23 automobiles to the state fleet administrator to be disposed of  
24 by public auction and the Iowa law enforcement academy may  
25 exchange any automobile owned by the academy for each  
26 automobile selected if the selected automobile is used in  
27 training law enforcement officers at the academy. However,  
28 any automobile exchanged by the academy shall be substituted  
29 for the selected vehicle of the department of public safety  
30 and sold by public auction with the receipts being deposited  
31 in the depreciation fund to the credit of the department of  
32 public safety, division of the Iowa state patrol.

33 Sec. 162. BOARD OF PAROLE. There is appropriated from the  
34 general fund of the state to the board of parole for the  
35 fiscal year beginning July 1, 2002, and ending June 30, 2003,

1 the following amount, or so much thereof as is necessary, to  
2 be used for the purposes designated:

3 For salaries, support, maintenance, miscellaneous purposes,  
4 and for not more than the following full-time equivalent  
5 positions:

6 .....	\$	986,636
7 .....	FTEs	16.00

8 Sec. 163. DEPARTMENT OF PUBLIC DEFENSE. There is  
9 appropriated from the general fund of the state to the  
10 department of public defense for the fiscal year beginning  
11 July 1, 2002, and ending June 30, 2003, the following amounts,  
12 or so much thereof as is necessary, to be used for the  
13 purposes designated:

14 1. MILITARY DIVISION

15 For salaries, support, maintenance, miscellaneous purposes,  
16 and for not more than the following full-time equivalent  
17 positions:

18 .....	\$	5,115,428
19 .....	FTEs	285.89

20 If there is a surplus in the general fund of the state for  
21 the fiscal year ending June 30, 2003, within 60 days after the  
22 close of the fiscal year, the military division may incur up  
23 to an additional \$500,000 in expenditures from the surplus  
24 prior to transfer of the surplus pursuant to section 8.57.

25 2. EMERGENCY MANAGEMENT DIVISION

26 For salaries, support, maintenance, miscellaneous purposes,  
27 and for not more than the following full-time equivalent  
28 positions:

29 .....	\$	1,077,354
30 .....	FTEs	25.25

31 Sec. 164. IOWA COMMUNICATIONS NETWORK OPERATIONS.

32 1. There is appropriated from the general fund of the  
33 state to the Iowa telecommunications and technology commission  
34 for the fiscal year beginning July 1, 2002, and ending June  
35 30, 2003, the following amount, or so much thereof as is



1 necessary, to be used for the purposes designated in this  
2 subsection:

3 For operations of the network consistent with chapter 8D  
4 and for the following full-time equivalent positions:

5 .....	\$	1,027,503
6 .....	FTEs	105.00

7 2. Notwithstanding section 8.33 or 8.39, moneys  
8 appropriated in this section which remain unobligated or  
9 unexpended at the close of the fiscal year shall not revert  
10 but shall remain available for the purposes designated in the  
11 succeeding fiscal year, and shall not be transferred to any  
12 other program.

13 3. It is the intent of the general assembly that the Iowa  
14 telecommunications and technology commission annually review  
15 the hourly rates established, as provided in section 8D.3,  
16 subsection 3, paragraph "i". Such rates shall be established  
17 in a manner to minimize any subsidy provided through state  
18 general fund appropriations.

19 Sec. 165. DEPARTMENT OF PUBLIC SAFETY. There is  
20 appropriated from the general fund of the state to the  
21 department of public safety for the fiscal year beginning July  
22 1, 2002, and ending June 30, 2003, the following amounts, or  
23 so much thereof as is necessary, to be used for the purposes  
24 designated:

25 1. For the department's administrative functions, 26 including the criminal justice information system, and for not 27 more than the following full-time equivalent positions:		
28 .....	\$	2,379,176
29 .....	FTEs	38.50

30 2. For the division of criminal investigation and bureau  
31 of identification including the state's contribution to the  
32 peace officers' retirement, accident, and disability system  
33 provided in chapter 97A in the amount of 17 percent of the  
34 salaries for which the funds are appropriated, to meet federal  
35 fund matching requirements, and for not more than the

1 following full-time equivalent positions:

2 ..... \$ 12,050,565

3 ..... FTEs 231.50

4 Riverboat enforcement costs shall be billed in accordance  
5 with section 99F.10, subsection 4, and section 99F.10A. The  
6 costs shall be not more than the department's estimated  
7 expenditures, including salary adjustment, for riverboat  
8 enforcement for the fiscal year. The costs billed to the  
9 riverboats shall not be more than \$1,280,000 in excess of the  
10 amount billed to the riverboats in the fiscal year beginning  
11 July 1, 2001. Racetrack enforcement costs shall be billed in  
12 accordance with section 99D.14, subsection 7, and section  
13 99D.14A. The costs shall be not more than the department's  
14 estimated expenditures, including salary adjustment, for  
15 racetrack enforcement for the fiscal year. The costs billed  
16 to the racetracks shall not be more than \$420,000 in excess of  
17 the amount billed to the racetracks in the fiscal year  
18 beginning July 1, 2001.

19 The department of public safety, with the approval of the  
20 department of management, may employ no more than two special  
21 agents and four gaming enforcement officers for each  
22 additional riverboat regulated after July 1, 2002, and one  
23 special agent for each racing facility which becomes  
24 operational during the fiscal year which begins July 1, 2002.  
25 One additional gaming enforcement officer, up to a total of  
26 four per boat, may be employed for each riverboat that has  
27 extended operations to 24 hours and has not previously  
28 operated with a 24-hour schedule. Positions authorized in  
29 this paragraph are in addition to the full-time equivalent  
30 positions otherwise authorized in this subsection.

31 3. a. For the division of narcotics enforcement,  
32 including the state's contribution to the peace officers'  
33 retirement, accident, and disability system provided in  
34 chapter 97A in the amount of 17 percent of the salaries for  
35 which the funds are appropriated, to meet federal fund

1 matching requirements, and for not more than the following  
2 full-time equivalent positions:

3 ..... \$ 3,392,889  
4 ..... FTEs 58.00

5 b. For the division of narcotics enforcement for  
6 undercover purchases:

7 ..... \$ 123,343

8 4. a. For the state fire marshal's office, including the  
9 state's contribution to the peace officers' retirement,  
10 accident, and disability system provided in chapter 97A in the  
11 amount of 17 percent of the salaries for which the funds are  
12 appropriated, and for not more than the following full-time  
13 equivalent positions:

14 ..... \$ 1,777,630  
15 ..... FTEs 38.80

16 b. For the state fire marshal's office, for fire  
17 protection services as provided through the state fire service  
18 and emergency response council as created in the department,  
19 and for not more than the following full-time equivalent  
20 positions:

21 ..... \$ 572,150  
22 ..... FTEs 12.00

23 5. a. For the division of the Iowa state patrol of the  
24 department of public safety, for salaries, support,  
25 maintenance, workers' compensation costs, and miscellaneous  
26 purposes, including the state's contribution to the peace  
27 officers' retirement, accident, and disability system provided  
28 in chapter 97A in the amount of 17 percent of the salaries for  
29 which the funds are appropriated, and for not more than the  
30 following full-time equivalent positions:

31 ..... \$ 37,019,624  
32 ..... FTEs 545.00

33 b. District 16, including the state's contribution to the  
34 peace officers' retirement, accident, and disability system  
35 provided in chapter 97A in the amount of 17 percent of the

1 salaries for which the funds are appropriated and for not more  
2 than the following full-time equivalent positions:

3 ..... \$ 1,240,381  
4 ..... FTEs 26.00

5 6. For deposit in the public safety law enforcement sick  
6 leave benefits fund established under section 80.42, for all  
7 departmental employees eligible to receive benefits for  
8 accrued sick leave under the collective bargaining agreement:

9 ..... \$ 272,421

10 7. An employee of the department of public safety who  
11 retires after July 1, 2002, but prior to June 30, 2003, is  
12 eligible for payment of life or health insurance premiums as  
13 provided for in the collective bargaining agreement covering  
14 the public safety bargaining unit at the time of retirement if  
15 that employee previously served in a position which would have  
16 been covered by the agreement. The employee shall be given  
17 credit for the service in that prior position as though it  
18 were covered by that agreement. The provisions of this  
19 subsection shall not operate to reduce any retirement benefits  
20 an employee may have earned under other collective bargaining  
21 agreements or retirement programs.

22 8. For costs associated with the training and equipment  
23 needs of volunteer fire fighters and for not more than the  
24 following full-time equivalent position:

25 ..... \$ 544,826  
26 ..... FTEs 1.00

27 Notwithstanding section 8.33, moneys appropriated in this  
28 subsection that remain unobligated or unexpended at the close  
29 of the fiscal year shall not revert but shall remain available  
30 for expenditure only for the purpose designated in this  
31 subsection until the close of the succeeding fiscal year.

32 Sec. 166. POSTING OF REPORTS IN ELECTRONIC FORMAT --  
33 LEGISLATIVE FISCAL BUREAU. All reports or copies of reports  
34 required to be provided to the legislative fiscal bureau in  
35 this division for the fiscal year beginning July 1, 2002,

1 shall be provided in an electronic format. The legislative  
2 fiscal bureau shall post the reports on its internet site and  
3 shall notify by electronic means all the members of the joint  
4 appropriations subcommittee on the justice system when a  
5 report is posted. Upon request, copies of the reports may be  
6 mailed to members of the joint appropriations subcommittee on  
7 the justice system.

8 Sec. 167. NEW SECTION. 99D.14A PAYMENT OF THE DIVISION  
9 OF CRIMINAL INVESTIGATION COSTS.

10 A licensee shall pay a fee in an amount representing twenty  
11 percent of the salary costs of the division of criminal  
12 investigation of the department of public safety plus any  
13 amount over thirty thousand dollars in direct and indirect  
14 support costs, in addition to that assessed under section  
15 99D.14, subsection 7, for enforcement of this chapter. The  
16 fees assessed in this section shall be deposited in the  
17 general fund of the state.

18 Sec. 168. Section 99F.4A, subsection 8, Code 2001, is  
19 amended to read as follows:

20 8. A licensee shall pay a fee in an amount representing  
21 eighty one hundred percent of the salary and other related  
22 costs of the division of criminal investigation of the  
23 department of public safety for enforcement of this chapter.

24 Sec. 169. NEW SECTION. 99F.10A PAYMENT OF THE DIVISION  
25 OF CRIMINAL INVESTIGATION COSTS.

26 A licensee shall pay twenty percent of the division's  
27 salary costs for special agents and twenty percent of the  
28 division's salary costs for gaming enforcement plus any amount  
29 over one hundred twenty-five thousand dollars in direct and  
30 indirect support costs, in addition to that assessed under  
31 section 99F.10, subsection 4. The costs assessed in this  
32 section shall be deposited in the general fund of the state.

33 Sec. 170. 1998 Iowa Acts, chapter 1101, section 15,  
34 subsection 2, as amended by 1999 Iowa Acts, chapter 202,  
35 section 25, as amended by 2000 Iowa Acts, chapter 1229,

1 section 25, and as amended by 2001 Iowa Acts, chapter 186,  
2 section 21, is amended to read as follows:

3 2. a. There is appropriated from surcharge moneys  
4 received by the E911 administrator and deposited into the  
5 wireless E911 emergency communications fund, for each fiscal  
6 year in the fiscal period beginning July 1, 1998, and ending  
7 June 30, 2002 2003, an amount not to exceed two hundred  
8 thousand dollars to be used for the implementation, support,  
9 and maintenance of the functions of the E911 administrator.  
10 The amount appropriated in this paragraph includes any amounts  
11 necessary to reimburse the division of emergency management of  
12 the department of public defense pursuant to paragraph "b".

13 b. Notwithstanding the distribution formula in section  
14 34A.7A, as enacted in this Act, and prior to any such  
15 distribution, of the initial surcharge moneys received by the  
16 E911 administrator and deposited into the wireless E911  
17 emergency communications fund, for each fiscal year in the  
18 fiscal period beginning July 1, 1998, and ending June 30, 2002  
19 2003, an amount is appropriated to the division of emergency  
20 management of the department of public defense as necessary to  
21 reimburse the division for amounts expended for the  
22 implementation, support, and maintenance of the E911  
23 administrator, including the E911 administrator's salary.

24 Sec. 171. 2001 Iowa Acts, chapter 186, section 6,  
25 subsection 6, is amended by striking the subsection.

26 Sec. 172. EFFECTIVE DATES.

27 1. Except as otherwise provided by this section, this  
28 division of this Act takes effect July 1, 2002.

29 2. The section of this division of this Act striking 2001  
30 Iowa Acts, chapter 186, section 6, subsection 6, being deemed  
31 of immediate importance, takes effect upon enactment.

32 3. The section of this Act amending 1998 Iowa Acts,  
33 chapter 1101, section 15, as amended, being deemed of  
34 immediate importance, takes effect upon enactment.

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DIVISION VIII

JUDICIAL BRANCH

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Sec. 173. JUDICIAL BRANCH. There is appropriated from the general fund of the state to the judicial branch for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries of supreme court justices, appellate court judges, district court judges, district associate judges, judicial magistrates and staff, state court administrator, clerk of the supreme court, district court administrators, clerks of the district court, juvenile court officers, board of law examiners and board of examiners of shorthand reporters and judicial qualifications commission, receipt and disbursement of child support payments, reimbursement of the auditor of state for expenses incurred in completing audits of the offices of the clerks of the district court during the fiscal year beginning July 1, 2002, and maintenance, equipment, and miscellaneous purposes:

..... \$111,356,002

1. The judicial branch, except for purposes of internal processing, shall use the current state budget system, the state payroll system, and the Iowa finance and accounting system in administration of programs and payments for services, and shall not duplicate the state payroll, accounting, and budgeting systems.

2. The judicial branch shall submit monthly financial statements to the legislative fiscal bureau and the department of management containing all appropriated accounts in the same manner as provided in the monthly financial status reports and personal services usage reports of the department of revenue and finance. The monthly financial statements shall include a comparison of the dollars and percentage spent of budgeted versus actual revenues and expenditures on a cumulative basis for full-time equivalent positions and dollars.

3. The judicial branch shall continue to assist in the

1 development and implementation of a justice data warehouse  
2 which shall include in the Iowa court information system,  
3 starting with appointments of counsel made on or after July 1,  
4 1999, the means to identify any case where the court has  
5 determined indigence, and whether the case is handled by a  
6 public defender or other court-appointed counsel.

7 4. Of the funds appropriated in this section, not more  
8 than \$1,897,728 may be transferred into the revolving fund  
9 established pursuant to section 602.1302, subsection 3, to be  
10 used for the payment of jury and witness fees and mileage.

11 5. The judicial branch shall focus efforts upon the  
12 collection of delinquent fines, penalties, court costs, fees,  
13 surcharges, or similar amounts.

14 6. It is the intent of the general assembly that the  
15 offices of the clerks of the district court operate in all  
16 ninety-nine counties and be accessible to the public as much  
17 as is reasonably possible in order to address the relative  
18 needs of the citizens of each county.

19 7. In addition to the requirements for transfers under  
20 section 8.39, the judicial branch shall not change the  
21 appropriations from the amounts appropriated to the branch in  
22 this Act, unless notice of the revisions is given prior to  
23 their effective date to the legislative fiscal bureau. The  
24 notice shall include information on the branch's rationale for  
25 making the changes and details concerning the work load and  
26 performance measures upon which the changes are based.

27 8. The judicial branch shall provide to the legislative  
28 fiscal bureau by January 15, 2003, an annual report concerning  
29 the operation and use of the Iowa court information system and  
30 any recommendations to improve the utilization of the system.  
31 The annual report shall include information specifying the  
32 amounts of fines, surcharges, and court costs collected using  
33 the system and how the system is used to improve the  
34 collection process. In addition, the judicial branch shall  
35 submit a semiannual update to the legislative fiscal bureau



1 specifying the amounts of fines, surcharges, and court costs  
2 collected using the Iowa court information system since the  
3 last report. The judicial branch shall continue to facilitate  
4 the sharing of vital sentencing and other information with  
5 other state departments and governmental agencies involved in  
6 the criminal justice system through the Iowa court information  
7 system.

8 9. The judicial branch shall provide a report to the  
9 general assembly by January 1, 2003, concerning the amounts  
10 received and expended from the enhanced court collections fund  
11 created in section 602.1304 and the court technology and  
12 modernization fund created in section 602.8108, subsection 5,  
13 during the fiscal year beginning July 1, 2001, and ending June  
14 30, 2002, and the plans for expenditures from each fund during  
15 the fiscal year beginning July 1, 2002, and ending June 30,  
16 2003. A copy of the report shall be provided to the  
17 legislative fiscal bureau.

18 10. The judicial branch shall continue to provide criminal  
19 justice data to the department of corrections for use by the  
20 Iowa corrections offender network (ICON) data system.

21 Sec. 174. JUDICIAL RETIREMENT FUND. There is appropriated  
22 from the general fund of the state to the judicial retirement  
23 fund for the fiscal year beginning July 1, 2002, and ending  
24 June 30, 2003, the following amount, or so much thereof as is  
25 necessary, to be used for the purpose designated:

26 Notwithstanding section 602.9104, for the state's  
27 contribution to the judicial retirement fund in the amount of  
28 9.9 percent of the basic salaries of the judges covered under  
29 chapter 602, article 9:  
30 ..... \$ 2,039,664

31 Sec. 175. POSTING OF REPORTS IN ELECTRONIC FORMAT --  
32 LEGISLATIVE FISCAL BUREAU. All reports or copies of reports  
33 required to be provided by the judicial branch for fiscal year  
34 2002-2003 to the legislative fiscal bureau shall be provided  
35 in an electronic format. The legislative fiscal bureau shall

1 post the reports on its internet site and shall notify by  
2 electronic means all the members of the joint appropriations  
3 subcommittee on the justice system when a report is posted.  
4 Upon request, copies of the reports may be mailed to members  
5 of the joint appropriations subcommittee on the justice  
6 system.

7 Sec. 176. CLERK OF COURT -- STUDY COMMITTEE. The supreme  
8 court shall establish a study committee for the purpose of  
9 providing findings and recommendations to the court in order  
10 for the court to submit a report to the general assembly by  
11 December 15, 2002, regarding the efficient operation and  
12 management of the clerks of courts offices in every county of  
13 the state. The study committee shall include representatives  
14 of key court stakeholder groups including but not limited to,  
15 members of the general public, legislators, county and city  
16 officials, court employees, clerks of court, judges, and  
17 attorneys representing both urban and rural areas of the  
18 state. The court shall include interested associations and  
19 public agencies who request the opportunity to have input into  
20 the work of the study committee. The committee shall issue a  
21 report to the court which includes the committee's findings  
22 and recommendations of how to improve the operation and  
23 management of clerk of court offices under the present  
24 statutory framework of one clerk of court office per county.  
25 The supreme court shall submit its report to the general  
26 assembly after consideration of the study committee's findings  
27 and recommendations.

28 Sec. 177. APPOINTMENT OF CLERK OF COURT. Up until such  
29 time the supreme court submits its clerk of court study  
30 committee report to the general assembly and notwithstanding  
31 section 602.1215, the appointment of a clerk of the district  
32 court shall not occur unless the state court administrator  
33 approves the appointment.

34 Sec. 178. EFFECTIVE DATE. This division of this Act takes  
35 effect July 1, 2002.

DIVISION IX

STANDING APPROPRIATIONS -- REDUCTIONS

1  
2  
3 Sec. 179. 2002 Iowa Acts, Senate File 2326, section 168,  
4 is amended to read as follows:

5 SEC. 168. GENERAL ASSEMBLY. The appropriations made  
6 pursuant to section 2.12 for the expenses of the general  
7 assembly and legislative agencies for the fiscal year  
8 beginning July 1, 2002, and ending June 30, 2003, are reduced  
9 by the following amount:

10 ..... \$ 744,947  
11 1,828,845

12 Sec. 180. 2002 Iowa Acts, Senate File 2326, section 169,  
13 is amended to read as follows:

14 SEC. 169. STATE APPEAL BOARD CLAIMS. Notwithstanding the  
15 standing appropriations in section 25.2, subsection 3, the  
16 amount appropriated from the general fund of the state under  
17 section 25.2, subsection 3, to the state appeal board to pay  
18 claims against the state for the fiscal year beginning July 1,  
19 2002, and ending June 30, 2003, is reduced by the following  
20 amount:

21 ..... \$ 2,500,000  
22 3,000,000

STANDING APPROPRIATIONS -- LIMITATIONS

24 Sec. 181. 2002 Iowa Acts, Senate File 2326, section 175,  
25 subsections 6, 7, 9, 10, and 11, are amended to read as  
26 follows:

27 6. For the personal property tax replacement program under  
28 section 405A.8:

29 ..... \$ 52,251,176  
30 51,101,650

31 7. For the payment of franchise tax allocations to cities  
32 and counties under section 405A.10:

33 ..... \$ 8,168,952  
34 7,989,235

35 9. For payment of livestock production credit refunds

1 under section 422.121:

2 ..... \$ ~~1,785,675~~80  
3 1,815,735

4 10. For reimbursement for the homestead property tax  
5 credit under section 425.1:

6 ..... \$ ~~107,960~~127  
7 105,585,004

8 11. For reimbursement for the agricultural land and family  
9 farm tax credits under section 426.1:

10 ..... \$ ~~36,296~~139  
11 35,497,624

12 Sec. 182. 2002 Iowa Acts, Senate File 2326, section 176,  
13 is amended to read as follows:

14 SEC. 176. ELDERLY AND DISABLED CREDIT. Notwithstanding  
15 the standing appropriation in section 425.39, the amount  
16 appropriated from the general fund of the state under section  
17 425.39, for the fiscal year beginning July 1, 2002, and ending  
18 June 30, 2003, for purposes of implementing the elderly and  
19 disabled credit and reimbursement portion of the extraordinary  
20 property tax and reimbursement division of chapter 425, shall  
21 not exceed \$~~16,152,246~~ 15,796,897. The director shall pay, in  
22 full, all claims to be paid during the fiscal year beginning  
23 July 1, 2002, for reimbursement of rent constituting property  
24 taxes paid. If the amount of claims for credit for property  
25 taxes due to be paid during the fiscal year beginning July 1,  
26 2002, exceeds the amount remaining after payment to renters,  
27 the director of revenue and finance shall prorate the payments  
28 to the counties for the property tax credit. In order for the  
29 director to carry out the requirements of this section,  
30 notwithstanding any provision to the contrary in sections  
31 425.16 through 425.39, claims for reimbursement for rent  
32 constituting property taxes paid filed before May 1, 2003,  
33 shall be eligible to be paid in full during the fiscal year  
34 ending June 30, 2003, and those claims filed on or after May  
35 1, 2003, shall be eligible to be paid during the fiscal year

1 beginning July 1, 2003, and the director is not required to  
2 make payments to counties for the property tax credit before  
3 June 15, 2003.

4 Sec. 183. PUBLIC TRANSIT ASSISTANCE APPROPRIATION. 2002  
5 Iowa Acts, Senate File 2326, section 175, subsection 14, is  
6 amended by striking the subsection.

7 Sec. 184. PUBLIC TRANSIT ASSISTANCE APPROPRIATION.  
8 Notwithstanding section 312.2, subsection 14, the amount  
9 appropriated from the general fund of the state under section  
10 312.2, subsection 14, to the state department of  
11 transportation for public transit assistance under chapter  
12 324A for the fiscal year beginning July 1, 2002, and ending  
13 June 30, 2003, is reduced by the following amount:

14 ..... \$ 1,298,675

15 REVENUE ADJUSTMENTS -- TRANSFERS

16 Sec. 185. DEPRECIATION FUND. Notwithstanding section  
17 18.120, there is transferred from the depreciation fund  
18 created in section 18.120 for the purchase of replacement  
19 motor vehicles and additions to the fleet, to the general fund  
20 of the state for the fiscal year beginning July 1, 2002, and  
21 ending June 30, 2003, the following amount:

22 ..... \$ 2,200,000

23 Sec. 186. GROUNDWATER PROTECTION FUND -- AGRICULTURE  
24 MANAGEMENT ACCOUNT. Notwithstanding section 455E.11,  
25 subsection 2, paragraph "b", there is transferred from the  
26 agriculture management account of the groundwater protection  
27 fund created pursuant to section 455E.11, subsection 2,  
28 paragraph "b", to the general fund of the state during the  
29 fiscal year beginning July 1, 2002, and ending June 30, 2003,  
30 the following amount from those moneys appropriated for the  
31 Leopold center for sustainable agriculture:

32 ..... \$ 1,000,000

33 Sec. 187. JURY AND WITNESS FEES FUND. Notwithstanding  
34 section 602.1302, there is transferred from the revolving fund  
35 created in section 602.1302, for the purpose of paying jury

1 and witness fees and mileage by the judicial branch, to the  
2 general fund of the state for the fiscal year beginning July  
3 1, 2002, and ending June 30, 2003, the following amount:

4 ..... \$ 1,000,000

5 Sec. 188. REBUILD IOWA INFRASTRUCTURE FUND.

6 Notwithstanding section 8.57, subsection 5, paragraph "e",  
7 there is transferred from wagering tax revenues, in excess of  
8 the moneys to be deposited in the general fund of the state,  
9 the vision Iowa fund, and the school infrastructure fund as  
10 provided in section 8.57, subsection 5, paragraph "e", to the  
11 general fund of the state for the fiscal year beginning July  
12 1, 2002, and ending June 30, 2003, the following amount:

13 ..... \$ 15,496,600

14 Sec. 189. ENVIRONMENT FIRST FUND. Notwithstanding section  
15 8.57A, subsection 3, there is transferred from the environment  
16 first fund created in section 8.57A to the general fund of the  
17 state for the fiscal year beginning July 1, 2002, and ending  
18 June 30, 2003, the following amount:

19 ..... \$ 18,445,000

20 Sec. 190. ENDOWMENT FOR IOWA'S HEALTH ACCOUNT.

21 Notwithstanding 2001 Iowa Acts, chapter 174, section 1, there  
22 is transferred from the endowment for Iowa's health account of  
23 the tobacco settlement trust fund created in section 12E.12 to  
24 the general fund of the state for the fiscal year beginning  
25 July 1, 2002, and ending June 30, 2003, the following amount:

26 ..... \$ 9,000,000

27 Sec. 191. 2002 Iowa Acts, House File 2613, section 2,  
28 subsection 1, is amended to read as follows:

29 1. To supplement the medical assistance appropriation and  
30 to provide reimbursement for health care services and rent  
31 expenses to eligible persons through the home and community-  
32 based services waiver and the state supplementary assistance  
33 program, including program administration and data system  
34 costs associated with implementation, salaries, support,  
35 maintenance, and miscellaneous purposes and for not more than

1 the following full-time equivalent positions:

2 .....	\$ 21,733,406
3 .....	<u>37,733,406</u>
4 .....	FTEs 5.00

5 Sec. 192. EFFECTIVE DATE. This division of this Act takes  
6 effect July 1, 2002.

7 DIVISION X

8 CAPITALS AND INFRASTRUCTURE

9 SCHOOL INFRASTRUCTURE FUND -- SALES AND SERVICES TAX FUND

10 Sec. 193. SCHOOL INFRASTRUCTURE FUND.

11 1. Notwithstanding section 12.82, subsection 1, and  
12 section 292.2, there is appropriated from the school  
13 infrastructure fund created in section 12.82 to the director  
14 of revenue and finance for the fiscal year beginning July 1,  
15 2002, and ending June 30, 2003, the following amount to be  
16 used for the purpose designated:

17 For deposit by the director into the school district  
18 accounts in the local sales and services tax fund, as created  
19 in section 422B.10, subsection 1, of those counties that have  
20 imposed a local sales and services tax for school  
21 infrastructure purposes under chapter 422E:

22 .....	\$ 22,000,000
----------	---------------

23 2. The portion of the amount appropriated in subsection 1  
24 that shall be deposited into each school district account  
25 equals the ratio that the amount of local sales and services  
26 tax for school infrastructure purposes revenue deposited into  
27 that account during the fiscal year beginning July 1, 2001,  
28 and ending June 30, 2002, bears to the total amount of local  
29 sales and services tax for school infrastructure purposes  
30 revenue deposited into all accounts during the fiscal year  
31 beginning July 1, 2001, and ending June 30, 2002.

32 Sec. 194. COUNTY SALES AND SERVICES TAX FUND.

33 1. Notwithstanding section 422E.1, there is transferred to  
34 the general fund of the state from the school district  
35 accounts in the county sales and services tax fund, as created

1 in section 422B.10, subsection 1, of those counties that have  
2 imposed a local sales and services tax for school  
3 infrastructure purposes under chapter 422E, for the fiscal  
4 year beginning July 1, 2002, and ending June 30, 2003, the  
5 following amount:

6 ..... \$ 22,000,000

7 2. The portion of the amount transferred in subsection 1  
8 that shall be transferred from each school district account  
9 equals the ratio that the amount of local sales and services  
10 tax for school infrastructure purposes revenue deposited into  
11 that account during the fiscal year beginning July 1, 2001,  
12 and ending June 30, 2002, bears to the total amount of local  
13 sales and services tax for school infrastructure purposes  
14 revenue deposited in all accounts during the fiscal year  
15 beginning July 1, 2001, and ending June 30, 2002.

16 REBUILD IOWA INFRASTRUCTURE FUND

17 Sec. 195. 2002 Iowa Acts, House File 2614, section 10,  
18 subsection 1, unnumbered paragraph 1, is amended to read as  
19 follows:

20 For allocation to the university of northern Iowa for  
21 developing a 21st century learning initiative, notwithstanding  
22 section 8.57, subsection 5, paragraph "c":

23 ..... \$ 800,000  
24 0

25 Sec. 196. 2002 Iowa Acts, House File 2614, section 10,  
26 subsection 3, paragraph a, unnumbered paragraph 1, is amended  
27 to read as follows:

28 For historical site preservation grants, to be used for the  
29 restoration, preservation, and development of historical  
30 sites:

31 ..... \$ 800,000  
32 0

33 Sec. 197. 2002 Iowa Acts, House File 2614, section 10,  
34 subsection 3, paragraph b, is amended to read as follows:

35 b. For continuation of the project recommended by the Iowa



1 battle flag advisory committee to stabilize the condition of  
2 the battle flag collection, notwithstanding section 8.57,  
3 subsection 5, paragraph "c":

4 ..... \$ 150,000  
5 100,000

6 Sec. 198. 2002 Iowa Acts, House File 2614, section 10,  
7 subsection 4, paragraphs a and b, are amended to read as  
8 follows:

9 a. For deposit in the local housing assistance program  
10 fund created in section 15.354, notwithstanding section 8.57,  
11 subsection 5, paragraph "c":

12 ..... \$ 800,000  
13 0

14 b. For deposit in the rural enterprise fund to be used for  
15 the dry fire hydrant and rural water supply education and  
16 demonstration project, notwithstanding section 8.57,  
17 subsection 5, paragraph "c":

18 ..... \$ 100,000  
19 0

20 Sec. 199. 2002 Iowa Acts, House File 2614, section 10,  
21 subsection 5, paragraphs a and b, are amended to read as  
22 follows:

23 a. To provide resources for structural and technological  
24 improvements to local libraries, notwithstanding section 8.57,  
25 subsection 5, paragraph "c":

26 ..... \$ 600,000  
27 0

28 b. For the community college vocational-technical  
29 technology improvement program authorized in chapter 260A,  
30 notwithstanding section 8.57, subsection 5, paragraph "c":

31 ..... \$ 3,700,000  
32 0

33 Sec. 200. 2002 Iowa Acts, House File 2614, section 10,  
34 subsection 5, paragraph c, unnumbered paragraph 1, is amended  
35 to read as follows:

1 For school improvement technology block grants,  
2 notwithstanding section 8.57, subsection 5, paragraph "c", and  
3 notwithstanding section 256D.5, subsection 2, Code 2001:  
4 ..... \$ 577707600  
5 0

6 Sec. 201. 2002 Iowa Acts, House File 2614, section 10,  
7 subsection 5, paragraph d, is amended to read as follows:  
8 d. For completion of the electronic data interchange  
9 project known as project EASIER, notwithstanding section 8.57,  
10 subsection 5, paragraph "c":  
11 ..... \$ 1507000  
12 0

13 Sec. 202. 2002 Iowa Acts, House File 2614, section 10,  
14 subsection 6, paragraph a, unnumbered paragraph 1, is amended  
15 to read as follows:  
16 For routine maintenance of state buildings and facilities  
17 under the purview of the department, notwithstanding section  
18 8.57, subsection 5, paragraph "c":  
19 ..... \$ 270007000  
20 0

21 Sec. 203. 2002 Iowa Acts, House File 2614, section 10,  
22 subsection 7, unnumbered paragraph 1, is amended to read as  
23 follows:  
24 For automation of child abuse intake reports,  
25 notwithstanding section 8.57, subsection 5, paragraph "c":  
26 ..... \$ 1547267  
27 0

28 Sec. 204. 2002 Iowa Acts, House File 2614, section 10,  
29 subsection 9, paragraph a, unnumbered paragraph 1, is amended  
30 to read as follows:  
31 For data warehouse projects, notwithstanding section 8.57,  
32 subsection 5, paragraph "c":  
33 ..... \$ 170007000  
34 624,000

35 Sec. 205. 2002 Iowa Acts, House File 2614, section 10,

1 subsection 9, paragraph b, unnumbered paragraph 1, is amended  
2 to read as follows:

3 For additional technology projects, as determined by the  
4 department, notwithstanding section 8.57, subsection 5,  
5 paragraph "c":

6 ..... \$ 545,733  
7 0

8 Sec. 206. 2002 Iowa Acts, House File 2614, section 10,  
9 subsection 11, unnumbered paragraph 1, is amended to read as  
10 follows:

11 To replace the voter registration system, notwithstanding  
12 section 8.57, subsection 5, paragraph "c":

13 ..... \$ 350,000  
14 0

15 ENVIRONMENT FIRST FUND

16 Sec. 207. 2002 Iowa Acts, House File 2614, section 20,  
17 subsection 1, paragraphs c and d, are amended to read as  
18 follows:

19 c. For continuation of a statewide voluntary farm  
20 management demonstration program to demonstrate the  
21 effectiveness and adaptability of emerging practices in  
22 agronomy that protect water resources and provide other  
23 environmental benefits emphasizing nitrogen, phosphorous, and  
24 manure management:

25 ..... \$ 850,000  
26 500,000

27 d. For deposit in the alternative drainage system  
28 assistance fund created in section 159.29A to be used for  
29 purposes of supporting the alternative drainage system  
30 assistance program as provided in section 159.29B:

31 ..... \$ 1,750,000  
32 0

33 Sec. 208. 2002 Iowa Acts, House File 2614, section 20,  
34 subsection 1, paragraph e, unnumbered paragraph 1, is amended  
35 to read as follows:

1 To provide financial assistance for the establishment of  
2 permanent soil and water conservation practices:

3 ..... \$ 7,500,000  
4 3,500,000

5 Sec. 209. 2002 Iowa Acts, House File 2614, section 20,  
6 subsection 1, paragraphs f, g, and h, are amended to read as  
7 follows:

8 f. To encourage and assist farmers in enrolling in the  
9 continuous sign-up federal conservation reserve program and  
10 work with them to enhance their revegetation efforts to  
11 improve water quality and habitat:

12 ..... \$ 1,500,000  
13 0

14 g. For deposit in the loess hills development and  
15 conservation fund created in section 161D.2:

16 ..... \$ 750,000  
17 0

18 ~~Of the amount appropriated to the loess hills development~~  
19 ~~and conservation fund in this paragraph "g", \$650,000 shall be~~  
20 ~~allocated to the hungry canyons account, and \$100,000 shall be~~  
21 ~~allocated to the loess hills alliance account.~~

22 h. For allocation to the southern Iowa development and  
23 conservation authority for protection of road structures:

24 ..... \$ 250,000  
25 0

26 Sec. 210. 2002 Iowa Acts, House File 2614, section 20,  
27 subsection 2, unnumbered paragraph 1, is amended to read as  
28 follows:

29 For deposit in the brownfield redevelopment fund created in  
30 section 15.293 to provide assistance under the brownfield  
31 redevelopment program:

32 ..... \$ 1,000,000  
33 0

34 Sec. 211. 2002 Iowa Acts, House File 2614, section 20,  
35 subsection 3, paragraphs a and d, are amended to read as

1 follows:

2 a. To provide local watershed managers with geographic  
3 information system data for their use in developing,  
4 monitoring, and displaying results of their watershed work:

5 ..... \$ 1957000  
6 ..... 0

7 d. For the dredging of lakes, including necessary  
8 preparation for dredging, in accordance with the department's  
9 classification of Iowa lakes restoration report:

10 ..... \$ 172507000  
11 ..... 350,000

12 It is the intent of the general assembly that the  
13 department shall consider the following criteria for funding  
14 lake dredging projects as provided in this paragraph "d", and  
15 shall prioritize projects based on the following:

16 (1) Documented efforts to address watershed protection,  
17 considering testing, conservation efforts, and amount of time  
18 devoted to watershed protection.

19 (2) Protection of a natural resource and natural habitat.

20 (3) Percentage of public access and undeveloped lakefront  
21 property.

22 (4) Continuation of current projects partially funded by  
23 state resources to achieve department recommendations.

24 Sec. 212. 2002 Iowa Acts, House File 2614, section 21, is  
25 amended to read as follows:

26 SEC. 21. Notwithstanding the amount of the standing  
27 appropriation from the general fund of the state under section  
28 455A.18, subsection 3, there is appropriated from the  
29 environment first fund to the Iowa resources enhancement and  
30 protection fund, in lieu of the appropriation made in section  
31 455A.18, for the fiscal year beginning July 1, 2002, and  
32 ending June 30, 2003, the following amount, to be allocated-as  
33 provided-in used for the purposes designated, notwithstanding  
34 section 455A.19:

35 For reimbursement of political subdivisions of the state

1 for property tax dollars lost to open space acquisitions based  
2 on the reimbursement formula provided in section 465A.4, for  
3 contractual obligations for capital projects relating to  
4 natural resource areas, and for maintenance of state lands  
5 owned by the department of natural resources:

6 ..... \$ 10,000,000  
7 2,000,000

8 ~~The funds allocated to the land management and open spaces~~  
9 ~~accounts from the appropriation in this section may be used~~  
10 ~~for park operation purposes.~~

11 Sec. 213. EFFECTIVE DATES.

12 1. Except as otherwise provided in subsection 2, this  
13 division of this Act takes effect July 1, 2002.

14 2. The sections of this division of this Act appropriating  
15 moneys from the school infrastructure fund and transferring  
16 moneys from the county sales and services tax fund shall take  
17 effect on July 31, 2002, only if the treasurer of state  
18 determines that the appropriation from the school  
19 infrastructure fund of this division of this Act will not  
20 adversely affect the tax-exempt status of any outstanding  
21 bonds issued for purposes of the school infrastructure program  
22 established in section 292.2. The treasurer of state shall  
23 notify the Code editor of the treasurer's determination under  
24 this subsection by July 31, 2002.

25 DIVISION XI

26 STATE EMPLOYEES -- PRINTED DOCUMENTS AND PROGRAM  
27 ELIMINATION -- FURLOUGHS -- MISCELLANEOUS

28 Sec. 214. VACANT POSITIONS. Effective July 1, 2002, any  
29 full-time equivalent position that is authorized in an  
30 executive branch table of organization and has been vacant for  
31 12 months or more shall be eliminated from the table of  
32 organization.

33 Sec. 215. EDUCATIONAL ASSISTANCE. For the fiscal year  
34 beginning July 1, 2002, and ending June 30, 2003, unless  
35 specifically authorized by a collective bargaining agreement,

1 an executive or judicial branch agency shall not provide an  
2 employee with a subsidy or reimbursement for a class or other  
3 course of study leading to an advanced degree.

4 Sec. 216. PRINTED DOCUMENTS. Notwithstanding any  
5 provision of law or rule to the contrary, as a cost savings  
6 measure, for the fiscal year beginning July 1, 2002, and  
7 ending June 30, 2003, the requirements in law or rule for the  
8 executive and judicial branches to issue reports, minutes, and  
9 other documents of an informational nature in printed form  
10 shall be suspended. Such documents shall be provided in  
11 printed form only in response to an individual request and, to  
12 the extent possible, shall be made available by internet  
13 posting, electronic mail, or other electronic means in lieu of  
14 availability in printed form.

15 Sec. 217. PROGRAM ELIMINATION COMMISSION.

16 1. A program elimination commission is established to  
17 review all programs and other functions funded in whole or  
18 part with state or local government revenues, including but  
19 not limited to general taxes and fees and special revenues  
20 such as gaming and road use tax revenues. The commission  
21 shall operate with the goal of identifying a 2 percent savings  
22 for the general fund of the state. The commission's duties  
23 shall include the following:

24 a. Review of state and local government programs and other  
25 functions.

26 b. Consideration of sale of public assets or providing for  
27 performance of public functions on behalf of government by  
28 nongovernmental entities. The assets and functions considered  
29 shall include the state nursery, department of general  
30 services vehicle fleet, state medical library, prison farms,  
31 and alcoholic beverage warehouse.

32 c. Identification of programs or functions recommended for  
33 elimination or for performance by a nongovernmental entity.

34 d. Identification of public assets for sale.

35 e. Other duties assigned by the legislative council.

1 2. The program elimination commission shall consist of the  
2 following members:

3 a. The auditor of state as a voting member.

4 b. Four voting members who have expertise with profit or  
5 nonprofit enterprise in evaluating projects and determining  
6 which projects should be continued or eliminated. Each of the  
7 following shall appoint one of the four voting members: the  
8 majority leader of the senate, the minority leader of the  
9 senate, the speaker of the house of representatives, and the  
10 minority leader of the house of representatives.

11 c. One nonvoting member representing the executive branch  
12 appointed by the governor.

13 d. One nonvoting member representing the judicial branch  
14 appointed by the chief justice of the supreme court.

15 e. One nonvoting member representing the legislative  
16 branch appointed by the legislative council.

17 3. Staff support to the commission shall be provided by  
18 the research staffs of the senate and house of  
19 representatives, the legislative fiscal bureau, and the  
20 legislative service bureau. In addition, the commission may  
21 utilize other staff support made available to the commission.

22 4. The program elimination commission shall issue a report  
23 on or before December 31, 2002, to the governor, supreme  
24 court, and general assembly containing findings and  
25 recommendations fulfilling the commission's duties. The  
26 recommendations made by the commission shall be prepared in  
27 the form of a bill by the legislative service bureau. It is  
28 the intent of this section that the bill be referred to the  
29 committees on state government of the senate and the house of  
30 representatives. It is further the intent of this section  
31 that the general assembly shall bring the bill to a vote under  
32 a procedure or rule permitting no amendments except those of a  
33 purely corrective nature recommended by a committee on state  
34 government.

35 5. Unless otherwise continued by the legislative council



1 or by law, the program elimination commission shall be  
2 dissolved on December 31, 2002.

3 Sec. 218. JUDICIAL BRANCH -- FURLOUGHS.

4 1. The appropriations from the general fund of the state  
5 to the judicial branch for operational costs for the fiscal  
6 year beginning July 1, 2002, and ending June 30, 2003, are  
7 reduced by the following amount:

8 ..... \$ 2,201,399

9 2. In order to implement the reduction made in subsection  
10 1, the judicial branch shall implement furloughs of judicial  
11 branch employees other than justices, judges, and magistrates  
12 or other cost reductions in a manner so as to produce cost  
13 savings equivalent to a furlough of one-half day per employee  
14 per calendar month.

15 3. As part of implementing the reduction made in  
16 subsection 1, notwithstanding the annual salary rates  
17 authorized for justices, judges, and magistrates in 2001 Iowa  
18 Acts, chapter 190, section 1, and 2002 Iowa Acts, House File  
19 2623, section 4, for the fiscal year beginning July 1, 2002,  
20 those salary rates shall be reduced by applying a 2.5 percent  
21 reduction to the portion of annual salary attributable to the  
22 period beginning on June 21, 2002, through June 19, 2003.

23 Subsection 2 does not apply to justices, judges, and  
24 magistrates subject to this subsection.

25 4. Notwithstanding the uses listed in section 602.1304,  
26 subsection 2, paragraph "c", the judicial branch may use not  
27 more than \$1,000,000 of the moneys available to the judicial  
28 branch in the enhanced court collections fund for the fiscal  
29 year beginning July 1, 2002, to supplant the reduction made in  
30 subsection 1 and thereby decrease the application of  
31 subsections 2 and 3. Any such decrease involving employee  
32 furloughs and salary reductions shall be applied  
33 proportionately between subsections 2 and 3.

34 LEGISLATIVE BRANCH -- FURLOUGHS

35 Sec. 219. APPROPRIATIONS REDUCTION.

1 1. The appropriations made from the general fund of the  
2 state in section 2.12 to the general assembly for operational  
3 costs for the fiscal year beginning July 1, 2002, and ending  
4 June 30, 2003, shall be reduced by \$392,858. The reduction in  
5 this subsection shall be in addition to the reduction made in  
6 2002 Iowa Acts, Senate File 2326, section 168, as amended in  
7 division IX of this Act.

8 2. In order to implement the reduction made in subsection  
9 1, the legislative branch shall implement furloughs of  
10 legislative branch employees other than members of the general  
11 assembly or other cost reductions in a manner so as to produce  
12 cost savings equivalent to a furlough of one-half day per  
13 employee per calendar month.

14 3. As part of implementing the reduction made in  
15 subsection 1, notwithstanding the annual salary rates  
16 authorized for members of the general assembly in section  
17 2.10, the salary rates for such members shall be reduced by  
18 applying a 2.5 percent reduction to the portion of annual  
19 salary attributable to the period beginning June 21, 2002,  
20 through June 19, 2003, as if the members were all paid a  
21 salary under section 2.10, subsection 4, paragraph "a".  
22 Subsection 2 does not apply to members of the general  
23 assembly.

24 4. As part of the reduction made in subsection 1, it is  
25 the intent of the general assembly to suspend the issuance of  
26 documents of an informational nature in printed form and the  
27 provision of a subsidy or reimbursement to an employee for a  
28 class or other course of study leading to an advanced degree.

29 EXECUTIVE BRANCH -- FURLOUGHS

30 Sec. 220. EXECUTIVE BRANCH. The appropriations made from  
31 the general fund of the state to the departments and  
32 establishments of the executive branch, as defined in section  
33 8.2, including but not limited to the appropriations to the  
34 state board of regents, for operational costs for the fiscal  
35 year beginning July 1, 2002, and ending June 30, 2003, are

1 reduced by the following amount:

2 ..... \$ 30,862,939

3 1. The department of management shall apply the reduction  
4 made in accordance with this section in a manner so that the  
5 portion of an appropriation for operational costs is reduced  
6 in proportion to the amount that such costs in that  
7 appropriation bear to the total amount of all such costs in  
8 all appropriations from the general fund of the state to  
9 executive branch departments and establishments.

10 2. In order to implement the reduction made in this  
11 section, the departments and establishments shall implement  
12 furloughs for those employees whose compensation is paid from  
13 the general fund of the state or other cost reductions, in a  
14 manner to produce cost savings equivalent to a furlough of  
15 one-half day per employee per calendar month.

16 3. Notwithstanding the annual salary rates authorized for  
17 elective executive branch officials in 2000 Iowa Acts, chapter  
18 1219, section 3, as part of implementing the reduction made in  
19 this section, for the fiscal year beginning July 1, 2002, the  
20 salary rates for such officials shall be reduced by applying a  
21 2.5 percent reduction to the portion of annual salary  
22 attributable to the period beginning June 21, 2002, through  
23 June 19, 2003. Subsection 2 does not apply to elective  
24 executive branch officials subject to this subsection.

25 4. Notwithstanding the annual salaries established under  
26 2001 Iowa Acts, chapter 190, section 3, as part of  
27 implementing the reduction made in this section, for the  
28 fiscal year beginning July 1, 2002, each of those salaries  
29 shall be reduced by applying a 2.5 percent reduction to the  
30 portion of the salary attributable to the period beginning  
31 June 21, 2002, through June 19, 2003. Subsection 2 does not  
32 apply to appointed executive branch officers subject to this  
33 subsection.

34 Sec. 221. IMPLEMENTATION OF FURLOUGHS. Furloughs  
35 implemented pursuant to this division shall not be implemented

1 in a manner which results in more than 25 percent of the  
2 workforce within an agency division being on furlough at the  
3 same time.

4 Sec. 222. 2001 Iowa Acts, chapter 176, section 20,  
5 unnumbered paragraph 2, is amended to read as follows:

6 For allocation by the state board of regents to the state  
7 university of Iowa, the Iowa state university of science and  
8 technology, and the university of northern Iowa to finance or  
9 pay debt service to pay debt to finance the cost of providing  
10 academic and administrative buildings and facilities at the  
11 institutions:

12 ..... \$ 600,330  
13 600,860

14 Sec. 223. 2001 Iowa Acts, chapter 176, section 21,  
15 unnumbered paragraph 2, is amended to read as follows:

16 For debt service for the Iowa communications network:  
17 ..... \$ 9,939,165  
18 9,940,000

19 Sec. 224. 2001 Iowa Acts, chapter 176, section 22,  
20 unnumbered paragraph 2, is amended to read as follows:

21 For debt service for the Iowa communications network:  
22 ..... \$ 1,465,835  
23 1,465,443

24 Sec. 225. 2001 Iowa Acts, chapter 176, section 24,  
25 unnumbered paragraph 2, is amended to read as follows:

26 For repayment of prison infrastructure bonds under section  
27 16.177:  
28 ..... \$ 5,182,272  
29 5,182,089

30 Sec. 226. 2002 Iowa Acts, House File 2614, section 2,  
31 unnumbered paragraph 2, is amended to read as follows:

32 For allocation by the state board of regents to the state  
33 university of Iowa, the Iowa state university of science and  
34 technology, and the university of northern Iowa to reimburse  
35 the institutions for deficiencies in their operating funds

1 resulting from the pledging of tuitions, student fees and  
2 charges, and institutional income to finance the cost of  
3 providing academic and administrative buildings and facilities  
4 and utility services at the institutions, notwithstanding  
5 section 12E.12, subsection 1, paragraph "b", subparagraph (1):

6 ..... \$ 9,151,609  
7 9,127,635

8 Sec. 227. 2002 Iowa Acts, House File 2614, section 3,  
9 unnumbered paragraph 2, is amended to read as follows:

10 For debt service for the Iowa communications network,  
11 notwithstanding section 12E.12, subsection 1, paragraph "b",  
12 subparagraph (1):

13 ..... \$ 12,855,000  
14 13,044,784

15 Sec. 228. 2002 Iowa Acts, House File 2614, section 4,  
16 unnumbered paragraph 2, is amended to read as follows:

17 For repayment of prison infrastructure bonds under section  
18 16.177, notwithstanding section 12E.12, subsection 1,  
19 paragraph "b", subparagraph (1):

20 ..... \$ 5,185,576  
21 5,417,250

22 Sec. 229. Section 12E.12, Code Supplement 2001, is amended  
23 by adding the following new subsection:

24 NEW SUBSECTION. 8. With respect to the payment of certain  
25 debt service, the debt service to be paid shall be those  
26 installments of debt service on bonds selected by the  
27 treasurer of state and identified in the authority's tax  
28 certificate delivered at the time of the issuance of the bonds  
29 issued pursuant to this chapter, or as otherwise selected by  
30 the treasurer of state. Once the bonds and the installments  
31 of debt service thereon are so selected, that debt service and  
32 bonds shall not be paid, or provided to be paid, from any  
33 other source including the state or any of its departments or  
34 agencies.

35 Sec. 230. Section 260G.4B, subsection 1, Code Supplement

1 2001, as amended by 2002 Iowa Acts, House File 2623, section  
2 30, is amended to read as follows:

3 1. The total amount of program job credits from all  
4 employers which shall be allocated for all accelerated career  
5 education programs in the state in any one fiscal year shall  
6 not exceed the sum of three million dollars in the fiscal year  
7 beginning July 1, 2000, three million dollars in the fiscal  
8 year beginning July 1, 2001, three four million two hundred  
9 thousand dollars in the fiscal year beginning July 1, 2002,  
10 and six million dollars in the fiscal year beginning July 1,  
11 2003, and every fiscal year thereafter. Any increase in  
12 program job credits above the six-million-dollar limitation  
13 per fiscal year shall be developed, based on recommendations  
14 in a study which shall be conducted by the department of  
15 economic development of the needs and performance of approved  
16 programs in the fiscal years beginning July 1, 2000, and July  
17 1, 2001. The study's findings and recommendations shall be  
18 submitted to the general assembly by the department by  
19 December 31, 2002. The study shall include but not be limited  
20 to an examination of the quality of the programs, the number  
21 of program participant placements, the wages and benefits in  
22 program jobs, the level of employer contributions, the size of  
23 participating employers, and employer locations. A community  
24 college shall file a copy of each agreement with the  
25 department of economic development. The department shall  
26 maintain an annual record of the proposed program job credits  
27 under each agreement for each fiscal year. Upon receiving a  
28 copy of an agreement, the department shall allocate any  
29 available amount of program job credits to the community  
30 college according to the agreement sufficient for the fiscal  
31 year and for the term of the agreement. When the total  
32 available program job credits are allocated for a fiscal year,  
33 the department shall notify all community colleges that the  
34 maximum amount has been allocated and that further program job  
35 credits will not be available for the remainder of the fiscal

1 year. Once program job credits have been allocated to a  
2 community college, the full allocation shall be received by  
3 the community college throughout the fiscal year and for the  
4 term of the agreement even if the statewide program job credit  
5 maximum amount is subsequently allocated and used.

6 Sec. 231. Section 422.11A, Code 2001, is amended by adding  
7 the following new unnumbered paragraph:

8 NEW UNNUMBERED PARAGRAPH. The new jobs tax credit  
9 authorized in this section shall only apply to an agreement  
10 authorized under chapter 260E which was finalized prior to  
11 July 1, 2002.

12 Sec. 232. Section 422.33, subsection 6, Code Supplement  
13 2001, is amended by adding the following new unnumbered  
14 paragraph:

15 NEW UNNUMBERED PARAGRAPH. The new jobs tax credit  
16 authorized in this subsection shall only apply to an agreement  
17 authorized under chapter 260E which was finalized prior to  
18 July 1, 2002.

19 Sec. 233. EFFECTIVE DATE.

20 1. Except as provided in subsection 2, this division of  
21 this Act takes effect July 1, 2002.

22 2. a. The sections of this division of this Act providing  
23 for salary reductions in appropriations to the judicial,  
24 legislative, and executive branches take effect June 21, 2002.

25 b. The sections of this division of this Act amending 2001  
26 Iowa Acts, chapter 176, being deemed of immediate importance,  
27 take effect upon enactment.

28 DIVISION XII

29 CORRECTIVE AMENDMENTS

30 GENERAL PROVISIONS

31 Sec. 234. Section 16.131, subsection 1, Code 2001, is  
32 amended to read as follows:

33 1. The authority shall cooperate with the department of  
34 natural resources in the creation, administration, and  
35 financing of the Iowa sewage-treatment water pollution control

1 and drinking water facilities financing program established in  
2 sections 455B.291 through 455B.299.

3 Sec. 235. Section 16.132, subsection 1, paragraph d, Code  
4 2001, is amended to read as follows:

5 d. The amounts payable to the department by ~~municipalities~~  
6 ~~or-water-systems~~ eligible entities pursuant to loan agreements  
7 with ~~municipalities-or-water-systems~~ eligible entities.

8 Sec. 236. Section 124.401A, Code 2001, as amended by 2002  
9 Iowa Acts, House File 2623, section 25, is affirmed and  
10 reenacted.

11 Sec. 237. Section 124.409, Code 2001, as amended by 2002  
12 Iowa Acts, House File 2623, section 26, is affirmed and  
13 reenacted.

14 Sec. 238. Section 225C.5, subsection 1, paragraph d, Code  
15 2001, as amended by 2002 Iowa Acts, House File 2430, section  
16 1, is amended to read as follows:

17 d. One member shall be either an active board member of an  
18 agency serving persons with a developmental disability  
19 selected from nominees submitted by the Iowa association of  
20 community providers.

21 Sec. 239. Section 237.16, subsection 3, Code 2001, is  
22 amended to read as follows:

23 3. An employee of the department or of the department of  
24 inspections and appeals, an employee of a child-placing  
25 agency, an employee of an agency with which the department  
26 contracts for services for children under foster care, a  
27 foster parent providing foster care, or an employee of the  
28 district court is not eligible to serve on the state board.  
29 However, the judicial branch employee or judicial officer  
30 appointed from nominees submitted by the judicial branch in  
31 accordance with subsection 1 shall be eligible to serve on the  
32 state board.

33 Sec. 240. Section 321J.22, subsection 2, paragraph d, Code  
34 2001, as amended by 2002 Iowa Acts, House File 2515, section  
35 37, is amended to read as follows:



1 d. The department of education shall establish reasonable  
2 fees to defray the expense of obtaining classroom space,  
3 instructor salaries, and class materials for courses offered  
4 both by community colleges and by substance abuse treatment  
5 programs licensed under chapter 125, and for administrative  
6 expenses incurred by the department of education in  
7 implementing subsection 5.

8 Sec. 241. Section 455B.133, subsection 10, as enacted by  
9 2002 Iowa Acts, Senate File 2325, section 45, is amended to  
10 read as follows:

11 10. Adopt rules allowing a city to conduct a controlled  
12 burn of a demolished building subject to the same restrictions  
13 as are in effect for fire fighting training fires. The rules  
14 shall include a provision that a city may undertake no more  
15 than three controlled burns in every overlapping six-tenths-  
16 of-a-mile-radius circle every three years. The rules shall  
17 prohibit a controlled burn of a demolished building in Cedar  
18 Rapids, Marion, Hiawatha, Council Bluffs, Carter Lake, Des  
19 Moines, West Des Moines, Clive, Windsor Heights, Urbandale,  
20 Pleasant Hill, Buffalo, Davenport, Mason City or any other  
21 area where area-specific state implementation plans require  
22 the control of particulate matter.

23 Sec. 242. Section 456A.17, unnumbered paragraph 7, Code  
24 2001, is amended to read as follows:

25 The department may apply for a loan for the construction of  
26 facilities for the collection and treatment of waste water  
27 under the state sewage-treatment-works water pollution control  
28 and drinking water facilities financing program as established  
29 in sections 455B.291 through 455B.299. In order to provide  
30 for the repayment of a loan granted under the financing  
31 program, the commission may impose a lien on not more than ten  
32 percent of the annual revenues from user fees and related  
33 revenue derived from park and recreation areas under chapter  
34 461A which are deposited in the state conservation fund. If a  
35 lien is established as provided in this paragraph, repayment

1 of the loan is the first priority on the revenues received and  
2 dedicated for the loan repayment each year.

3 Sec. 243. Section 724.26, Code 2001, as amended by 2002  
4 Iowa Acts, House File 2363, section 4, and as amended by 2002  
5 Iowa Acts, House File 2623, section 94, is affirmed and  
6 reenacted.

7 Sec. 244. 2002 Iowa Acts, House File 2615, section 4,  
8 unnumbered paragraph 3, is amended to read as follows:

9 Notwithstanding section 8.33, moneys appropriated under  
10 this section that are unobligated or unencumbered at the end  
11 of the fiscal year beginning ~~June-30~~ July 1, 2002, and ending  
12 June 30, 2003, shall not revert, but shall remain available  
13 for the specific purposes designated in this section until  
14 June 30, 2004.

15 Sec. 245. 2002 Iowa Acts, House File 2623, section 72, is  
16 amended to read as follows:

17 SEC. 72. EFFECTIVE DATE. The provision of this division  
18 of this Act amending 2001 Iowa Acts, chapter 191, section 14,  
19 relating to the department of human services exceeding its  
20 budget target for group foster care by up to twenty percent in  
21 fiscal year 2001-2002, being deemed of immediate importance,  
22 takes effect upon enactment.

23 Sec. 246. 2002 Iowa Acts, Senate File 2275, sections 13  
24 and 182, are repealed.

25 ANIMAL FEEDING OPERATIONS

26 Sec. 247. Section 455B.127, subsection 3, as enacted by  
27 2002 Iowa Acts, Senate File 2293, section 6, subsection 3, is  
28 amended to read as follows:

29 3. Moneys in the compliance fund are appropriated to the  
30 department exclusively to pay the expenses of the department  
31 in administering and enforcing the provisions of division II,  
32 part 2, and division III, part 1, subpart A B, as necessary to  
33 ensure that animal feeding operations comply with all  
34 applicable requirements of those provisions, including rules  
35 adopted or orders issued by the department pursuant to those

1 provisions. The moneys shall not be transferred, used,  
2 obligated, appropriated, or otherwise encumbered except as  
3 provided in this subsection. The department shall not  
4 transfer moneys from the compliance fund's assessment account  
5 to another fund or account, including but not limited to the  
6 fund's general account.

7 Sec. 248. Section 455B.161, subsection 22, Code 2001, is  
8 amended by striking the subsection.

9 Sec. 249. Section 455B.171, subsection 13, Code 2001, is  
10 amended by striking the subsection.

11 Sec. 250. Section 455B.200, subsection 3, as enacted by  
12 2002 Iowa Acts, Senate File 2293, section 27, is amended to  
13 read as follows:

14 3. The department and the attorney general shall enforce  
15 the provisions of this chapter in the same manner as provided  
16 in division I, unless otherwise provided in this ~~section~~  
17 chapter.

18 Sec. 251. Section 455B.200A, subsection 1, unnumbered  
19 paragraph 1, as enacted by 2002 Iowa Acts, Senate File 2293,  
20 section 28, is amended to read as follows:

21 The department shall approve or disapprove applications for  
22 permits for the construction, including the expansion, of  
23 confinement feeding operation structures, as provided by rules  
24 adopted pursuant to this chapter. The department's decision  
25 to approve or disapprove a permit for the construction of a  
26 confinement feeding operation structure shall be based on  
27 whether the application is submitted according to procedures  
28 required by the department and the application meets standards  
29 established by the department. A person shall not begin  
30 construction of a confinement feeding operation structure  
31 requiring a permit under this section, unless the department  
32 first approves the person's application and issues to the  
33 person a construction permit. The department shall provide  
34 conditions for requiring when a person must obtain a  
35 construction permit.

1 Sec. 252. Section 455B.200B, subsection 5, paragraph a, as  
2 enacted by 2002 Iowa Acts, Senate File 2293, section 32, is  
3 amended to read as follows:

4 a. The department shall designate by rule each one hundred  
5 year floodplain in this state according to the location of the  
6 one hundred year floodplain. A person shall not be prohibited  
7 from constructing a confinement feeding operation structure on  
8 a one hundred year floodplain unless the one hundred year  
9 floodplain is designated by rule in accordance with this  
10 subsection.

11 Sec. 253. Section 455B.200B, subsection 5, paragraph b,  
12 subparagraphs (2) and (3), as enacted by 2002 Iowa Acts,  
13 Senate File 2293, section 32, are amended to read as follows:

14 (2) The department shall provide in its declaratory order  
15 or its approval or disapproval of a construction permit  
16 application a determination regarding whether the confinement  
17 feeding operation structure is to be located on a one hundred  
18 year floodplain, whether the confinement feeding operation  
19 structure may be constructed at the location, and any  
20 conditions for the construction.

21 (3) This paragraph "b" is repealed on the effective date  
22 that rules are adopted by the department pursuant to paragraph  
23 "a". The department shall provide a caption on the adopted  
24 rule as published in the Iowa administrative bulletin as  
25 provided in section 17A.4, stating that this paragraph is  
26 repealed as provided in this subparagraph subdivision. The  
27 director of the department shall deliver a copy of the adopted  
28 rule to the Iowa Code editor.

29 Sec. 254. Section 455B.200C, subsection 2, paragraph c, as  
30 enacted by 2002 Iowa Acts, Senate File 2293, section 33, is  
31 amended to read as follows:

32 c. If a construction permit is required pursuant to  
33 section 455B.200A for the construction of three or more  
34 confinement feeding operation structures that include a formed  
35 manure storage structure, the contractor person responsible

1 for constructing the formed manure storage structure must  
2 provide that the construction of the formed manure storage  
3 structure will not impede drainage through established  
4 drainage tile lines which cross property boundary lines unless  
5 measures are taken to reestablish the drainage prior to  
6 completion of construction.

7 Sec. 255. Section 455B.200E, subsection 3, paragraph b, as  
8 enacted by 2002 Iowa Acts, Senate File 2293, section 35, is  
9 amended to read as follows:

10 b. The board must conduct an evaluation of the application  
11 using the master matrix as provided in section 455B.200F. The  
12 board's recommendation may be based on the master matrix ~~as~~  
13 ~~provided~~ or may be based on comments under this section  
14 regardless of the results of the master matrix.

15 Sec. 256. Section 455B.203, subsection 2B, paragraph b, as  
16 enacted by 2002 Iowa Acts, Senate File 2293, section 38, is  
17 amended to read as follows:

18 b. The department shall not file a construction design  
19 statement as provided in section 455B.200C, unless the owner  
20 of the confinement feeding operation structure submits an  
21 original manure management plan together with the construction  
22 design statement. The construction design statement and  
23 manure management plan may be submitted as part of an  
24 application for a construction permit as provided in section  
25 455B.200A.

26 Sec. 257. Section 455B.203, subsection 3, paragraph a,  
27 subparagraph (2), unnumbered paragraph 1, as enacted by 2002  
28 Iowa Acts, Senate File 2293, section 39, is amended to read as  
29 follows:

30 Subparagraph subdivisions (b) through (e) and this  
31 paragraph are repealed on the date that any person who has  
32 submitted an original manure management plan prior to April 1,  
33 2002, is required to submit a manure management plan update  
34 which includes a phosphorus index as provided in subparagraph  
35 subdivision ~~(e)~~ (e), subparagraph subdivision part (i). The

1 department shall publish a notice in the Iowa administrative  
2 bulletin published immediately prior to that date, and the  
3 director of the department shall deliver a copy of the notice  
4 to the Iowa Code editor.

5 Sec. 258. 2002 Iowa Acts, Senate File 2293, section 66, is  
6 amended to read as follows:

7 SEC. 66. INTERIM COUNTY PARTICIPATION AND CONTESTED  
8 DECISIONS REPEAL. The section of this Act providing for  
9 interim county participation in the approval of applications  
10 for construction permits for confinement feeding operation  
11 structures is repealed March 1, 2003, and including provisions  
12 relating to the rights of applicants<sup>+</sup> applicants and boards of  
13 supervisors to contest departmental decisions. However, the  
14 provisions of the section shall continue to apply to  
15 applications received by a county board of supervisors prior  
16 to March 1, 2003.

17 Sec. 259. 2002 Iowa Acts, Senate File 2293, section 68,  
18 subsection 1, paragraph c, is amended to read as follows:

19 c. Chapter 455B, division III, part 1, subpart A B, as  
20 enacted in this Act, with the exception of section 455B.200,  
21 as amended by this Act, and section 455B.207, as enacted by  
22 this Act, shall be transferred to new chapter 456D, as  
23 subchapter 3.

24 Sec. 260. 2002 Iowa Acts, Senate File 2293, section 68, is  
25 amended by adding the following new subsections:

26 NEW SUBSECTION. 3. The Code editor shall transfer Code  
27 chapter 460A to be part of Code chapter 455A or to be a new  
28 Code chapter.

29 NEW SUBSECTION. 4. When transferring and consolidating  
30 provisions as provided in this section, the Code editor may  
31 reorganize the provisions provided in this section in a manner  
32 other than that provided in this section in order to enhance  
33 their readability. The Code editor shall publish in the 2003  
34 Code the provisions of 2002 Iowa Acts, Senate File 2293,  
35 designated for codification, regardless of the effective date

1 of the provisions.

2 Sec. 261. 2002 Iowa Acts, Senate File 2293, section 70,  
3 subsection 1, paragraph b, is amended to read as follows:

4 b. The department has not received evidence that an  
5 applicant or person submitting or required to submit a manure  
6 management plan as provided in paragraph "a" of this  
7 subsection 2, has incurred commitments based on a reliance of  
8 the law as the law existed on March 31, 2002. The commitments  
9 must constitute a legal obligation for performance by the  
10 person to construct a confinement feeding operation structure.  
11 The applicant or other person required to submit the evidence  
12 to the department must submit such evidence not later than  
13 twenty-one days after the effective-date enactment of this  
14 Act.

15 Sec. 262. EFFECTIVE DATES.

16 1. Except as otherwise provided in subsection 2, this  
17 division of this Act takes effect July 1, 2002.

18 2. a. The section of this division of this Act amending  
19 2002 Iowa Acts, House File 2623, section 72, being deemed of  
20 immediate importance, takes effect upon enactment.

21 b. The sections of this division of this Act amending  
22 sections 455B.127, 455B.161, 455B.171, 455B.200, 455B.200A,  
23 455B.200B, and 455B.203, as enacted by 2002 Iowa Acts, Senate  
24 File 2293, and amending 2002 Iowa Acts, Senate File 2293,  
25 being deemed of immediate importance, take effect upon  
26 enactment.

27 c. The sections of this division of this Act amending  
28 sections 455B.200C and 455B.200E, as enacted by 2002 Iowa  
29 Acts, Senate File 2293, take effect on March 1, 2003.

30 DIVISION XIII

31 DRUG UTILIZATION REVIEW COMMISSION

32 Sec. 263. NEW SECTION. 249A.32 IOWA MEDICAL ASSISTANCE  
33 DRUG UTILIZATION REVIEW COMMISSION -- CREATED.

34 1. An Iowa medical assistance drug utilization review  
35 commission is created within the department. The commission

1 membership, duties, and related provisions shall comply with  
2 42 C.F.R. pt. 456, subpt. K.

3 2. In addition to any other duties prescribed, the  
4 commission shall make recommendations to the council on human  
5 services regarding strategies to reduce state expenditures for  
6 prescription drugs under the medical assistance program  
7 excluding provider reimbursement rates. The commission shall  
8 make initial recommendations to the council by October 1,  
9 2002. Following approval of any recommendation by the council  
10 on human services, the department shall include the approved  
11 recommendation in a notice of intended action under chapter  
12 17A and shall comply with chapter 17A in adopting any rules to  
13 implement the recommendation. The department shall seek any  
14 federal waiver necessary to implement any approved  
15 recommendation. The strategies to be considered for  
16 recommendation by the commission shall include at a minimum  
17 all of the following:

18 a. Development of a preferred drug formulary pursuant to  
19 42 U.S.C. § 1396r-8.

20 b. Negotiation of supplemental rebates from manufacturers  
21 that are in addition to those required by Title XIX of the  
22 federal Social Security Act. For the purposes of this  
23 paragraph, "supplemental rebates" may include, at the  
24 department's discretion, cash rebates and other program  
25 benefits that offset a medical assistance expenditure.  
26 Pharmaceutical manufacturers agreeing to provide a  
27 supplemental rebate as provided in this paragraph shall have  
28 an opportunity to present evidence supporting inclusion of a  
29 product on any preferred drug formulary developed.

30 c. Disease management programs.

31 d. Drug product donation programs.

32 e. Drug utilization control programs.

33 f. Prescriber and beneficiary counseling and education.

34 g. Fraud and abuse initiatives.

35 h. Pharmaceutical case management.



1 i. Services or administrative investments with guaranteed  
2 savings to the medical assistance program.

3 j. Expansion of prior authorization for prescription drugs  
4 and pharmaceutical case management under the medical  
5 assistance program.

6 k. Any other strategy that has been approved by the United  
7 States department of health and human services regarding  
8 prescription drugs under the medical assistance program.

9 Sec. 264. EMERGENCY RULES. The department of human  
10 services may adopt administrative rules under section 17A.4,  
11 subsection 2, and section 17A.5, subsection 2, paragraph "b",  
12 to implement section 249A.32 as created in this division of  
13 this Act, and the rules shall become effective immediately  
14 upon filing or on a later effective date specified in the  
15 rules, unless the effective date is delayed by the  
16 administrative rules review committee. Any rules adopted in  
17 accordance with this section shall not take effect before the  
18 rules are reviewed by the administrative rules review  
19 committee. The delay authority provided to the administrative  
20 rules review committee under section 17A.4, subsection 5, and  
21 section 17A.8, subsection 9, shall be applicable to a delay  
22 imposed under this section, notwithstanding a provision in  
23 those sections making them inapplicable to section 17A.5,  
24 subsection 2, paragraph "b". Any rules adopted in accordance  
25 with this section shall also be published as notice of  
26 intended action as provided in section 17A.4.

27 Sec. 265. TRANSITION PROVISIONS. The department of human  
28 services shall continue to contract with the peer review  
29 organization, with which the department held a contract to  
30 carry out the duties of the Iowa Medicaid drug utilization  
31 review commission prior to the effective date of this division  
32 of this Act in order to carry out the duties of the commission  
33 after that date.

34 The Iowa Medicaid drug utilization review commission  
35 existing on the effective date of this division of this Act

1 shall act as the Iowa medical assistance drug utilization  
2 review commission as created in this division of this Act.

3 Sec. 266. EFFECTIVE DATE. This division of this Act,  
4 being deemed of immediate importance, takes effect upon  
5 enactment.

6 EXPLANATION

7 DIVISION I - This division of this bill relates to and  
8 appropriates moneys to various state departments, agencies,  
9 funds, and certain other interstate and national entities for  
10 the fiscal year beginning July 1, 2002, and ending June 30,  
11 2003.

12 The state departments and agencies include the auditor of  
13 state, Iowa ethics and campaign disclosure board, department  
14 of commerce, department of general services, office of  
15 governor including the lieutenant governor and Terrace Hill  
16 quarters, department of inspections and appeals, department of  
17 management, department of personnel, Iowa public employees'  
18 retirement system, department of revenue and finance,  
19 secretary of state, and treasurer of state.

20 Division I also appropriates funding for the state's  
21 membership on the national governors association and for the  
22 ready to work program coordinator.

23 Division I also makes related statutory changes.

24 Code section 7D.33, concerning the state employee  
25 suggestion program, is amended to increase the maximum payment  
26 to an employee for implementation of a cost savings suggestion  
27 from \$2,500 to \$25,000.

28 Code section 476.53 is amended to provide that the  
29 utilities board and the consumer advocate can expend  
30 additional moneys to provide temporary staff necessary to  
31 perform certain functions, including review of ratemaking  
32 principles proposed for construction of a new generating  
33 facility. 2001 Iowa Acts, First Extraordinary Session,  
34 chapter 5, section 1, currently grants this authority to the  
35 board and the consumer advocate and the language currently in

1 the Acts is transferred to the Code section and the session  
2 law provision from the 2001 First Extraordinary Session is  
3 then repealed.

4 Code section 505.7 is amended to permit the insurance  
5 division to expend additional funds to perform the statutory  
6 duties of the division if those additional funds will be  
7 collected from moneys and fees collected by the division.

8 Code section 546.10, relating to the establishment and  
9 administration of the professional licensing division, is  
10 amended by adding provisions appropriating 85 percent of any  
11 amount representing an increase in funding implemented by  
12 licensing boards or commissions listed in the Code section to  
13 the division for allocation to the boards or commissions for  
14 the fiscal year beginning July 1, 2002, and succeeding fiscal  
15 years.

16 Division I takes effect July 1, 2002.

17 DIVISION II - This division of this bill relates to  
18 agriculture and natural resources by making appropriations to  
19 support related entities, including the department of  
20 agriculture and land stewardship and the department of natural  
21 resources.

22 Division II appropriates moneys to the department of  
23 agriculture and land stewardship and the department of natural  
24 resources. The appropriations are made to support  
25 administration of those departments. The division also  
26 provides moneys for specific programs administered by those  
27 departments. The division appropriates moneys from a number  
28 of sources, including the general fund of the state and the  
29 state fish and game protection fund.

30 For the department of agriculture and land stewardship,  
31 moneys are appropriated and full-time equivalent positions  
32 authorized in order to support its divisions (the  
33 administrative division, the regulatory division, the  
34 laboratory division, and the soil conservation division).

35 Division II appropriates moneys to support animal industry

1 programs, including a program to regulate horse and dog racing  
2 by the department of agriculture and land stewardship. The  
3 division appropriates moneys to support the department of  
4 agriculture and land stewardship for membership in a river  
5 association and for the administration of a project in  
6 conjunction with the Iowa corn growers association.

7 For the department of natural resources, moneys are  
8 appropriated or full-time equivalent positions authorized in  
9 order to support its divisions (the administrative and support  
10 services division, the parks and preserves division, the  
11 forests and forestry division, the energy and geological  
12 resources division, and the environmental protection  
13 division). The department is required to use appropriated  
14 moneys to support specific purposes, including for parks and  
15 preserves and for animal feeding operations.

16 Division II makes appropriations from other funds and  
17 accounts. The division appropriates moneys to the department  
18 of natural resources from the state fish and game protection  
19 fund for support of the division of fish and wildlife. The  
20 division makes an appropriation from moneys transferred to the  
21 state fish and game protection fund to support snowmobile  
22 programs and enforce state navigation laws administered by the  
23 department of natural resources.

24 An appropriation is made from the unassigned revenue fund  
25 administered by the Iowa comprehensive underground storage  
26 tank fund board to the department of natural resources for  
27 administration and expenses of the underground storage tank  
28 section.

29 Division II provides that the department of natural  
30 resources may use additional funds for staffing to reduce the  
31 department's floodplain permit backlog. It provides that the  
32 department may use additional funds available from stormwater  
33 discharge permit fees for staffing required to implement the  
34 federal maximum daily load program.

35 Division II takes effect July 1, 2002.

1 DIVISION III - This division of this bill makes  
2 appropriations and transfers from the general fund of the  
3 state to the department of economic development, the  
4 university of Iowa, the university of northern Iowa, Iowa  
5 state university, the department of workforce development, and  
6 the public employment relations board for the 2002-2003 fiscal  
7 year.

8 Division III provides that the goals for the department of  
9 economic development shall be to expand and stimulate the  
10 state economy, increase the wealth of Iowans, and increase the  
11 population of the state. The division provides that the  
12 department of economic development shall demonstrate  
13 accountability by using performance measures appropriate to  
14 show the attainment of the goals for the state and by  
15 measuring the effectiveness and results of the department's  
16 programs and activities.

17 Division III appropriates from loan repayments on loans  
18 under the former rural community 2000 program to the  
19 department of economic development moneys for providing  
20 financial assistance to Iowa's councils of governments that  
21 provide technical and planning assistance to local governments  
22 and for the rural development program for the purposes of the  
23 program including the rural enterprise fund and collaborative  
24 skills development training.

25 Division III appropriates moneys collected by the division  
26 of insurance in excess of the anticipated gross revenues to  
27 the department of economic development for purposes of  
28 insurance economic development and international insurance  
29 economic development.

30 Division III appropriates moneys from the community  
31 attraction and tourism fund to the department of economic  
32 development for tourism operations.

33 Division III appropriates moneys from the Iowa community  
34 development loan fund to the department of economic  
35 development for purposes of the community development program.

1 Division III appropriates moneys from the workforce  
2 development fund account to the workforce development fund.

3 Division III provides that moneys appropriated or  
4 transferred to or receipts credited to the workforce  
5 development fund may be used for administration of workforce  
6 development activities.

7 Division III provides that all moneys remaining in the job  
8 training fund on July 1, 2002, and any moneys appropriated or  
9 credited to the fund during the fiscal year beginning July 1,  
10 2002, shall be transferred to the workforce development fund.

11 Division III appropriates moneys from the administrative  
12 contribution surcharge fund to the department of workforce  
13 development for salaries, support, maintenance, conducting  
14 labor market surveys, miscellaneous purposes, and for  
15 workforce development regional advisory board member expenses.

16 Division III appropriates moneys from the special  
17 employment security contingency fund to the department of  
18 workforce development for the division of workers'  
19 compensation, immigration service centers, and labor market  
20 information.

21 Division III strikes a standing limited appropriation from  
22 the value-added agricultural products and processes financial  
23 assistance fund to the office of renewable fuels and  
24 coproducts and makes related Code changes. The division  
25 provides that the office of renewable fuels and coproducts may  
26 apply to the department of economic development for moneys in  
27 the value-added agricultural products and processes financial  
28 assistance fund for deposit in the renewable fuels and  
29 coproducts fund.

30 Division III extends for one additional fiscal year the  
31 nonreversion of moneys appropriated in 2000 Iowa Acts, chapter  
32 1230, from the administrative contribution surcharge fund to  
33 the department of workforce development for matching funds for  
34 welfare-to-work grants.

35 Division III provides that the auditor of state is

1 requested to review the audit of the Iowa finance authority  
2 performed by the auditor hired by the authority. The division  
3 provides that the auditor of state is also requested to  
4 conduct a performance audit of the authority to determine the  
5 effectiveness of the authority and the programs of the  
6 authority.

7 Division III provides that, for the fiscal year beginning  
8 July 1, 2002, any entity that was specifically identified in  
9 2001 Iowa Acts, chapter 188, to receive funding from the  
10 department of economic development, excluding any entity  
11 identified to receive a direct appropriation beginning July 1,  
12 2002, may apply to the department for assistance through the  
13 appropriate program.

14 Division III provides that the department of economic  
15 development, the department of workforce development, and the  
16 regents institutions receiving an appropriation pursuant to  
17 this division shall file a written report on a quarterly basis  
18 with the chairpersons and ranking members of the joint  
19 appropriations subcommittee on economic development and the  
20 legislative fiscal bureau regarding all expenditures of moneys  
21 appropriated pursuant to this division during the quarter,  
22 allocations of moneys appropriated pursuant to this division  
23 during the quarter, and full-time equivalent positions  
24 allocated during the quarter.

25 Division III provides that an entity filing the employer's  
26 contribution and payroll report form and any other  
27 unemployment insurance forms on behalf of multiple accounts  
28 shall be allowed to submit one check for these accounts.

29 Division III provides that, in providing moneys from the  
30 shelter assistance fund to homeless shelter programs, the  
31 department of economic development shall explore the potential  
32 of allocating moneys to programs based in part on their  
33 ability to move their clients toward self-sufficiency.

34 Division III requires the department of economic  
35 development to submit a report identifying any moneys received

1 from the ISCC liquidation corporation.

2 Division III provides that all federal grants to and the  
3 federal receipts of agencies appropriated funds under this  
4 division, not otherwise appropriated, are appropriated for the  
5 purposes set forth in the federal grants or receipts unless  
6 otherwise provided.

7 Division III appropriates moneys from moneys credited to  
8 the state by the secretary of the treasury of the United  
9 States pursuant to the Social Security Act to the department  
10 of workforce development for the administration of the  
11 unemployment compensation program only.

12 Division III reduces the standing limited appropriation for  
13 the school-to-career program employer refunds.

14 Division III takes effect July 1, 2002.

15 DIVISION IV - This division of this bill reduces or  
16 eliminates state moneys appropriated for fiscal year 2002-2003  
17 from the general fund of the state to the college student aid  
18 commission, the department of cultural affairs, and the  
19 department of education as enacted in 2002 Iowa Acts, Senate  
20 File 2326.

21 Division IV eliminates state funding Senate File 2326  
22 appropriated to the college student aid commission for  
23 purposes of forgivable loans for the Des Moines university --  
24 osteopathic medical center and the chiropractic graduate  
25 student forgivable loan program.

26 Division IV reduces state funding that Senate File 2326  
27 appropriated to the department of cultural affairs for  
28 purposes of its administration, arts, and historical divisions  
29 and for purposes of community cultural grants.

30 Division IV reduces the moneys Senate File 2326  
31 appropriated to the department of education for purposes of  
32 the department's general administration, vocational education  
33 administration, board of educational examiners, division of  
34 vocational rehabilitation services, independent living, state  
35 library for general administration and the enrich Iowa



1 program, library service area system, public broadcasting  
2 division, and the Iowa empowerment fund. The division  
3 eliminates funding Senate File 2326 appropriated to the  
4 department for purposes of providing support to assist a  
5 vocational education youth organization statewide school-to-  
6 work implementation, jobs for America's graduates, and the  
7 americorps after-school initiative.

8 Division IV also amends the Code, as amended by Senate File  
9 2326, to reduce the amount of state assistance for Iowa  
10 tuition grants.

11 Division IV expands the operation recognition program to  
12 include, in addition to the veterans of World War II, the  
13 veterans of World War I and the Korean and Vietnam conflicts.  
14 The program is administered by the department of education and  
15 its purpose is to award honorary high school diplomas to  
16 honorably discharged veterans who are residents or former  
17 residents of the state and who left high school prior to  
18 graduation to enter U.S. military service. Diplomas may be  
19 issued posthumously. This provision takes effect upon  
20 enactment.

21 Division IV also permanently eliminates the community  
22 college vocational-technical technology improvement program.

23 Division IV takes effect July 1, 2002, except where  
24 otherwise provided.

25 DIVISION V - This division of this bill makes  
26 appropriations for the 2002-2003 fiscal year to the department  
27 for the blind, the Iowa state civil rights commission, the  
28 state commission of veterans affairs, the governor's office of  
29 drug control policy, and the departments of elder affairs,  
30 public health, and human rights.

31 Division V includes authority for the Iowa department of  
32 public health to retain fees as necessary, to reduce the  
33 number of days necessary to process medical license requests  
34 and to consider malpractice cases. These fees are collected  
35 pursuant to Code section 147.80 by the board of medical

1 examiners in the fiscal year beginning July 1, 2002, and  
2 ending June 30, 2003.

3 Division V further provides that the Iowa veterans home  
4 shall operate with a net state general fund appropriation, and  
5 that general fund moneys may be used for cash flow management  
6 purposes.

7 Division V extends the vital records modernization project  
8 to June 30, 2003, and the scope of practice review project to  
9 July 1, 2003.

10 Division V provides that the department for the blind, the  
11 Iowa state civil rights commission, the department of elder  
12 affairs, the Iowa department of public health, the department  
13 of human rights, the governor's office of drug control policy,  
14 and the commission of veterans affairs shall submit a report  
15 to the chairpersons and ranking members of the joint  
16 appropriations subcommittee on health and human rights  
17 providing all management to staff ratios of all funded  
18 positions as of January 13, 2003.

19 Division V further provides for the aforementioned agencies  
20 to develop program performance budget measures to include, but  
21 not be limited to, the development and tracking of demand,  
22 workload, productivity, and effectiveness performance  
23 indicators for each program, including minority and gender-  
24 based programs.

25 Division V repeals the community grant fund.

26 Division V takes effect July 1, 2002.

27 DIVISION VI - This division of this bill makes  
28 appropriations for the 2002-2003 fiscal year for the  
29 department of human services and includes other appropriations  
30 and provisions involving human services and health care.

31 In new Code section 249A.20A, the division requires that  
32 beginning October 1, 2002, all licensed nursing facilities are  
33 to be certified under both the federal Medicare program and  
34 the medical assistance program as a condition for  
35 participation in the medical assistance program. The division

1 directs the department, in consultation with nursing facility  
2 provider organizations to adopt rules to establish criteria  
3 for individual exceptions to the dual certification  
4 requirement.

5 Division VI amends Code section 252B.4 to increase the  
6 application fee for nonpublic assistance clients of the child  
7 support recovery unit from \$5 to \$25.

8 Division VI addresses the county mental health, mental  
9 retardation, and developmental disabilities allowed growth  
10 factor adjustment. Under Code section 331.439, the statute  
11 establishing the adjustment must be enacted during the fiscal  
12 year in progress two years prior to the fiscal year to which  
13 the adjustment is applicable. The division amends the  
14 adjustment previously enacted during the 2001 legislative  
15 session for fiscal year 2002-2003.

16 Under 2001 Iowa Acts, chapter 176, the growth factor  
17 adjustment for fiscal year 2002-2003 was to be distributed by  
18 law in lieu of the distribution formula in Code sections  
19 331.438 and 331.439. The division provides allocation amounts  
20 to be used for calculating preliminary distribution amounts in  
21 accordance with statutory formulas. After a preliminary  
22 amount is determined using the formulas, a withholding amount  
23 is applied, based upon a county's MH/DD community services  
24 fund balance at the close of the previous fiscal year. A  
25 county must comply with a financial reporting deadline.

26 Division VI also provides that moneys appropriated from  
27 various sources to the medical assistance program for fiscal  
28 year 2001-2002 and fiscal year 2002-2003 that are in excess of  
29 actual expenditures are to be transferred to the senior living  
30 trust fund as repayment of amounts not otherwise repaid.

31 Division VI takes effect July 1, 2002, except for various  
32 provisions that take effect upon enactment.

33 DIVISION VII - This division of this bill makes  
34 appropriations for fiscal year 2002-2003 from the general fund  
35 of the state to the departments of justice, corrections,

1 public defense, and public safety, Iowa law enforcement  
2 academy, office of the state public defender, Iowa  
3 telecommunications and technology commission, and the board of  
4 parole.

5 Division VII creates new Code section 99D.14A which  
6 provides that a licensee for pari-mutuel wagering shall pay  
7 all the salary costs and direct and indirect support costs  
8 which exceed \$30,000 incurred by the division of criminal  
9 investigations for the enforcement of laws pertaining to pari-  
10 mutuel wagering. Under current law, a licensee pays 80  
11 percent of the salary costs of the division of criminal  
12 investigations, and that money is deposited into the rebuild  
13 Iowa infrastructure fund. The division provides that 20  
14 percent of the salary costs shall be deposited into the  
15 general fund of the state.

16 Division VII creates new Code section 99F.10A which  
17 provides that an excursion boat licensee shall pay all the  
18 salary costs and direct and indirect support costs which  
19 exceed \$125,000 incurred by special agents and all the salary  
20 costs for gaming enforcement personnel of the division of  
21 criminal investigations for the enforcement pertaining to  
22 excursion boats. Under current law, a licensee pays a total  
23 of 80 percent of the salary costs of the special agents and 80  
24 percent of the salary costs of gaming enforcement personnel of  
25 the division of criminal investigations, and the moneys are  
26 then deposited into the rebuild Iowa infrastructure fund. The  
27 division provides that 20 percent of the salary costs shall be  
28 deposited into the general fund of the state.

29 Division VII permits the director of the department of  
30 corrections to transfer moneys from Iowa prison industries for  
31 use in inmate educational programs.

32 Division VII eliminates certain restrictions placed on drug  
33 courts established during the 2001-2002 state fiscal year in  
34 2001 Iowa Acts, chapter 186, section 6, subsection 6. The  
35 restrictions eliminated by the division require drug courts to

1 be offered only to persons who have been convicted of a crime  
2 and to give priority to felons over misdemeanants. This  
3 section of division VII takes effect upon enactment.

4 Division VII amends 2001 Iowa Acts, chapter 186, section  
5 21, by providing that any unobligated moneys appropriated to  
6 the state fire marshal for fire protection services do not  
7 revert to the general fund until the end of fiscal year 2002-  
8 2003. This section of division VII takes effect upon  
9 enactment.

10 Division VII takes effect July 1, 2002, except as otherwise  
11 provided.

12 DIVISION VIII - This division of this bill makes  
13 appropriations for the 2002-2003 fiscal year to the judicial  
14 branch.

15 Division VIII includes a reduction in the percentage of the  
16 state's contribution to the judicial retirement fund for FY  
17 2002-2003.

18 Division VIII eliminates the requirements that moneys be  
19 paid out of the enhanced court collections fund for  
20 implementation of the justice data warehouse if sufficient  
21 moneys are not made available to the justice data warehouse.

22 Division VIII creates a study committee in the supreme  
23 court to review the operation of the clerks of the district  
24 court in each county and, until the study committee report is  
25 submitted, prohibits appointment of a clerk of court unless  
26 the appointment is approved by the state court administrator.

27 Division VIII takes effect July 1, 2002.

28 DIVISION IX - This division of this bill reduces certain  
29 standing appropriations presently in the Code by specific  
30 dollar amounts. These standing appropriations are: the  
31 general assembly and its agencies and the state appeal board.

32 Division IX also limits standing appropriations presently  
33 in the Code to specific dollar amounts. These standing  
34 appropriations are: personal property tax replacement;  
35 franchise tax allocation; payment of livestock production

1 credit refunds; and reimbursements for homestead credits,  
2 agricultural land tax credit, family farm tax credit, and for  
3 the elderly and disabled tax credit and renter's  
4 reimbursement; and public transit assistance.

5 Division IX transfers moneys from other funds to the  
6 general fund of the state. These funds are the vehicle fleet  
7 depreciation, groundwater protection, jury and witness fees,  
8 rebuild Iowa infrastructure, and environment first funds and  
9 the endowment for Iowa's health account. The division also  
10 appropriates additional funds to the medical assistance  
11 program from the senior living trust fund.

12 Division IX takes effect July 1, 2002.

13 Division X - This division of this bill relates to  
14 appropriations and transfers from the school infrastructure  
15 fund, county sales and services tax fund, rebuild Iowa  
16 infrastructure fund, and the environment first fund. The  
17 sections of the division relating to the school infrastructure  
18 and county sales and services tax fund do not take effect  
19 unless the treasurer of state determines that the  
20 appropriation from the school infrastructure fund will not  
21 adversely affect the tax-exempt status of any outstanding  
22 bonds issued for the school infrastructure program. These  
23 sections include an appropriation from the school  
24 infrastructure fund to the department of revenue and finance  
25 for replacement of county sales and services tax revenues that  
26 are transferred to the general fund of the state.

27 The remainder of division X reduces previously enacted  
28 appropriations from the rebuild Iowa infrastructure fund and  
29 the environment first fund. The division provides legislative  
30 intent for funding of lake dredging projects. The division  
31 also modifies the purposes for which moneys appropriated from  
32 the environment first fund to the Iowa resources enhancement  
33 and protection fund may be used.

34 Division X takes effect July 1, 2002, except as otherwise  
35 provided.

1 DIVISION XI - This division of this bill relates to vacant  
2 state employee positions, printed documents, creation of a  
3 program elimination commission, and employee furloughs.

4 Division XI requires that effective July 1, 2002, any full-  
5 time equivalent position authorized in an executive branch  
6 table of organization that has been vacant for 12 months or  
7 more shall be eliminated from that table of organization.

8 For fiscal year 2002-2003, unless specifically authorized  
9 by a collective bargaining agreement, an executive or judicial  
10 branch agency is prohibited from providing an employee with a  
11 subsidy or reimbursement for a class or other course of study  
12 leading to an advanced degree.

13 For fiscal year 2002-2003, the bill suspends requirements  
14 in law or rule that would otherwise require the executive or  
15 judicial branches to issue reports, minutes, and other  
16 documents of an informational nature in printed form.

17 However, such documents must be provided in printed form upon  
18 request and, if possible, are required to be made available by  
19 internet posting, electronic mail, or other electronic means  
20 in lieu of printed form.

21 Division XI establishes a program elimination commission to  
22 include the auditor of state with other members to be  
23 appointed by legislative leaders, the governor, the chief  
24 justice of the supreme court, and the legislative council.  
25 The commission is directed to consider options for elimination  
26 of programs and functions funded in whole or part by state or  
27 local public revenues with the goal of identifying savings of  
28 2 percent for the general fund. In addition, the commission  
29 is required to consider sale of public assets or providing for  
30 performance of public functions on behalf of government by  
31 nongovernmental entities, with various functions identified  
32 for consideration.

33 The commission must issue its report by December 31, 2002,  
34 providing recommendations and findings. The recommendations  
35 are required to be prepared in bill form. Legislative intent

1 is stated for the commission's bill to be referred to  
2 committees on state government of the senate and house of  
3 representatives and that the bill be subject to debate  
4 according to procedures that only allow amendments of a purely  
5 corrective nature that are recommended by a committee on state  
6 government. Unless continued by the legislative council or by  
7 law, the commission is dissolved on December 31, 2002.

8 Division XI makes reductions in the judicial, executive,  
9 and legislative branches by requiring furloughs or other cost  
10 reductions equal to the furlough cost savings of a one-half-  
11 day furlough per employee per calendar month. Executive and  
12 judicial branch officials and legislators whose salaries are  
13 specifically set by law are subject to a 2.5 percent reduction  
14 in salary for the period beginning June 21, 2002, through June  
15 19, 2003.

16 Division XI also adjusts the appropriations from the  
17 general fund of the state and the tobacco settlement trust  
18 account for tuition replacement, debt service for the Iowa  
19 communications network, and prison infrastructure bonds for  
20 the 2001-2002 fiscal year and the 2002-2003 fiscal year.

21 Division XI increases from \$3 million to \$4.2 million the  
22 total amount of accelerated career education program job  
23 credits for all employers during the 2002-2003 fiscal year.  
24 The new jobs tax credits under the individual and corporate  
25 income taxes are limited to those Code chapter 260E agreements  
26 finalized prior to July 1, 2002.

27 Division XI takes effect July 1, 2002, except for the  
28 provisions applying operational reductions to executive,  
29 judicial, and legislative branches of state government, which  
30 take effect June 21, 2002.

31 DIVISION XII - This division of this bill relates to state  
32 government authority by providing for correction and  
33 reenactment of statutes including penalty provisions.

34 The amendments to Code sections 16.131, 16.132, and 456A.17  
35 relate to the changing of the name of the department of



1 natural resources' Iowa sewage treatment and drinking water  
2 facilities financing program to the Iowa water pollution  
3 control and drinking water facilities financing program and  
4 other changes to the program enacted in 2002 Iowa Acts, Senate  
5 File 2145.

6 The amendment in 2002 Iowa Acts, House File 2623, to Code  
7 section 124.401A, relating to enhanced penalties for  
8 distribution of controlled substances in proximity to schools  
9 and other public facilities involving children and applying  
10 the same penalties for manufacturing with intent to  
11 distribute, is reenacted.

12 The amendment in 2002 Iowa Acts, House File 2623, striking  
13 Code section 124.409, subsection 1, which eliminates the  
14 authority of the court to order probation in certain  
15 controlled substance possession or accommodation cases, is  
16 reenacted.

17 Code section 225C.5, relating to the membership of the  
18 mental health and developmental disabilities commission, as  
19 amended by 2002 Iowa Acts, House File 2430, is amended to  
20 eliminate superfluous language.

21 Under 2002 Iowa Acts, Senate File 2325, the state citizen  
22 foster care review board name was changed to the child  
23 advocacy board and the membership was expanded to include a  
24 judicial branch employee or judicial officer appointed from  
25 nominees submitted by the judicial branch. Code section  
26 237.16, subsection 3, which provides that an employee of the  
27 district court is ineligible for membership on the board, is  
28 amended to provide eligibility for the judicial branch  
29 employee or judicial officer appointed from nominees submitted  
30 by the judicial branch.

31 Code section 321J.22, as amended by 2002 Iowa Acts, House  
32 File 2515, is amended to specify that the driver's education  
33 expenses defrayed by the authorized fees are the expenses of  
34 the department of education.

35 Code section 455B.133, subsection 10, in 2002 Iowa Acts,

1 Senate File 2325, relating to a controlled burn of a  
2 demolished building, is amended to complete a reference to  
3 "particulate matter".

4 The amendment in 2002 Iowa Acts, House File 2363, to Code  
5 section 724.26, relating to possession of a firearm by a  
6 convicted felon, that makes a technical correction, is  
7 reenacted.

8 A provision in 2002 Iowa Acts, House File 2615, providing  
9 for nonreversion of an appropriation for implementation of the  
10 federal Health Insurance Portability and Accountability Act,  
11 is amended to correct a date reference for the fiscal year.

12 A provision of 2002 Iowa Acts, House File 2623, relating to  
13 an effective date for a provision providing for group foster  
14 care budget targets, is amended to include omitted language.  
15 This provision takes effect upon enactment.

16 Division XII repeals two provisions of 2002 Iowa Acts,  
17 Senate File 2275, generally referred to as the "Code editor's  
18 bill", that were affected by other substantive legislation  
19 passed in the 2002 legislative session, namely House File  
20 2416, section 10 and Senate File 2279, section 24. The  
21 provisions repealed relate to certificate of need and a  
22 reference to a county mutual insurance association.

23 Division XII amends provisions in 2002 Iowa Acts, Senate  
24 File 2293, that provide for the regulation of animal feeding  
25 operations by the department of natural resources under Code  
26 chapter 455B, division III, part 1, subpart B, including new  
27 Code section 455B.127 that establishes an animal agriculture  
28 compliance fund to pay for the expenses of the department in  
29 administering and enforcing provisions relating to animal  
30 agriculture. This division amends an internal reference in  
31 2002 Iowa Acts, Senate File 2293, that incorrectly provides  
32 that the provisions affecting animal agriculture are located  
33 in subpart A.

34 Division XII amends a provision in Code section 455B.161 as  
35 amended in Senate File 2293 that refers to a definition of

1 "spray irrigation equipment". The same definition is provided  
2 in Code section 455B.171. 2002 Iowa Acts, Senate File 2293,  
3 directs the Code editor to consolidate and transfer provisions  
4 in Code chapter 455B into a new Code chapter. This division  
5 strikes the definition of "spray irrigation equipment" in Code  
6 section 455B.161 because it will be duplicative once the  
7 provisions are consolidated and transferred into the new Code  
8 chapter. For the same reason the division eliminates a  
9 reference to "earthen manure storage basin" defined in section  
10 455B.171. The amendment in 2002 Iowa Acts, Senate File 2293,  
11 amending Code section 455B.200, relating to the authority of  
12 the department of natural resources and the attorney general's  
13 office to enforce the provisions of the bill after they are  
14 transferred to a new Code chapter, strikes a reference to the  
15 term "section", and substitutes the term "chapter".

16 The amendment in 2002 Iowa Acts, Senate File 2293, amending  
17 Code section 455B.200A, relating to the approval of  
18 construction permits for confinement feeding operation  
19 structures is amended by adding the term "structure" in order  
20 to be consistent with the other provisions of the Code  
21 section.

22 The amendments in 2002 Iowa Acts, Senate File 2293,  
23 amending Code section 455B.200B, restricting the construction  
24 of confinement feeding operation structures on floodplains is  
25 amended by adding the term "structure" in order to be  
26 consistent with the other provisions of the Code section. The  
27 amendment also corrects an internal reference.

28 The amendments in 2002 Iowa Acts, Senate File 2293,  
29 enacting Code section 455B.200C, requiring that a construction  
30 design statement must be filed by a person responsible for  
31 constructing formed manure storage structures, is amended by  
32 substituting the term "contractor" with "person responsible  
33 for constructing the formed manure storage structure" in order  
34 to be consistent with the other provisions of the Code  
35 section.

1 The amendments in 2002 Iowa Acts, Senate File 2293,  
2 enacting Code section 455B.200E, providing for the use of a  
3 master matrix by county boards of supervisors in evaluating  
4 construction permit applications, is amended by striking  
5 superfluous language.

6 The amendments in 2002 Iowa Acts, Senate File 2293,  
7 amending Code section 455B.203, providing for manure  
8 management plans filed with a construction permit application,  
9 is amended by specifically referring to the application.

10 The amendments in 2002 Iowa Acts, Senate File 2293,  
11 amending Code section 455B.203, providing for a phased-in  
12 implementation schedule for the submission of manure  
13 management plans containing a phosphorus index, is amended by  
14 correcting an internal reference.

15 The amendments in 2002 Iowa Acts, Senate File 2293,  
16 enacting section 66 of the Act, repealing the interim process  
17 for a county board of supervisors to participate in the  
18 approval of construction permit applications and the rights of  
19 a board or applicant to contest a departmental decision, is  
20 amended by specifically referring to applications, and  
21 clarifying that the provisions relate to the rights of  
22 applicants and boards of supervisors.

23 Division XII provides limited discretion to the Code editor  
24 to complete the transfer of provisions in Code chapter 455B as  
25 amended in 2002 Iowa Acts, Senate File 2293, in order to  
26 enhance the provisions' readability. This is the same general  
27 discretion that the Code editor has under Code section 2B.13.  
28 The division also directs the Code editor to publish the  
29 provisions of 2002 Iowa Acts, Senate File 2293, in the 2003  
30 Code, but does not change the effective dates of provisions  
31 that are delayed until March 1, 2003.

32 The amendments in 2002 Iowa Acts, Senate File 2293,  
33 enacting section 70 of the Act, providing for the retroactive  
34 application of provisions affecting construction permits, is  
35 amended by correcting an internal reference and substituting

1 the term "enactment" for "effective date" due to the various  
2 effective dates provided in the Act.

3 DIVISION XIII - This division of this bill creates an Iowa  
4 medical assistance drug utilization review commission within  
5 the department of human services. The membership, duties, and  
6 related provisions are to comply with federal regulations.  
7 The commission is charged with making recommendations to the  
8 council on human services regarding strategies to reduce state  
9 expenditures for prescription drugs, excluding provider  
10 reimbursement rates, under the medical assistance program.  
11 The commission is directed to make initial recommendations by  
12 October 1, 2002. Any recommendation approved by the council  
13 on human services is to be included in a notice of intended  
14 action under Code chapter 17A. The division directs the  
15 department of human services to seek any federal waiver  
16 necessary to implement the approved recommendations. The  
17 strategies to be considered for recommendation by the  
18 commission are to include, at a minimum, development of a  
19 preferred drug formulary in compliance with federal law,  
20 negotiation of supplemental rebates from pharmaceutical  
21 manufacturers in addition to those rebates provided under the  
22 Medicaid program, disease management programs, drug product  
23 donation programs, drug utilization control programs,  
24 prescriber and beneficiary counseling and education, fraud and  
25 abuse initiatives, pharmaceutical case management, services or  
26 administrative investments with guaranteed savings to the  
27 medical assistance program, expansion of prior authorization  
28 for prescription drugs and pharmaceutical case management  
29 under the medical assistance program, and any other strategy  
30 that has been approved by the United States department of  
31 health and human services regarding prescription drugs under  
32 the medical assistance program. The division provides  
33 transition provisions, emergency rulemaking provisions, and  
34 takes effect upon enactment.

35

1 Amend House File 2627 as follows:

2 1. Page 164, by inserting after line 2 the  
3 following:

4 "Sec. \_\_\_\_ . BUDGET PRACTICES BOARD.

5 1. A budget practices board shall be established  
6 by the executive council to determine methodologies to  
7 prevent future state general fund budget crises. The  
8 specific duties of the board shall include, but are  
9 not limited to, the following:

10 a. Determining the causes of the present general  
11 fund budget difficulties.

12 b. Answering why the revenue estimating conference  
13 was unable to predict the drastic decrease in state  
14 revenues which has occurred.

15 c. Determining what and whether different  
16 budgeting practices could have prevented the budget  
17 difficulties.

18 d. Determining what methodologies or changes in  
19 the Iowa statutes need to be enacted in order to  
20 prevent future budget difficulties.

21 2. The board shall consist of ten members,  
22 appointed as follows:

23 a. Two members by the speaker of the house of  
24 representatives.

25 b. Two members by the minority leader of the house  
26 of representatives.

27 c. Two members by the president of the senate.

28 d. Two members by the minority leader of the  
29 senate.

30 e. Two members by the governor of which one is a  
31 democrat and one is a republican.

32 The board shall be gender balanced. The members of  
33 the board shall not receive compensation, except for  
34 necessary and reasonable expenses.

35 3. The board may meet as often as it deems  
36 necessary to complete its work. The board is  
37 authorized to continue meeting until the end of the  
38 regular legislative session which begins in January  
39 2003, or until such longer time or shorter time as  
40 further authorized in a bill passed by the general  
41 assembly and signed by the governor.

42 4. The board shall report its findings to the  
43 speaker of the house of representatives, the minority  
44 leader of the house of representatives, the president  
45 of the senate, the minority leader of the senate and  
46 the executive council by January 1, 2003, with its  
47 recommendations. All recommendations receiving at  
48 least fifty percent of the vote of the total members  
49 of the board shall be reported. The board shall have  
50 cochairpersons, one member from each political party,

1 who shall be elected upon the vote of the membership  
2 of the board."

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KREIMAN of Davis

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5/28/02*

*B7*

HOUSE FILE 2627

H 8707 MAY 28 2002 ✓

- 1 Amend House File 2627 as follows:  
2 1. Page 165, by striking lines 14 through 23.  
3 2. By renumbering as necessary.  
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MURPHY of Dubuque

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5/28/02*

1 Amend House File 2627 as follows:

2 1. Page 37, line 6, by striking the figure  
3 "2,384,063" and inserting the following: "4,734,063".

4 2. Page 38, line 20, by striking the figure  
5 "245,463" and inserting the following: "485,463".

6 3. Page 39, line 16, by striking the figure  
7 "352,889" and inserting the following: "702,889".

8 4. Page 45, by inserting after line 11 the  
9 following:

10 "Sec. \_\_\_\_ . DEPARTMENT OF EDUCATION. There is  
11 appropriated from the general fund of the state to the  
12 department of education for the fiscal year beginning  
13 July 1, 2002, and ending June 30, 2003, the following  
14 amount, or so much thereof as is necessary, to be used  
15 for the purpose designated:

16 To assist the future farmers of America  
17 organization:

18 ..... \$ 43,366"

19 5. Page 45, line 27, by striking the figures "2,  
20 3," and inserting the following: "3".

21 6. Page 45, by striking lines 28 through 34.

22 7. By striking page 49, line 30 through page 50,  
23 line 2.

24 8. Page 50, by striking lines 3 and 4.

25 9. Page 78, line 14, by striking the figure  
26 "380,907,073" and inserting the following:

27 "384,907,073".

28 10. Page 87, line 25, by striking the figure  
29 "98,144,163" and inserting the following:

30 "100,351,905".

31 11. Page 108, by striking lines 2 through 14.

32 12. Page 120, by inserting after line 22, the  
33 following:

34 "Sec. \_\_\_\_ . Section 249A.9, if enacted by 2002 Iowa  
35 Acts, Second Extraordinary Session, House File 2625,  
36 is repealed."

37 13. Page 121, by inserting after line 12 the  
38 following:

39 "g. The provision repealing section 249A.9, if  
40 enacted in 2002 Iowa Acts, Second Extraordinary  
41 Session, House File 2625."

42 14. Page 141, line 2, by striking the figure  
43 "12,050,565" and inserting the following:

44 "12,618,393".

45 15. Page 142, line 3, by striking the figure  
46 "3,392,889" and inserting the following: "3,552,763".

47 16. Page 142, line 31, by striking the figure  
48 "37,019,624" and inserting the following:

49 "37,769,240".

50 17. By striking page 150, line 24, through page



1 152, line 3.  
 2 18. Page 152, by striking lines 23 through 32.  
 3 19. By striking page 156, line 20, through page  
 4 157, line 5.  
 5 20. By striking page 158, line 27 through page  
 6 159, line 4.  
 7 21. Page 159, by striking lines 26 through 33.  
 8 22. By striking page 160, line 32 through page  
 9 161, line 7 and inserting the following: "ending June  
 10 30, 2003, the following amount, to be allocated as  
 11 provided in section 455A.19:  
 12 ..... \$ ~~10,000,000~~  
 13 5,000,000"

14 23. Page 181, by inserting after line 5 the  
 15 following:  
 16 "DIVISION  
 17 FUND RESTORATION  
 18 Sec. \_\_\_\_ . Section 455G.3, Code Supplement 2001, is  
 19 amended by adding the following new subsections:  
 20 NEW SUBSECTION. 7. There is appropriated from the  
 21 funds administered by the board to the following funds  
 22 for the fiscal year beginning July 1, 2002, and ending  
 23 June 30, 2003, the following amounts as specified:  
 24 a. To the rebuild Iowa infrastructure fund:  
 25 ..... \$ 9,370,600  
 26 b. To the environment first fund:  
 27 ..... \$ 9,500,000  
 28 c. To the general fund of the state:  
 29 ..... \$ 17,903,369

30 This subsection is repealed effective July 1, 2004.  
 31 NEW SUBSECTION. 8. Notwithstanding other  
 32 limitations of this chapter, the board may transfer  
 33 moneys without limitation between the different  
 34 accounts and funds authorized by this chapter as  
 35 determined by the board and to fulfill the purposes of  
 36 this chapter. This subsection is repealed effective  
 37 July 1, 2004.

38 Sec. \_\_\_\_ . Section 455G.6, Code 2001, is amended by  
 39 adding the following new subsection:  
 40 NEW SUBSECTION. 17. Not later than October 31,  
 41 2002, the board shall enter into a loss portfolio  
 42 transfer agreement, to be implemented not later than  
 43 December 31, 2002, with the restructured insurance  
 44 board authorized in section 455G.11, subsection 1,  
 45 paragraph "c", for the payment of claims for  
 46 corrective action associated with releases at sites  
 47 which are insured at the time of the transfer by the  
 48 restructured insurance board subject to the following  
 49 conditions:  
 50 a. The value of the transfer shall be determined

1 by mutual agreement of persons representing the board,  
2 the restructured insurance board authorized in section  
3 455G.11, subsection 1, paragraph "c", and a third  
4 party designated and agreed to by the board and the  
5 restructured insurance board. The amount transferred  
6 shall be adequate to address all claim costs for  
7 corrective action, fees, taxes, risk costs incurred by  
8 the transferee, administration expenses associated  
9 with the transferred claims, and other costs as  
10 mutually agreed to by the parties.

11 b. The transfer shall address payments to eligible  
12 claimants as determined by the board prior to the  
13 transfer.

14 c. The transfer shall coincide with the transfer  
15 of liabilities subject to the following, unless the  
16 parties mutually agree otherwise:

17 (1) The lesser of twenty-five percent of the  
18 agreed upon value or twenty million dollars, to be  
19 transferred at the time of implementation of the  
20 agreement, but not later than December 31, 2002,  
21 unless another date is mutually agreed to by the  
22 parties.

23 (2) Fifty percent of the remaining amount to be  
24 transferred by July 1, 2003.

25 (3) Any remaining amount to be transferred by July  
26 1, 2004.

27 d. The transferee shall be responsible for all  
28 claim costs for corrective action, fees, and taxes  
29 associated with each claim transferred.

30 e. Claims for releases at sites that are not  
31 insured by the transferee may be included in the  
32 agreement entered into pursuant to this subsection or  
33 subsequent agreements if agreed to by the board and  
34 the restructured insurance board.

35 Sec. \_\_\_\_ . EFFECTIVE DATE. This division of this  
36 Act takes effect July 1, 2002."

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40 MURPHY of Dubuque

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*Lost  
5/28/02*

1 Amend House File 2627 as follows:

2 1. Page 37, line 6, by striking the figure  
3 "2,384,063" and inserting the following: "4,734,063".

4 2. Page 38, line 20, by striking the figure  
5 "245,463" and inserting the following: "485,463".

6 3. Page 39, line 16, by striking the figure  
7 "352,889" and inserting the following: "702,889".

8 4. Page 45, by inserting after line 11 the  
9 following:

10 "Sec. \_\_\_\_ . DEPARTMENT OF EDUCATION. There is  
11 appropriated from the general fund of the state to the  
12 department of education for the fiscal year beginning  
13 July 1, 2002, and ending June 30, 2003, the following  
14 amount, or so much thereof as is necessary, to be used  
15 for the purpose designated:

16 To assist the future farmers of America  
17 organization:

18 ..... \$ 43,366"

19 5. Page 45, by striking lines 12 through 16.  
20 6. Page 45, line 27, by striking the figures "2,  
21 3," and inserting the following: "3".

22 7. Page 45, by striking lines 28 through 34.

23 8. By striking page 49, line 30 through page 50,  
24 line 2.

25 9. Page 50, by striking lines 3 and 4.

26 10. Page 61, by inserting after line 2, the  
27 following:

28 "7A. COMMUNITY GRANT FUND.

29 For the community grant fund established in section  
30 232.190, to be used for the purposes of the community  
31 grant fund and for not more than the following full-  
32 time equivalent position:

33 ..... \$ 593,109  
34 ..... FTEs 0.75"

35 11. Page 61, line 17, by striking the figure  
36 "192,792" and inserting the following: "196,727".

37 12. Page 65, by striking line 28.

38 13. Page 78, line 14, by striking the figure  
39 "380,907,073" and inserting the following:

40 "384,907,073".

41 14. Page 87, line 25, by striking the figure  
42 "98,144,163" and inserting the following:

43 "100,351,905".

44 15. Page 108, by striking lines 2 through 14.

45 16. Page 120, by inserting after line 22, the  
46 following:

47 "Sec. \_\_\_\_ . Section 249A.9, if enacted by 2002 Iowa  
48 Acts, Second Extraordinary Session, House File 2625,  
49 is repealed."

50 17. Page 121, by inserting after line 12 the

1 following:

2 "g. The provision repealing section 249A.9, if  
3 enacted in 2002 Iowa Acts, Second Extraordinary  
4 Session, House File 2625."

5 18. Page 141, line 2, by striking the figure  
6 "12,050,565" and inserting the following:  
7 "12,618,393".

8 19. Page 142, line 3, by striking the figure  
9 "3,392,889" and inserting the following: "3,552,763".

10 20. Page 142, line 31, by striking the figure  
11 "37,019,624" and inserting the following:  
12 "37,769,240".

13 21. By striking page 150, line 24, through page  
14 152, line 3.

15 22. Page 152, by striking lines 23 through 32.

16 23. By striking page 156, line 20, through page  
17 157, line 5.

18 24. By striking page 158, line 27 through page  
19 159, line 4.

20 25. Page 159, by striking lines 16 and 17 and  
21 inserting the following:

22 "..... \$ 750,000  
23 500,000"

24 26. Page 159, by striking lines 26 through 33.

25 27. Page 161, by striking lines 6 and 7 and  
26 inserting the following:

27 "..... \$ ~~10,000,000~~  
28 5,000,000"

29 28. Page 161, by inserting after line 24 the  
30 following:

31 "DIVISION  
32 TRANSPORTATION

33 Sec. \_\_\_\_\_. There is appropriated from the general  
34 fund of the state to the state department of  
35 transportation for the fiscal year beginning July 1,  
36 2002, and ending June 30, 2003, the following amounts,  
37 or so much thereof as is necessary, to be used for the  
38 purposes designated:

39 1. For the operation and maintenance of the  
40 network of automated weather observation and data  
41 transfer systems associated with the Iowa aviation  
42 weather system:

43 ..... \$ 110,000

44 2. For the runway marking program for public  
45 airports:

46 ..... \$ 100,000

47 3. For the windsock program for public airports:

48 ..... \$ 12,000

49 4. For the aviation improvement program:

50 ..... \$ 278,000

1 Sec. \_\_\_\_ . EFFECTIVE DATE. This division of this  
2 Act takes effect July 1, 2002."

3 29. Page 181, by inserting after line 5 the  
4 following:

5 "DIVISION  
6 FUND RESTORATION

7 Sec. \_\_\_\_ . Section 455G.3, Code Supplement 2001, is  
8 amended by adding the following new subsections:

9 NEW SUBSECTION. 7. There is appropriated from the  
10 funds administered by the board to the following funds  
11 for the fiscal year beginning July 1, 2002, and ending  
12 June 30, 2003, the following amounts as specified:

- 13 a. To the rebuild Iowa infrastructure fund:  
14 ..... \$ 9,370,600  
15 b. To the environment first fund:  
16 ..... \$ 10,000,000  
17 c. To the general fund of the state:  
18 ..... \$ 19,225,071

19 This subsection is repealed effective July 1, 2004.

20 NEW SUBSECTION. 8. Notwithstanding other  
21 limitations of this chapter, the board may transfer  
22 moneys without limitation between the different  
23 accounts and funds authorized by this chapter as  
24 determined by the board and to fulfill the purposes of  
25 this chapter. This subsection is repealed effective  
26 July 1, 2004.

27 Sec. \_\_\_\_ . Section 455G.6, Code 2001, is amended by  
28 adding the following new subsection:

29 NEW SUBSECTION. 17. Not later than October 31,  
30 2002, the board shall enter into a loss portfolio  
31 transfer agreement, to be implemented not later than  
32 December 31, 2002, with the restructured insurance  
33 board authorized in section 455G.11, subsection 1,  
34 paragraph "c", for the payment of claims for  
35 corrective action associated with releases at sites  
36 which are insured at the time of the transfer by the  
37 restructured insurance board subject to the following  
38 conditions:

39 a. The value of the transfer shall be determined  
40 by mutual agreement of persons representing the board,  
41 the restructured insurance board authorized in section  
42 455G.11, subsection 1, paragraph "c", and a third  
43 party designated and agreed to by the board and the  
44 restructured insurance board. The amount transferred  
45 shall be adequate to address all claim costs for  
46 corrective action, fees, taxes, risk costs incurred by  
47 the transferee, administration expenses associated  
48 with the transferred claims, and other costs as  
49 mutually agreed to by the parties.

50 b. The transfer shall address payments to eligible

1 claimants as determined by the board prior to the  
2 transfer.

3 c. The transfer shall coincide with the transfer  
4 of liabilities subject to the following, unless the  
5 parties mutually agree otherwise:

6 (1) The lesser of twenty-five percent of the  
7 agreed upon value or twenty million dollars, to be  
8 transferred at the time of implementation of the  
9 agreement, but not later than December 31, 2002,  
10 unless another date is mutually agreed to by the  
11 parties.

12 (2) Fifty percent of the remaining amount to be  
13 transferred by July 1, 2003.

14 (3) Any remaining amount to be transferred by July  
15 1, 2004.

16 d. The transferee shall be responsible for all  
17 claim costs for corrective action, fees, and taxes  
18 associated with each claim transferred.

19 e. Claims for releases at sites that are not  
20 insured by the transferee may be included in the  
21 agreement entered into pursuant to this subsection or  
22 subsequent agreements if agreed to by the board and  
23 the restructured insurance board.

24 Sec. \_\_\_\_ . EFFECTIVE DATE. This division of this  
25 Act takes effect July 1, 2002."

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29 MATT McCOY

30 JOHN P. KIBBIE

31 DENNIS H. BLACK

32 STEVEN D. HANSEN

33 WALLY E. HORN

34 DICK L. DEARDEN

35 EUGENE S. FRAISE

36 PATRICK J. DELUHERY

37 JACK HOLVECK

38 JOE BOLKCOM

39 THOMAS FIEGEN

40 MARK SHEARER

41 AMANDA RAGAN

42 ROBERT E. DVORSKY

43 JOHNIE HAMMOND

44 BETTY A. SOUKUP

45 BILL FINK

46 MIKE CONNOLLY

47 MICHAEL E. GRONSTAL

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*lost  
5/28/02  
(P. 1249)*



Item Veto

THOMAS J. VILSACK  
GOVERNOR

OFFICE OF THE GOVERNOR

June 12, 2002

SALLY J. PEDERSON  
LT. GOVERNOR

The Honorable Chester Culver  
Secretary of State  
State Capitol  
LOCAL

Dear Secretary Culver:

I hereby transmit House File 2627, an act addressing public funding provisions and properly related matters by making, reducing, and transferring appropriations, adjusting other expenditures for the fiscal year beginning July 1, 2002, and including other appropriations, cooperative tax credits, and effective and retroactive applicability date provisions.

With the Revenue Estimating Conference's recent action to decrease general fund resources available to the State by \$212.5 million in fiscal year 2003, I took responsible action in calling a special session to take the necessary steps to balance the budget. I had offered a reasonable alternative plan that would have protected more of the services provided to Iowans. However, the legislative leaders in the majority party rejected my plan. This left me with two options – sign the bill as passed by the legislature or have no budget in place for the new fiscal year that starts in just a few weeks. Clearly, it would be irresponsible to shut down state government. Therefore, I have no alternative but to sign this legislation.

Despite the extraordinary challenge of a national recession, I am pleased that we were successful in our administration's fight to preserve some key priorities of Iowa families, including improving learning by reducing class sizes and increasing teacher quality, and preserving access to health care for our children and senior citizens. I am also pleased to restore \$600,000 to the Enrich Iowa Libraries program. A reduction in funding to this important initiative would stifle the progress this administration has made in improving educational opportunities for Iowa's children.

However, this bill has several provisions which I cannot support. I oppose the Republicans' continuous assault on our senior citizens by attempting to raise prescription drug costs on Iowans in need. I have vetoed their attempt to double the copayments on prescription drugs in the past, and I will do so again. The burdens created for some Iowa families and seniors are simply unacceptable.

House File 2627 is, therefore, signed on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the items designated as Section 3, subsection 7 in its entirety, Section 9, subsection 3 in its entirety, and Section 21, subsection 2 in its entirety. These sections require Commerce, Racing and Gaming and the Lottery to report Accountable

page 2

Government Act activities by January 13, 2003. With the reduction of State employees, this would create an unnecessary requirement. Such reports should be completed per the implementation procedures as set forth in Iowa Code Chapter 8E.

I am unable to approve the items designated as Section 5, subsection 5 in its entirety, Section 13, subsection 2 in its entirety, Section 26, subsection 2 in its entirety, and Section 28 in its entirety. These sections require the Departments of General Services, Personnel and Information Technology to identify duplicative situations within State Government and report by September 1, 2002. Such activities should be conducted on an enterprise wide basis as set forth in Section 11, subsection 3 of the bill.

I am unable to approve the item designated as Section 26, subsection 1 in its entirety. This item requires the Information Technology Department to notify the Department of Management prior to any fee increases. The Department of Management is then to notify the Legislative Fiscal Bureau. The two departments will work cooperatively to examine such fee or rate increases, without the necessity of this legislative mandate.

I am unable to approve the item designated as a portion of Section 30. This would increase the maximum possible award to an employee for a cost saving idea from \$2,500 to \$25,000. While employee suggestions are encouraged and indeed welcomed, the State's current financial situation precludes such an increase.

I am unable to approve the item designated as Section 49, numbered paragraph 3. Last year the Legislature approved and I signed into law the Accountable Government Act. This legislation established a comprehensive, enterprise-wide process for setting program goals and establishing results measurements. This Section would create redundancies in goals and results measurements for the Department of Economic Development.

I am unable to approve the items designated as Section 59, paragraph 2b, Section 60, paragraph 2b and Section 61, paragraph 2b. These sections would require any business or individual receiving benefits from specified Regent programs to have a commercially viable service or product. Many of the proposals and ideas brought to these programs have not been developed to a stage of commercialization. To apply this criteria at such an early stage of development would be contradictory to the very services these programs are designed to provide.

I am unable to approve the item designated as Section 64, numbered paragraph 3. The Department of Workforce Development has identified federal funds that can be used to collect labor market information. Monies from the penalty and interest account can and have been used to support services in the workers' compensation and labor divisions of the Department. The budget cuts sustained by these divisions could have an adverse impact to the safety of Iowa's citizens and its workforce. The director of the Department of Workforce Development currently has the authority to reassign unused penalty and interest funds. We must maintain that flexibility to reallocate dollars when needed to ensure the safety of Iowans.

I am unable to approve the item designated as Section 72. Expenditure information for the executive branch agencies of state government is currently available to the economic development appropriation subcommittee and the Legislative Fiscal Bureau on a daily basis



page 3

through the Iowa Financial and Accounting System. The Legislative Fiscal Bureau also has the authority to request expenditure information from Regent universities. The reporting requirement in this section would duplicate existing data and place an unneeded requirement on limited staff resources.

I am unable to approve the item designated as Section 73. The Department of Workforce Development has begun a multi-phased project to upgrade the electronic unemployment insurance processing system. This upgrade will address the reporting and transmitting problems identified in this section of the bill. I concur that this problem must be addressed; however, the complexity and magnitude of the needed upgrade cannot be accomplished and implemented by July 1, 2002.

I am unable to approve the item designated as a portion of Section 102, subsection 2d. This language requires new reporting every other month to legislators on net budgeting. This section would require additional staff resources at a time when funding for staff has been severely reduced.

I am unable to approve the item designated as Section 106 in its entirety. Last year the Legislature approved and I signed into law the Accountable Government Act. This legislation established a comprehensive, enterprise-wide process for setting program goals and establishing results measurements. This Section would create redundancies in goals and results measurements for these departments.

I am unable to approve the item designated as Section 108 in its entirety. This section would repeal the enabling language for the Community Grant Fund and end the program. Although no money is appropriated for the Community Grant Fund in the coming fiscal year, we should maintain the possibility of funding for this program when more resources are available.

I am unable to approve the item designated as a portion Section 111, subsection 6. This language requires the Department of Human Services to consult with the Welfare Reform Council and legislative members prior to implementing rules related to the Family Investment Program as required by the federal government. This mandated consultation process may unduly delay the rules where federally required.

I am unable to approve the item designated as Section 115, subsection 8 in its entirety. This language continues language from prior years related to the number of beds allowed in a community setting for persons with mental retardation. With the implementation of home and community based waivers, this language is no longer needed.

I am unable to approve the item designated as Section 117, subsection 1 in its entirety. This subsection would require the Department of Human Services to seek input and recommendations from legislative members prior to entering into or extending a managed care contract for mental health and substance abuse services. The process for securing contracts provides that vendors will be evaluated on a specific set of criteria to assure fairness and eliminate potential conflicts of interest. This process includes a period of securing comments without giving the appearance of conflict of interest. Therefore, this section is not necessary.

page 4

I am unable to approve the item designated as Section 119, subsection 5 in its entirety. This language requires additional notice to legislators if additional federal child care funds are received. This section would require additional staff resources when funding for staff has been severely reduced.

I am unable to approve the item designated as Section 120, subsection 1, unnumbered paragraph 2. This item requires the Department of Human Services to submit a plan for relocating males currently at the Toledo, a female-only institution. This language has been included in the appropriation bill for the past three years; however, the Legislature has failed to fund the proposal. My recommendation in a previous year had included funding for this change, however the Legislature chose to use that funding instead for other programs.

I am unable to approve the item designated as Section 121, subsection 9 in its entirety. This language requires the Department of Human Services and juvenile court officers to develop criteria for intensive tracking and supervision of delinquent youth. These criteria were developed two years ago in response to this language; thus, this language is no longer needed.

I am unable to approve the item designated as Section 121, subsection 18, unnumbered paragraph 3. This directs the Department of Human Services to privatize the administration of foster care and adoption programs. Given the fact that no additional funds were provided for this purpose and staffing has been severely reduced, implementation of this section is not feasible.

I am unable to approve the item designated as a portion of Section 132, subsection 2. This item requires the Department of Human Services to submit proposed legislation to correct Code references related to service areas. This appears to be the realm of the Legislative Fiscal Bureau or Code Editor rather than the Department of Human Services, especially at a time when the Department's resources have been severely reduced.

I am unable to approve the items designated as Section 135, subsections 2 and 3 in their entirety. This language provides legislative intent for items already in progress or that appear to infringe on executive branch management duties. It is preferable that the Department of Human Services be allowed to have flexibility in this area.

I am unable to approve the item designated as Section 137, subsection 1b(3) in its entirety. The provision would increase the cost of prescription drugs for Iowans most in need. This is an additional financial burden on a group with very little or no income. Additionally, if the individuals do not have the funds, the pharmacist is required to dispense the drug anyway. This could create an additional reluctance on the part of pharmacists to handle Medicaid patients.

I am unable to approve the items designated as Section 138 in their entirety. This section would exempt a currently closed nursing facility in Dows from the Certificate of Need approval process and from meeting current life safety code and physical plant requirements, if the facility reopens by July 1, 2004. Allowing this section would put the state at risk for liability in the event of any physical plant or clinical operation problems. Excluding a facility from these requirements could place vulnerable residents at health and safety risks and would set a dangerous precedent.

page 5

I am unable to approve the items designated as Section 141 and Section 151, subsection 2c in their entirety. This language directs the department to reduce administrative requirements for the targeted case management waiver. These requirements are needed to obtain federal approval and support documentation for claims for federal funds under the waiver.

I am unable to approve the items designated as Section 142 and Section 151, Subsection 2f in their entirety. This provision would require nursing facilities to be certified for Medicaid and Medicare - even if the facility does not take Medicare patients. I have previously directed the Department of Human Services to prepare administrative rules to address dual certification for all applicable nursing facilities, thus requiring certification of a nursing facility for both Medicare and Medicaid when they are, in fact, providing services for clients of each program. This directive avoids unnecessary additional administrative cost for dual certification that would be borne by the state, over 62 nursing facilities, and Iowans who receive nursing home services.

I am unable to approve the language in Section 165, subsection 2, unnumbered paragraph 1. This section would limit the amount of reimbursement in relation to State costs from riverboat and racetrack enforcement costs. Sections 167, 168, and 169 clearly change the reimbursement rate from riverboats and racetracks enforcement costs to 100% of the related expenses.

I am unable to approve Section 199 (a). This section would de-appropriate \$600,000 from the FY 2003 Rebuild Iowa Infrastructure fund appropriation for the Enrich Iowa Libraries program. Quality libraries are a key component of the educational infrastructure for Iowa's children. A reduction in funding would stifle the progress this administration has made in improving educational opportunities for Iowa's children.

I am unable to approve Section 215. The Administration has made every attempt to provide quality educational opportunities for all Iowans. This section denies state employees the opportunity to access educational assistance. I believe this option should be maintained to further enhance the knowledge and skills of our workforce.

I am unable to approve the designated portion of Section 216. While I understand the need to reduce paper within state government, I feel that there are times when making state information available to the public in paper format is appropriate. An example would be making Iowa tourism brochures available at welcome centers, tourism booths, and other appropriate venues.

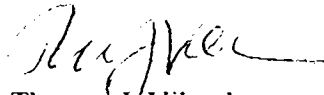
I am unable to approve Section 230. This section would increase the available yearly allocation of tax credits for the Accelerated Career Education program (ACE). I recognize that ACE programs allow education and business entities to provide students with valuable educational curriculum designed to meet the needs of specific industry sectors. I support the expansion of these programs; however, it should not be accomplished through the elimination of other vital economic development tools. I look forward to working with the legislature to identify opportunities to increase funding for ACE programs in the next legislative session.

page 6

I am unable to approve Sections 231 and 232. These sections are designed to eliminate the New Jobs Tax Credit for businesses to raise the cap for tax credits for the Accelerated Career Education programs at Community Colleges. Sections 231 and 232 would eliminate a valuable tool used by communities and developers to encourage business growth and expansion. The elimination of the New Jobs Tax Credit would adversely affect the economic development packages of many communities.

For the above reasons, I respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in House File 2627 are hereby approved as of this date.

Sincerely,



Thomas J. Vilsack  
Governor

TJV:jmc

cc: Secretary of the Senate  
Chief Clerk of the House

HOUSE FILE 2627

AN ACT

MAKING, REDUCING, AND TRANSFERRING APPROPRIATIONS, AND PROVIDING FOR OTHER PROPERLY RELATED MATTERS, PROVIDING PENALTIES, AND INCLUDING EFFECTIVE AND APPLICABILITY DATE PROVISIONS.

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

DIVISION I

ADMINISTRATION AND REGULATION

Section 1. AUDITOR OF STATE. There is appropriated from the general fund of the state to the office of the auditor of state for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 1,078,972
..... FTEs 105.47

The auditor of state may retain additional full-time equivalent positions as is reasonable and necessary to perform governmental subdivision audits which are reimbursable

pursuant to section 11.20 or 11.21, to perform audits which are requested by and reimbursable from the federal government, and to perform work requested by and reimbursable from departments or agencies pursuant to section 11.5A or 11.5B. The auditor of state shall notify the department of management, the legislative fiscal committee, and the legislative fiscal bureau of the additional full-time equivalent positions retained.

Sec. 2. IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD. There is appropriated from the general fund of the state to the Iowa ethics and campaign disclosure board for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, for the purposes designated:

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 410,760
..... FTEs 6.00

Sec. 3. DEPARTMENT OF COMMERCE. There is appropriated from the general fund of the state to the department of commerce for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, for the purposes designated:

1. ALCOHOLIC BEVERAGES DIVISION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 1,803,044
..... FTEs 33.00

2. BANKING DIVISION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 6,036,125
..... FTEs 72.00

3. CREDIT UNION DIVISION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 1,282,995
..... FTEs 19.00

4. INSURANCE DIVISION

a. For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 3,770,164
..... FTEs 93.50

b. The insurance division may reallocate authorized full-time equivalent positions as necessary to respond to accreditation recommendations or requirements. The insurance division expenditures for examination purposes may exceed the projected receipts, refunds, and reimbursements, estimated pursuant to section 505.7, subsection 7, including the expenditures for retention of additional personnel, if the expenditures are fully reimbursable and the division first does both of the following:

(1) Notifies the department of management, the legislative fiscal bureau, and the legislative fiscal committee of the need for the expenditures.

(2) Files with each of the entities named in subparagraph (1) the legislative and regulatory justification for the expenditures, along with an estimate of the expenditures.

5. PROFESSIONAL LICENSING AND REGULATION DIVISION

a. For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 748,342
..... FTEs 11.00

b. Notwithstanding the provisions of section 543B.14 to the contrary, all fees and charges collected by the real estate commission under chapter 543B shall be paid into the general fund of the state, except that for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the

equivalent of thirty dollars per year of the fees for each real estate salesperson's license, plus the equivalent of thirty dollars per year of the fees for each broker's license shall be paid into the Iowa real estate education fund created in section 543B.54.

6. UTILITIES DIVISION

a. For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 6,104,810
..... FTEs 79.00

b. The utilities division may expend additional funds, including funds for additional personnel, if those additional expenditures are actual expenses which exceed the funds budgeted for utility regulation and the expenditures are fully reimbursable. Before the division expends or encumbers an amount in excess of the funds budgeted for regulation, the division shall first do both of the following:

(1) Notify the department of management, the legislative fiscal bureau, and the legislative fiscal committee of the need for the expenditures.

(2) File with each of the entities named in subparagraph (1) the legislative and regulatory justification for the expenditures, along with an estimate of the expenditures.

The utilities division shall assess the office of consumer advocate within the department of justice a pro rata share of the operating expenses of the utilities division. Each division and the office of consumer advocate shall include in its charges assessed or revenues generated, an amount sufficient to cover the amount stated in its appropriation, any state-assessed indirect costs determined by the department of revenue and finance. It is the intent of the general assembly that the director of the department of commerce shall review on a quarterly basis all out-of-state travel for the previous quarter for officers and employees of each division of the department if the travel is not already authorized by the executive council.

7. ACCOUNTABLE GOVERNMENT REPORT

(Leto)

Each division of the department of commerce shall submit a report to the cochairpersons and ranking members of the joint appropriations subcommittee on administration and regulation on or before January 13, 2003, which encompasses the reporting requirements provided in Code chapter 8E, including development of an agency strategic plan, performance measures, performance targets based on performance data, performance data, and data sources used to evaluate the agency performance, and explanations of the plan's provisions.

*Veto*

Sec. 4. DEPARTMENT OF COMMERCE -- PROFESSIONAL LICENSING AND REGULATION. There is appropriated from the housing improvement fund of the Iowa department of economic development to the division of professional licensing and regulation of the department of commerce for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes:

..... \$ 62,317

Sec. 5. DEPARTMENT OF GENERAL SERVICES. There is appropriated from the general fund of the state to the department of general services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION AND PROPERTY MANAGEMENT

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 5,271,304  
..... FTEs 152.60

2. TERRACE HILL OPERATIONS

For salaries, support, maintenance, and miscellaneous purposes necessary for the operation of Terrace Hill and for not more than the following full-time equivalent positions:

..... \$ 236,037

*Veto*

..... FTEs 5.00

3. RENTAL SPACE

For payment of lease or rental costs of buildings and office space as provided in section 18.12, subsection 9, notwithstanding section 18.16:

..... \$ 846,770

The department shall prepare a summary of lease and rental agreements entered into by the department with information concerning the location of leased property, the funding source for each lease, and the cost of the lease. The summary shall be submitted to the general assembly by January 13, 2003.

4. UTILITY COSTS

For payment of utility costs and for not more than the following full-time equivalent position:

..... \$ 1,817,095  
..... FTEs 1.00

Notwithstanding sections 8.33 and 18.12, subsection 11, any excess funds appropriated for utility costs in this subsection shall not revert to the general fund of the state at the end of the fiscal year but shall remain available for expenditure for the purposes of this subsection during the fiscal year beginning July 1, 2003.

5. The department of general services shall identify all positions throughout state government that have job responsibilities that are duplicative of the same or similar job functions that are performed by similar positions in the department of general services. The positions throughout state government that are duplicative of positions in the department of general services shall be identified by department, position title, and position pay grade. The department of general services shall also determine if the department can perform the functions of the duplicated position. The department shall submit a report, with findings, conclusions, and supporting data, to the oversight committee of the general assembly by September 1, 2002.

Sec. 6. REVOLVING FUNDS. There is appropriated from the designated revolving funds to the department of general

services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. CENTRALIZED PURCHASING

From the centralized purchasing permanent revolving fund established by section 18.9 for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 1,118,960  
..... FTEs 17.95

2. CENTRALIZED PURCHASING -- REMAINDER

The remainder of the centralized purchasing permanent revolving fund is appropriated for the payment of expenses incurred through purchases by various state departments and for contingencies arising during the fiscal year beginning July 1, 2002, and ending June 30, 2003, which are legally payable from this fund.

3. STATE FLEET ADMINISTRATOR

a. From the state fleet administrator revolving fund established by section 18.119 for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 881,501  
..... FTEs 16.75

b. The state fleet administrator shall conduct a study concerning the utilization of state-owned vehicles by state government that are under the control of the administrator pursuant to section 18.114. As part of the study, the state fleet administrator shall investigate the cost and benefits of entering into an agreement with an entity that leases or rents vehicles for the purpose of providing vehicles from that source for use by state government. The study shall also examine what revenue may be generated as a result of the sale of state-owned vehicles. The state fleet administrator shall submit a report to the general assembly by January 13, 2003, concerning the progress of the administrator in meeting the

goal of reducing the number of state-owned vehicles. The report shall include all relevant data concerning the study, any actions taken to reduce the number of state-owned vehicles, and any proposed legislative changes needed to implement the goal of reducing the number of state-owned vehicles.

4. STATE FLEET ADMINISTRATOR -- REMAINDER

The remainder of the state fleet administrator revolving fund is appropriated for the purchase of ethanol blended fuels and other fuels specified in section 18.115, subsection 5, oil, tires, repairs, and all other maintenance expenses incurred in the operation of state-owned motor vehicles and for contingencies arising during the fiscal year beginning July 1, 2002, and ending June 30, 2003, which are legally payable from this fund.

5. CENTRALIZED PRINTING

From the centralized printing permanent revolving fund established by section 18.57 for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 1,328,025  
..... FTEs 29.55

6. CENTRALIZED PRINTING -- REMAINDER

The remainder of the centralized printing permanent revolving fund is appropriated for the expense incurred in supplying paper stock, offset printing, copy preparation, binding, distribution costs, original payment of printing and binding claims and contingencies arising during the fiscal year beginning July 1, 2002, and ending June 30, 2003, which are legally payable from this fund.

Sec. 7. GOVERNOR AND LIEUTENANT GOVERNOR. There is appropriated from the general fund of the state to the offices of the governor and the lieutenant governor for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. GENERAL OFFICE



For salaries, support, maintenance, and miscellaneous purposes for the general office of the governor and the general office of the lieutenant governor, and for not more than the following full-time equivalent positions:

..... \$ 1,270,595  
..... FTEs 17.25

2. TERRACE HILL QUARTERS

For salaries, support, maintenance, and miscellaneous purposes for the governor's quarters at Terrace Hill, and for not more than the following full-time equivalent positions:

..... \$ 100,519  
..... FTEs 3.00

3. ADMINISTRATIVE RULES COORDINATOR

For salaries, support, maintenance, and miscellaneous purposes for the office of administrative rules coordinator, and for not more than the following full-time equivalent positions:

..... \$ 132,113  
..... FTEs 3.00

4. NATIONAL GOVERNORS ASSOCIATION

For payment of Iowa's membership in the national governors association:

..... \$ 64,393

5. STATE-FEDERAL RELATIONS

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 106,802  
..... FTEs 2.00

Sec. 8. DEPARTMENT OF INSPECTIONS AND APPEALS. There is appropriated from the general fund of the state to the department of inspections and appeals for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, for the purposes designated:

1. Administration division

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 714,101  
..... FTEs 24.00

2. Administrative hearings division

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 472,240  
..... FTEs 30.00

3. Investigations division

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 1,376,587  
..... FTEs 46.00

4. Health facilities division

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 2,276,504  
..... FTEs 108.00

5. Inspections division

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 759,066  
..... FTEs 13.00

6. Employment appeal board

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 34,172  
..... FTEs 15.00

The employment appeal board shall be reimbursed by the labor services division of the department of workforce

development for all costs associated with hearings conducted under chapter 91C, related to contractor registration. The board may expend, in addition to the amount appropriated under this subsection, additional amounts as are directly billable to the labor services division under this subsection and to retain the additional full-time equivalent positions as needed to conduct hearings required pursuant to chapter 91C.

7. Child advocacy board

For foster care review and the court appointed special advocate program, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 1,711,033  
..... FTEs 44.00

a. The department of human services, in coordination with the child advocacy board, and the department of inspections and appeals, shall submit an application for funding available pursuant to Title IV-E of the federal Social Security Act for claims for child advocacy board, administrative review costs.

b. It is the intent of the general assembly that the court appointed special advocate program investigate and develop opportunities for expanding fund-raising for the program.

c. The child advocacy board shall report to the chairpersons and ranking members of the joint appropriations subcommittee on administration and regulation and the legislative fiscal bureau by August 31, 2002, providing a budget for the appropriation made in this subsection. The budget shall delineate the expenditures planned for foster care review, the court appointed special advocate program, joint expenditures, and other pertinent information. The board shall submit to the same entities a report of the actual expenditures at the close of the fiscal year.

d. Administrative costs charged by the department of inspections and appeals for items funded under this subsection shall not exceed 4 percent of the amount appropriated in this subsection.

Sec. 9. RACING AND GAMING COMMISSION.

1. RACETRACK REGULATION

There is appropriated from the general fund of the state to the racing and gaming commission of the department of inspections and appeals for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes for the regulation of pari-mutuel racetracks, and for not more than the following full-time equivalent positions:  
..... \$ 2,083,762  
..... FTEs 24.78

Of the funds appropriated in this subsection, \$85,576 shall be used to conduct an extended harness racing season.

2. EXCURSION BOAT REGULATION

There is appropriated from the general fund of the state to the racing and gaming commission of the department of inspections and appeals for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes for administration and enforcement of the excursion boat gambling laws, and for not more than the following full-time equivalent positions:  
..... \$ 1,602,611  
..... FTEs 30.97

3. ACCOUNTABLE GOVERNMENT REPORT

The racing and gaming commission shall submit a report to the cochairpersons and ranking members of the joint appropriations subcommittee on administration and regulation on or before January 13, 2003, which encompasses the reporting requirements provided in Code chapter 8E, including development of an agency strategic plan, performance measures, performance targets based on performance data, performance data, and data sources used to evaluate the agency performance, and explanations of the plan's provisions.

*UETA*

Sec. 10. USE TAX APPROPRIATION. There is appropriated from the use tax receipts collected pursuant to sections 423.7 and 423.7A prior to their deposit in the road use tax fund pursuant to section 423.24, to the appeals and fair hearings division of the department of inspections and appeals for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes:
..... \$ 1,197,552

Sec. 11. DEPARTMENT OF MANAGEMENT. There is appropriated from the general fund of the state to the department of management for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. GENERAL OFFICE -- STATEWIDE PROPERTY TAX ADMINISTRATION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... \$ 2,100,036
..... FTEs 33.00

2. ENTERPRISE RESOURCE PLANNING

If funding is provided for the redesign of the enterprise resource planning budget system for the fiscal year beginning July 1, 2002, then there is appropriated from the general fund of the state to the department of management for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For salaries, support, maintenance, and miscellaneous purposes for administration of the enterprise resource planning system, and for not more than the following full-time equivalent position:
..... \$ 58,680
..... FTEs 1.00

3. STATE GOVERNMENT ADMINISTRATIVE SERVICES REORGANIZATION

The department of management, in consultation with other administrative departments, shall continue to study and pursue the goal of providing for the reorganization of state government in order to facilitate the efficient and effective delivery of state government services. The reorganization study shall concentrate on establishing a new state organization that will increase the efficiency of managing the major resources of state government, including personnel, financial, physical, and information assets, in order to provide better service at less cost to all departments of state government and the citizens of Iowa. As part of this study, the department shall identify and examine areas where duplicative services are performed by state government which may be more efficiently accomplished by a reorganization and redesign of state government. In addition, as part of this reorganization study, support services provided to state agencies should be reoriented to continuously improve service and lower costs through a strong customer focus and entrepreneurial management. The department of management shall submit a report, including its findings, conclusions, and specific recommendations for legislative change, to the general assembly by December 2, 2002.

Sec. 12. ROAD USE TAX APPROPRIATION. There is appropriated from the road use tax fund to the department of management for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes:
..... \$ 56,000

Sec. 13. DEPARTMENT OF PERSONNEL. There is appropriated from the general fund of the state to the department of personnel for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated, including the filing of quarterly reports as required in this section:

1. For salaries, support, maintenance, and miscellaneous purposes for the director's staff, research, communications and workforce planning services, data processing, financial services, customer information and support services, employment law and labor relations, training and benefit programs, and for not more than the following full-time equivalent positions:

..... \$ 3,723,868  
..... FTEs 86.00

Any funds received by the department for workers' compensation purposes shall be used only for the payment of workers' compensation claims and administrative costs.

It is the intent of the general assembly that members of the general assembly serving as members of the deferred compensation advisory board shall be entitled to receive per diem and necessary travel and actual expenses pursuant to section 2.10, subsection 5, while carrying out their official duties as members of the board.

2. The department of personnel shall identify all positions throughout state government that have job responsibilities that are duplicative of the same or similar job functions that are performed by similar positions in the department of personnel. The positions throughout state government that are duplicative of positions in the department of personnel shall be identified by department, position title, and position pay grade. The department of personnel shall also determine if the department can perform the functions of the duplicated position. The department shall submit a report, with findings, conclusions, and supporting data, to the oversight committee of the general assembly by September 1, 2002.

Veto

Sec. 14. READY TO WORK PROGRAM COORDINATOR. There is appropriated from the surplus funds in the long-term disability reserve fund and the workers' compensation trust fund to the department of personnel for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the salary, support, and miscellaneous expenses for the ready to work program and coordinator:  
..... \$ 89,416

The moneys appropriated pursuant to this section shall be taken in equal proportions from the long-term disability reserve fund and the workers' compensation trust fund.

Sec. 15. IPERS. There is appropriated from the Iowa public employees' retirement system fund to the department of personnel for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

1. GENERAL OFFICE

For salaries, support, maintenance, and other operational purposes to pay the costs of the Iowa public employees' retirement system division and for not more than the following full-time positions:

..... \$ 8,062,203  
..... FTEs 90.04

2. INVESTMENT PROGRAM STAFFING

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

Sec. 16. IPERS -- DEFERRED RETIREMENT OPTION PROGRAM AND TERMINATED VESTED MEMBER STUDIES. There is appropriated from the Iowa public employees' retirement system fund to the Iowa public employees' retirement system division for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For expenses related to the study of the implementation of a cost-neutral deferred retirement option plan as directed in 2002 Iowa Acts, House File 2532:  
..... \$ 95,000

2. For expenses related to the study of the implementation of a new option for terminated vested members as directed in 2002 Iowa Acts, House File 2532:

..... \$ 40,000

Sec. 17. PRIMARY ROAD FUND APPROPRIATION. There is appropriated from the primary road fund to the department of personnel for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes to provide personnel services for the state department of transportation:

..... \$ 423,539

Sec. 18. ROAD USE TAX FUND APPROPRIATION. There is appropriated from the road use tax fund to the department of personnel for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes to provide personnel services for the state department of transportation:

..... \$ 69,237

Sec. 19. STATE WORKERS' COMPENSATION CLAIMS. The premiums collected by the department of personnel shall be segregated into a separate workers' compensation fund in the state treasury to be used for payment of state employees' workers' compensation claims. Notwithstanding section 8.33, unencumbered or unobligated moneys remaining in this workers' compensation fund at the end of the fiscal year shall not revert but shall be available for expenditure for purposes of the fund for subsequent fiscal years.

Any funds received by the department of personnel for workers' compensation purposes other than funds appropriated in this section shall be used for the payment of workers' compensation claims and administrative costs.

Sec. 20. DEPARTMENT OF REVENUE AND FINANCE. There is appropriated from the general fund of the state to the department of revenue and finance for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be

used for the purposes designated, and for not more than the following full-time equivalent positions used for the purposes designated in subsection 1:

..... FTEs 443.01

1. COMPLIANCE -- INTERNAL RESOURCES MANAGEMENT -- STATE FINANCIAL MANAGEMENT -- STATEWIDE PROPERTY TAX ADMINISTRATION

For salaries, support, maintenance, and miscellaneous purposes:

..... \$ 24,781,012

Of the funds appropriated pursuant to this subsection, \$400,000 shall be used to pay the direct costs of compliance related to the collection and distribution of local sales and services taxes imposed pursuant to chapters 422B and 422E.

The director of revenue and finance shall prepare and issue a state appraisal manual and the revisions to the state appraisal manual as provided in section 421.17, subsection 18, without cost to a city or county.

2. COLLECTION COSTS AND FEES

For payment of collection costs and fees pursuant to section 422.26:

..... \$ 28,166

Sec. 21. LOTTERY.

1. APPROPRIATION. There is appropriated from the lottery fund to the department of revenue and finance for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, miscellaneous purposes for the administration and operation of lottery games, and for not more than the following full-time equivalent positions:

..... \$ 8,688,714

..... FTEs 117.00

The lottery shall deduct \$500,000 from its calculated retained earnings before making lottery proceeds transfers to the general fund of the state during the fiscal year beginning July 1, 2002.

2. ACCOUNTABLE GOVERNMENT REPORT. The lottery shall submit a report to the cochairpersons and ranking members of the joint appropriations subcommittee on administration and regulation on or before January 13, 2003, which encompasses the reporting requirements provided in Code chapter 8E, including development of an agency strategic plan, performance measures, performance targets based on performance data, performance data, and data sources used to evaluate the agency performance, and explanations of the plan's provisions. In submitting the report required by this subsection, the lottery is not required to disclose any proprietary or otherwise confidential information which is considered a confidential record pursuant to section 22.7.

*Veto*

3. VIDEO LOTTERY. It is the intent of the general assembly that the lottery should investigate whether the deployment of vending machines with video screens would enhance the lottery's ability to perform its statutory duties and if, in the business judgment of the lottery commissioner and the lottery board, it would do so, that the lottery is authorized to establish a plan to implement the deployment of pull-tab vending machines with video monitors consistent with the requirements of this subsection. At a minimum, the deployment plan shall include provisions for restricting access to these machines by minors, including but not limited to requirements relating to the location of these machines. Prior to implementing the deployment plan as described in this subsection, the lottery shall notify the legislative oversight committee and shall submit a report to the committee describing the deployment plan, including measures the lottery will implement to restrict access to the machines by minors.

Sec. 22. MOTOR VEHICLE FUEL TAX APPROPRIATION. There is appropriated from the motor fuel tax fund created by section 452A.77 to the department of revenue and finance for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes for administration and enforcement of the provisions of chapter 452A and the motor vehicle use tax program:  
 ..... \$ 1,084,112

Sec. 23. SECRETARY OF STATE. There is appropriated from the general fund of the state to the office of the secretary of state for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION AND ELECTIONS

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:  
 ..... \$ 680,716  
 ..... FTEs 10.00

It is the intent of the general assembly that the state department or state agency which provides data processing services to support voter registration file maintenance and storage shall provide those services without charge.

2. BUSINESS SERVICES

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:  
 ..... \$ 1,433,235  
 ..... FTEs 32.00

Sec. 24. SECRETARY OF STATE FILING FEES REFUND.

Notwithstanding the obligation to collect fees pursuant to the provisions of section 490.122, subsection 1, paragraphs "a" and "s", and section 504A.85, subsections 1 and 9, for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the secretary of state may refund these fees to the filer pursuant to rules established by the secretary of state. The decision of the secretary of state not to issue a refund under rules established by the secretary of state is final and not subject to review pursuant to the provisions of the Iowa administrative procedure Act.

Sec. 25. TREASURER. There is appropriated from the general fund of the state to the office of treasurer of state for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	785,550
.....	FTEs	25.80

The office of treasurer of state shall supply clerical and secretarial support for the executive council.

The treasurer of state is authorized not more than the following additional full-time equivalent position for the purposes provided for in 2002 Iowa Acts, House File 681, relating to the pledging of collateral in relation to the deposit of uninsured public funds:

.....	FTEs	1.00
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The treasurer of state may expend additional funds for the purposes of 2002 Iowa Acts, House File 681, if those additional expenditures are actual expenses as provided in 2002 Iowa Acts, House File 681, and the expenses are fully reimbursable.

Sec. 26. INFORMATION TECHNOLOGY DEPARTMENT. There is appropriated from the general fund of the state to the information technology department for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the purpose of providing information technology services to state agencies and for the following full-time equivalent positions:

.....	\$	2,982,748
.....	FTEs	125.00

1. The information technology department shall not increase any fees or charges to other state agencies for services provided to such state agencies by the department,

*Veto*

unless such increase in fees or charges is first reported to the department of management. The department of management shall submit a report notifying the legislative fiscal bureau regarding any fee increase as the increase occurs.

2. The department of information technology shall identify all positions throughout state government that have job responsibilities that are duplicative of the same or similar job functions that are performed by similar positions in the department of information technology. The positions throughout state government that are duplicative of positions in the department of information technology shall be identified by department, position title, and position pay grade. The department of information technology shall also determine if the department can perform the functions of the duplicated position. The department shall submit a report, with findings, conclusions, and supporting data, to the oversight committee of the general assembly by September 1, 2002.

*Veto*

3. The information technology department shall submit a report to the general assembly by January 13, 2003, providing information concerning the funding of the operation of the department, to include information concerning the receipt and use of fees and other revenues by the department, the method of determining fees to be charged, and information comparing fees charged by the department with comparable private sector rates.

4. It is the intent of the general assembly that all agencies comply with the requirements established in section 304.13A relating to utilization of the electronic repository developed for the purpose of providing public access to agency publications. To ensure compliance with the requirements, the department of management, the information technology department, and the state librarian shall coordinate the development of a process to maximize and monitor the extent to which the number of printed copies of agency publications is reduced, and to realize monetary savings through the reduction. The process shall include a policy for

distribution of written copies of publications to members of the general assembly on a request-only basis and weekly notification of a new publication posting on the repository by the state librarian to the secretary of state, secretary of the senate, and chief clerk of the house of representatives, who in turn shall notify members of the general assembly of publication availability. The process shall also include the electronic submission of a report by November 1, annually, to the legislative fiscal bureau and legislative fiscal committee detailing the number of written copies of agency publications produced in the preceding two fiscal years, and indicating the extent to which a reduction may be observed.

Sec. 27. FUNDING FOR IOWACCESS.

1. Notwithstanding section 321A.3, subsection 1, for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the first \$1,000,000 collected and transferred by the department of transportation to the treasurer of state with respect to the fees for transactions involving the furnishing of a certified abstract of a vehicle operating record under section 321A.3, subsection 1, shall be transferred to the IowAccess revolving fund created in section 14B.206 and administered by the information technology department for the purposes of developing, implementing, maintaining, and expanding electronic access to government records in accordance with the requirements set forth in chapter 14B.

2. It is the intent of the general assembly that all fees collected with respect to transactions involving IowAccess shall be deposited in the IowAccess revolving fund created in section 14B.206 and shall be used only for the support of IowAccess projects.

Sec. 28. DUPLICATION AND REORGANIZATION REVIEWS. In implementing the requirements of this division I of this Act, involving the department of general services, department of management, department of personnel, and information technology department identifying duplicative positions or studying the reorganization of state government, those departments shall consult with the departments that may be

*Veto* affected, consider previously conducted studies or reviews, and identify the projected impacts of recommended changes upon the general fund of the state, road use tax fund, and any other affected funding source.

Sec. 29. Section 7D.33, subsection 2, Code 2001, is amended by adding the following new paragraph:

NEW PARAGRAPH. e. The method of promoting the suggestion program in the broadest possible manner to state employees.

Sec. 30. Section 7D.33, subsection 3, paragraph a, Code 2001, is amended to read as follows:

a. When a suggestion is implemented and results in a direct cost reduction within state government, the suggester shall be awarded ten percent of the first year's net savings, not exceeding two-thousand-five-hundred twenty-five thousand dollars or, and a certificate. A cash award shall not be awarded for a suggestion which saves less than one hundred dollars during the first year of implementation. The department head shall approve all awards and determine the amount to be awarded. Appeals of award amounts shall be submitted to the director of the department of management whose decision is final.

Sec. 31. Section 476.53, Code Supplement 2001, is amended by adding the following new subsection:

NEW SUBSECTION. 4. The utilities board and the consumer advocate may employ additional temporary staff, or may contract for professional services with persons who are not state employees, as the board and the consumer advocate deem necessary to perform required functions as provided in this section, including but not limited to, review of power purchase contracts, review of emission plans and budgets, and review of ratemaking principles proposed for construction or lease of a new generating facility. Beginning July 1, 2002, there is appropriated out of any funds in the state treasury not otherwise appropriated, such sums as may be necessary to enable the board and the consumer advocate to hire additional staff and contract for services under this section. The costs of the additional staff and services shall be assessed to the



utilities pursuant to the procedure in section 476.10 and section 475A.6.

Sec. 32. Section 505.7, subsection 4, Code 2001, is amended by striking the subsection and inserting in lieu thereof the following:

4. Except as otherwise provided in subsection 6, the insurance division may expend additional funds if those additional expenditures are actual expenses which exceed the funds budgeted for statutory duties of the division and directly result from the statutory duties of the division. The amounts necessary to fund the excess division expenses shall be collected from additional fees and other moneys collected by the division. The division shall notify in writing the legislative fiscal bureau and the department of management when hiring additional personnel. The written notification shall include documentation that any additional expenditure related to such hiring will be totally reimbursed to the general fund, and shall also include the division's justification for hiring such personnel. The division must obtain the approval of the department of management only if the number of additional personnel to be hired exceeds the number of full-time equivalent positions authorized by the general assembly.

Sec. 33. Section 546.10, subsection 3, Code Supplement 2001, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding subsection 5, eighty-five percent of the funds received annually resulting from an increase in licensing fees implemented on or after April 1, 2002, by a licensing board or commission listed in subsection 1, is appropriated to the professional licensing and regulation division to be allocated to the board or commission for the fiscal year beginning July 1, 2002, and succeeding fiscal years, for purposes related to the duties of the board or commission, including but not limited to additional full-time equivalent positions. The director of revenue and finance shall draw warrants upon the treasurer of

state from the funds appropriated as provided in this section and shall make the funds available to the professional licensing division on a monthly basis during each fiscal year.

Sec. 34. 2001 Iowa Acts, First Extraordinary Session, chapter 5, section 1, is repealed.

Sec. 35. EFFECTIVE DATE. This division of this Act takes effect July 1, 2002.

DIVISION II

AGRICULTURE AND NATURAL RESOURCES

DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP

Sec. 36. GENERAL DEPARTMENT APPROPRIATION. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of supporting the department, including its divisions, for administration, regulations, and programs, for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:  
..... \$ 16,469,640  
..... FTEs 440.13

DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP

SPECIAL APPROPRIATIONS

Sec. 37. RIVER AUTHORITIES. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of supporting the department for membership in the state interagency Missouri river authority, created in 2002 Iowa Acts, Senate File 2051, in the Missouri river basin association:  
..... \$ 9,780

Sec. 38. FEED GRAIN PROJECT. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of administering a pilot process verification program for feed grains. The program shall be administered in conjunction with the Iowa corn growers association:

..... \$ 19,560

Sec. 39. HORSE AND DOG RACING. There is appropriated from the moneys available under section 99D.13 to the administrative division of the department of agriculture and land stewardship for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes for the administration of section 99D.22:  
..... \$ 293,441

Sec. 40. REGULATORY DIVISION DAIRY PRODUCTS CONTROL BUREAU. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of supporting the operations of the dairy products control bureau within the department's regulatory division, including salaries, support, maintenance, and miscellaneous purposes:  
..... \$ 664,646

DEPARTMENT OF NATURAL RESOURCES  
GENERAL APPROPRIATIONS

Sec. 41. GENERAL DEPARTMENT APPROPRIATION.

1. There is appropriated from the general fund of the state to the department of natural resources for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the

following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of supporting the department, including its divisions, for administration, regulations, and programs, for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 15,555,316  
..... PTEs 1,075.12

2. Of the amount appropriated in subsection 1, the air quality bureau may expend up to \$5,000 for purposes of supporting public education programs for controlled burning of demolition sites and the proper disposal of waste materials from demolition sites.

3. Of the amount appropriated in subsection 1, \$5,949,760 shall be used by the parks and preserves division for salaries, support, maintenance, and miscellaneous purposes.

4. Of the amount appropriated in subsection 1, \$1,250,000 shall be used for salaries, support, maintenance, and miscellaneous purposes for activities regarding animal agriculture.

Sec. 42. STATE FISH AND GAME PROTECTION FUND -- APPROPRIATION TO THE DIVISION OF FISH AND WILDLIFE.

1. a. There is appropriated from the state fish and game protection fund to the department of natural resources for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For use by the division of fish and wildlife for administrative support, and for salaries, support, maintenance, equipment, and miscellaneous purposes:  
..... \$ 28,044,786

b. The department may use moneys appropriated in paragraph "a", as is necessary to provide compensation to conservation peace officers employed in a protection occupation who retire, pursuant to section 97B.49B.

2. The department shall not expend more moneys from the fish and game protection fund than provided in this section, unless the expenditure derives from contributions made by a private entity, or a grant or moneys received from the federal government, and is approved by the natural resource commission. The department of natural resources shall promptly notify the legislative fiscal bureau and the chairpersons and ranking members of the joint appropriations subcommittee on agriculture and natural resources concerning the commission's approval.

DEPARTMENT OF NATURAL RESOURCES  
RELATED TRANSFERS AND APPROPRIATIONS

Sec. 43. SNOWMOBILE FEES -- TRANSFER FOR ENFORCEMENT PURPOSES. There is transferred on July 1, 2002, from the fees deposited under section 321G.7 to the fish and game protection fund and appropriated to the department of natural resources for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For enforcing snowmobile laws as part of the state snowmobile program administered by the department of natural resources:

..... \$ 100,000

Sec. 44. VESSEL FEES -- TRANSFER FOR ENFORCEMENT PURPOSES. There is transferred on July 1, 2002, from the fees deposited under section 462A.52 to the fish and game protection fund and appropriated to the natural resource commission for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the administration and enforcement of navigation laws and water safety:

..... \$ 1,400,000

Notwithstanding section 8.33, moneys transferred and appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert to the credit of the fish and game protection fund but shall

be credited to the special conservation fund established by section 462A.52 to be used as provided in that section.

DEPARTMENT OF NATURAL RESOURCES  
SPECIAL APPROPRIATIONS

Sec. 45. REVENUE ADMINISTERED BY THE IOWA COMPREHENSIVE UNDERGROUND STORAGE TANK FUND BOARD. There is appropriated from the unassigned revenue fund administered by the Iowa comprehensive underground storage tank fund board, to the department of natural resources for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For administration expenses of the underground storage tank section of the department of natural resources:  
..... \$ 75,000

Sec. 46. FLOODPLAIN PERMIT BACKLOG. Notwithstanding any contrary provision of state law, for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the department of natural resources may use additional funds available to the department from stormwater discharge permit fees for the staffing of the following additional full-time staff members to reduce the department's floodplain permit backlog:

..... FTEs 2.00

Sec. 47. IMPLEMENTATION OF THE FEDERAL TOTAL MAXIMUM DAILY LOAD PROGRAM. Notwithstanding any contrary provision of state law, for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the department of natural resources may use additional funds available to the department from stormwater discharge permit fees for the staffing of the following additional full-time equivalent positions for implementation of the federal total maximum daily load program:

..... FTEs 2.00

Sec. 48. EFFECTIVE DATE. This division of this Act takes effect July 1, 2002.

DIVISION III  
ECONOMIC DEVELOPMENT

Sec. 49. GOALS AND ACCOUNTABILITY.

1. The goals for the department of economic development shall be to expand and stimulate the state economy, increase the wealth of Iowans, and increase the population of the state.

2. To achieve the goals in subsection 1, the department of economic development shall do all of the following:

a. Concentrate its efforts on programs and activities that result in commercially viable products and services.

b. Adopt practices and services consistent with free market, private sector philosophies.

c. Ensure economic growth and development throughout the state.

3. The department of economic development shall demonstrate accountability by using performance measures appropriate to show the attainment of the goals in subsection 1 for the state and by measuring the effectiveness and results of the department's programs and activities. The performance measures and associated benchmarks shall be developed or identified in cooperation with the legislative fiscal bureau and approved by the joint appropriations subcommittee on economic development. The data demonstrating accountability collected by the department shall be made readily available and maintained in computer-readable format.

VETO

Sec. 50. DEPARTMENT OF ECONOMIC DEVELOPMENT. There is appropriated from the general fund of the state to the department of economic development for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATIVE SERVICES DIVISION

a. General administration

For salaries, support, maintenance, miscellaneous purposes, programs, for the transfer to the Iowa state commission grant program, and for not more than the following full-time equivalent positions:

..... \$ 1,509,134  
..... FTEs 28.75

b. The department shall work with businesses and communities to continually improve the economic development climate along with the economic well-being and quality of life for Iowans. The administrative services division shall coordinate with other state agencies ensuring that all state departments are attentive to the needs of an entrepreneurial culture.

2. BUSINESS DEVELOPMENT DIVISION

a. Business development operations

For business development operations and programs, international trade, export assistance, workforce recruitment, the partner state program, for transfer to the strategic investment fund, for transfer to the value-added agricultural products and processes financial assistance fund, salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 10,311,286  
..... FTEs 60.00

b. The department shall establish a strong and aggressive marketing image to showcase Iowa's workforce, existing industry, and potential. A priority shall be placed on recruiting new businesses, business expansion, and retaining existing Iowa businesses. Emphasis shall also be placed on entrepreneurial development through helping to secure capital for entrepreneurs, and developing networks and a business climate conducive to entrepreneurs and small business.

c. Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

3. COMMUNITY AND RURAL DEVELOPMENT DIVISION

a. Community development programs

For salaries, support, maintenance, miscellaneous purposes, community economic development programs, tourism operations, community assistance, the film office, the mainstreet and rural mainstreet programs, the school-to-career program, the

community development block grant, and housing and shelter-related programs and for not more than the following full-time equivalent positions:

..... \$ 4,591,404  
..... FTEs 65.00

b. The department shall encourage development of communities and quality of life to foster economic growth. The department shall prepare communities for future growth and development through development, expansion, and modernization of infrastructure.

c. The department shall develop public-private partnerships with Iowa businesses in the tourism industry, Iowa tour groups, Iowa tourism organizations, and political subdivisions in this state to assist in the development of advertising efforts. The department shall, to the fullest extent possible, develop cooperative efforts for advertising with contributions from other sources.

d. Notwithstanding section 8.33, moneys that remain unexpended at the end of the fiscal year shall not revert to any fund but shall remain available for expenditure for the designated purposes during the succeeding fiscal year.

4. For allocating moneys for the world food prize:  
..... \$ 285,000

Sec. 51. VISION IOWA PROGRAM -- FTE AUTHORIZATION. For purposes of administrative duties associated with the vision Iowa program, the department of economic development is authorized an additional 3.00 full-time equivalent positions above those otherwise authorized in this division of this Act.

Sec. 52. RURAL COMMUNITY 2000 PROGRAM. There is appropriated from loan repayments on loans under the former rural community 2000 program, sections 15.281 through 15.288, Code 2001, to the department of economic development for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For providing financial assistance to Iowa's councils of governments that provide technical and planning assistance to local governments:

..... \$ 150,000

2. For the rural development program for the purposes of the program including the rural enterprise fund and collaborative skills development training:

..... \$ 370,000

Sec. 53. INSURANCE ECONOMIC DEVELOPMENT. There is appropriated from moneys collected by the division of insurance in excess of the anticipated gross revenues under section 505.7, subsection 3, to the department of economic development for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, for insurance economic development and international insurance economic development:

..... \$ 100,000

Sec. 54. TOURISM OPERATIONS. There is appropriated from the community attraction and tourism fund created in section 15F.204 to the department of economic development for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For tourism operations, including salaries, support, maintenance, and miscellaneous purposes:

..... \$ 1,200,000

Moneys appropriated pursuant to this section shall not be appropriated from moneys in the community attraction and tourism fund which are moneys originating from the tax-exempt bond proceeds restricted capital funds account of the tobacco settlement trust fund.

Sec. 55. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding section 15E.120, subsections 5 and 6, there is appropriated from the Iowa community development loan fund all the moneys available during the fiscal year beginning July 1, 2002, and ending June 30, 2003, to the department of economic development for the community development program to be used by the department for the purposes of the program.

Sec. 56. WORKFORCE DEVELOPMENT FUND. There is appropriated from the workforce development fund account

created in section 15.342A, to the workforce development fund created in section 15.343, for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, for the purposes of the workforce development fund, and for not more than the following full-time equivalent positions:

.....	\$ 4,000,000
..... FTEs	4.00

Sec. 57. WORKFORCE DEVELOPMENT ADMINISTRATION. From funds appropriated or transferred to or receipts credited to the workforce development fund created in section 15.343, up to \$400,000 for the fiscal year beginning July 1, 2002, and ending June 30, 2003, may be used for the administration of workforce development activities including salaries, support, maintenance, and miscellaneous purposes and for not more than 4.00 full-time equivalent positions.

Sec. 58. JOB TRAINING FUND. Notwithstanding section 15.251, all remaining moneys in the job training fund on July 1, 2002, and any moneys appropriated or credited to the fund during the fiscal year beginning July 1, 2002, shall be transferred to the workforce development fund established pursuant to section 15.343.

Sec. 59. IOWA STATE UNIVERSITY.

1. There is appropriated from the general fund of the state to the Iowa state university of science and technology for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for small business development centers, the science and technology research park, the institute for physical research, and for not more than the following full-time equivalent positions:

.....	\$ 2,384,063
..... FTEs	56.53

2. Iowa state university of science and technology shall do all of the following:

a. Direct expenditures for research toward projects that will provide economic stimulus for Iowa.

*WCC*

b. Emphasize that a business and an individual that creates a business and receives benefits from a program funded, in part, through moneys appropriated in this section have a commercially viable product or service.

c. Provide emphasis to providing services to Iowa-based companies.

3. It is the intent of the general assembly that the industrial incentive program focus on Iowa industrial sectors and seek contributions and in-kind donations from businesses, industrial foundations, and trade associations and that moneys for the institute for physical research and technology industrial incentive program shall only be allocated for projects which are matched by private sector moneys for directed contract research or for nondirected research. The match required of small businesses as defined in section 15.102, subsection 4, for directed contract research or for nondirected research shall be \$1 for each \$3 of state funds. The match required for other businesses for directed contract research or for nondirected research shall be \$1 for each \$1 of state funds. The match required of industrial foundations or trade associations shall be \$1 for each \$1 of state funds.

Iowa state university of science and technology shall report annually to the joint appropriations subcommittee on economic development and the legislative fiscal bureau the total amount of private contributions, the proportion of contributions from small businesses and other businesses, and the proportion for directed contract research and nondirected research of benefit to Iowa businesses and industrial sectors.

Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 60. UNIVERSITY OF IOWA.

1. There is appropriated from the general fund of the state to the state university of Iowa for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the

following amount, or so much thereof as is necessary, to be used for the university of Iowa research park and for the advanced drug development program at the Oakdale research park, including salaries, support, maintenance, equipment, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 245,463  
..... FTEs 6.00

2. The university of Iowa shall do all of the following:

a. Direct expenditures for research toward projects that will provide economic stimulus for Iowa.

b. Emphasize that a business and an individual that creates a business and receives benefits from a program funded, in part, through moneys appropriated in this section have a commercially viable product or service.

VETO

c. Provide emphasis to providing services to Iowa-based companies.

3. The board of regents shall submit a report on the progress of regents institutions in meeting the strategic plan for technology transfer and economic development to the secretary of the senate, the chief clerk of the house of representatives, and the legislative fiscal bureau by January 15, 2003.

4. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 61. UNIVERSITY OF NORTHERN IOWA.

1. There is appropriated from the general fund of the state to the university of northern Iowa for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the metal casting institute, and for the institute of decision making, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 352,889  
..... FTEs 11.15

2. The university of northern Iowa shall do all of the following:

a. Direct expenditures for research toward projects that will provide economic stimulus for Iowa.

VETO

b. Emphasize that a business and an individual that creates a business and receives benefits from a program funded, in part, through moneys appropriated in this section have a commercially viable product or service.

c. Provide emphasis to providing services to Iowa-based companies.

3. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 62. DEPARTMENT OF WORKFORCE DEVELOPMENT.

1. There is appropriated from the general fund of the state, to the department of workforce development for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, for the division of labor services, the division of workers' compensation, the workforce development state and regional boards, the new employment opportunity fund, salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 4,878,316  
..... FTEs 113.30

2. From the contractor registration fees, the division of labor services shall reimburse the department of inspections and appeals for all costs associated with hearings under chapter 91C, relating to contractor registration.

3. The division of workers' compensation shall continue charging a \$65 filing fee for workers' compensation cases. The filing fee shall be paid by the petitioner of a claim. However, the fee can be taxed as a cost and paid by the losing

party, except in cases where it would impose an undue hardship or be unjust under the circumstances.

4. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 63. ADMINISTRATIVE CONTRIBUTION SURCHARGE FUND. Notwithstanding section 96.7, subsection 12, paragraph "c", there is appropriated from the administrative contribution surcharge fund of the state to the department of workforce development for the fiscal year beginning July 1, 2002, and ending June 30, 2003, any moneys remaining in the administrative contribution surcharge fund on June 30, 2002, and the entire amount collected during the fiscal year beginning July 1, 2002, and ending June 30, 2003, or so much thereof as is necessary, for salaries, support, maintenance, conducting labor market surveys, miscellaneous purposes, and for workforce development regional advisory board member expenses.

Sec. 64. EMPLOYMENT SECURITY CONTINGENCY FUND. There is appropriated from the special employment security contingency fund to the department of workforce development for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, for the purposes designated:

1. DIVISION OF WORKERS' COMPENSATION

For salaries, support, maintenance, and miscellaneous purposes:  
..... \$ 471,000

2. IMMIGRATION SERVICE CENTERS

For salaries, support, maintenance, and miscellaneous purposes for the pilot immigration service centers:  
..... \$ 160,000

The department of workforce development shall maintain pilot immigration service centers that offer one-stop services to deal with the multiple issues related to immigration and

employment. The pilot centers shall be designed to support workers, businesses, and communities with information, referrals, job placement assistance, translation, language training, resettlement, as well as technical and legal assistance on such issues as forms and documentation. Through the coordination of local, state, and federal service providers, and through the development of partnerships with public, private, and nonprofit entities with established records of international service, these pilot centers shall seek to provide a seamless service delivery system for new Iowans.

3. LABOR MARKET INFORMATION

For salaries, support, maintenance, miscellaneous purposes for collection of labor market information, and for not more than the following full-time equivalent position:

..... \$ 67,078  
..... FTEs 1.00

Any additional penalty and interest revenue may be used to accomplish the mission of the department upon notification of the use to the chairpersons and ranking members of the joint appropriations subcommittee on economic development, the department of management, and the legislative fiscal bureau. However, the department shall not allocate any additional penalty and interest revenue prior to January 30, 2003.

Sec. 65. PUBLIC EMPLOYMENT RELATIONS BOARD. There is appropriated from the general fund of the state to the public employment relations board for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, for the purposes designated:

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:  
..... \$ 815,857  
..... FTEs 12.00

Sec. 66. Section 15E.112, subsection 5, Code 2001, is amended by striking the subsection.



Sec. 67. Section 159A.7, subsection 6, Code 2001, is amended by striking the subsection.

Sec. 68. 2000 Iowa Acts, chapter 1230, section 11, unnumbered paragraph 3, as amended by 2001 Iowa Acts, chapter 188, section 19, is amended to read as follows:

In addition to moneys appropriated by this section, notwithstanding section 96.7, subsection 12, paragraph "c", for the fiscal year beginning July 1, 2000, there is appropriated from the administrative contribution surcharge fund of the state to the department of workforce development \$700,000, or so much thereof as is necessary, for matching funds for welfare-to-work grants authorized through the United States department of labor. Notwithstanding section 8.33, moneys appropriated in this unnumbered paragraph that remain unencumbered or unobligated on June 30, 2001, shall not revert but shall remain available for expenditure for the purposes designated for the fiscal year years beginning July 1, 2001, and July 1, 2002.

Sec. 69. VALUE-ADDED AGRICULTURAL PRODUCTS AND PROCESSES FINANCIAL ASSISTANCE FUND MONEYS. The office of renewable fuels and coproducts may apply to the department of economic development for moneys in value-added agricultural products and processes financial assistance fund for deposit in the renewable fuels and coproducts fund created in section 159A.7.

Sec. 70. IOWA FINANCE AUTHORITY AUDIT. The auditor of state is requested to review the audit of the Iowa finance authority performed by the auditor hired by the authority. The auditor of state is also requested to conduct a performance audit of the authority to determine the effectiveness of the authority and the programs of the authority.

Sec. 71. APPLICATION FOR DEPARTMENT OF ECONOMIC DEVELOPMENT MONEYS. For the fiscal year beginning July 1, 2002, any entity that was specifically identified in 2001 Iowa Acts, chapter 188, to receive funding from the department of economic development, excluding any entity identified to receive a direct appropriation beginning July 1, 2002, may

apply to the department for assistance through the appropriate program. The department shall provide application criteria necessary to implement this section.

*Veto*

Sec. 72. EXPENDITURE AND ALLOCATION REPORTS. The department of economic development, the department of workforce development, and the regents institutions receiving an appropriation pursuant to this division of this Act shall file a written report on a quarterly basis with the chairpersons and ranking members of the joint appropriations subcommittee on economic development and the legislative fiscal bureau regarding all expenditures of moneys appropriated pursuant to this division of this Act during the quarter, allocations of moneys appropriated pursuant to this division of this Act during the quarter, and full-time equivalent positions allocated during the quarter.

*Veto*

Sec. 73. EMPLOYER'S CONTRIBUTION AND PAYROLL REPORT FORM. Notwithstanding Iowa administrative code 871, chapter 22, an entity filing the employer's contribution and payroll report form and any other unemployment insurance forms on behalf of multiple accounts shall be allowed to submit one check for these accounts. A listing of applicable account numbers shall be submitted with the payment.

Sec. 74. SHELTER ASSISTANCE FUND. In providing moneys from the shelter assistance fund to homeless shelter programs in the fiscal year beginning July 1, 2002, and ending June 30, 2003, the department of economic development shall explore the potential of allocating moneys to homeless shelter programs based in part on their ability to move their clients toward self-sufficiency.

Sec. 75. ISCC REPORT. By December 31, 2002, the department of economic development shall submit a written report to the chairpersons and the ranking members of the joint appropriations subcommittee on economic development and the legislative fiscal bureau. The report shall identify any moneys received from the ISCC liquidation corporation.

Sec. 76. FEDERAL GRANTS. All federal grants to and the federal receipts of agencies appropriated funds under this

division of this Act, not otherwise appropriated, are appropriated for the purposes set forth in the federal grants or receipts unless otherwise provided by the general assembly.

Sec. 77. UNEMPLOYMENT COMPENSATION PROGRAM.

Notwithstanding section 96.9, subsection 4, paragraph "a", moneys credited to the state by the secretary of the treasury of the United States pursuant to section 903 of the Social Security Act shall be appropriated to the department of workforce development and shall be used by the department for the administration of the unemployment compensation program only. This appropriation shall not apply to any fiscal year beginning after December 31, 2002.

Sec. 78. PAYROLL EXPENDITURE REFUNDS. In lieu of the appropriation made in section 15.365, subsection 3, there is appropriated for the fiscal year beginning July 1, 2002, and ending June 30, 2003, \$28,498, or so much thereof as is necessary, from the general fund of the state to the department of economic development to pay refunds as provided under section 15.365.

Sec. 79. EFFECTIVE DATE. This division of this Act takes effect July 1, 2002.

DIVISION IV  
EDUCATION

Sec. 80. 2002 Iowa Acts, Senate File 2326, section 76, subsection 3, paragraph a, is amended by striking the paragraph.

Sec. 81. 2002 Iowa Acts, Senate File 2326, section 76, subsection 5, is amended by striking the subsection.

Sec. 82. 2002 Iowa Acts, Senate File 2326, section 78, subsection 1, unnumbered paragraph 1, is amended to read as follows:

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	231,707
.....		<u>215,488</u>
.....	FTEs	4.30

Sec. 83. 2002 Iowa Acts, Senate File 2326, section 78, subsections 2, 3, and 5, are amended to read as follows:

2. COMMUNITY CULTURAL GRANTS

For planning and programming for the community cultural grants program established under section 303.3, and for not more than the following full-time equivalent position:

.....	\$	598,450
.....		<u>300,000</u>
.....	FTEs	0.70

3. HISTORICAL DIVISION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	3,025,891
.....		<u>2,814,079</u>
.....	FTEs	66.70

5. ARTS DIVISION

For salaries, support, maintenance, miscellaneous purposes, including funds to match federal grants and for not more than the following full-time equivalent positions:

.....	\$	1,254,679
.....		<u>1,166,851</u>
.....	FTEs	11.00

Sec. 84. 2002 Iowa Acts, Senate File 2326, section 79, subsections 1 through 3, are amended to read as follows:

1. GENERAL ADMINISTRATION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	5,165,531
.....		<u>5,051,889</u>
.....	FTEs	104.45

The director of the department of education shall ensure that all school districts are aware of the state education resources available on the state website for listing teacher job openings and shall make every reasonable effort to enable qualified practitioners to post their resumes on the state

website. The department shall administer the posting of job vacancies for school districts, accredited nonpublic schools, and area education agencies on the state website. The department may coordinate this activity with the Iowa school board association or other interested education associations in the state.

2. VOCATIONAL EDUCATION ADMINISTRATION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 500,111
489,109
..... FTEs 15.60

3. BOARD OF EDUCATIONAL EXAMINERS

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 43,695
42,734
..... FTEs 9.00

Sec. 85. 2002 Iowa Acts, Senate File 2326, section 79, subsection 4, paragraph a, unnumbered paragraph 1, is amended to read as follows:

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 4,986,854
4,290,343
..... FTEs 290.50

Sec. 86. 2002 Iowa Acts, Senate File 2326, section 79, subsection 4, paragraph b, unnumbered paragraph 1, is amended to read as follows:

For matching funds for programs to enable persons with severe physical or mental disabilities to function more independently, including salaries and support, and for not more than the following full-time equivalent position:

..... \$ 57,150

55,901

..... FTEs 1.00

Sec. 87. 2002 Iowa Acts, Senate File 2326, section 79, subsection 5, paragraph a, is amended to read as follows:

a. For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 1,500,000
1,250,000
..... FTEs 20.00

Sec. 88. 2002 Iowa Acts, Senate File 2326, section 79, subsection 5, paragraph b, unnumbered paragraph 1, is amended to read as follows:

For the enrich Iowa program:

..... \$ 1,701,160
1,741,982

Sec. 89. 2002 Iowa Acts, Senate File 2326, section 79, subsections 6 and 7, are amended to read as follows:

6. LIBRARY SERVICE AREA SYSTEM

For state aid:

..... \$ 1,443,613
1,411,854

7. PUBLIC BROADCASTING DIVISION

For salaries, support, maintenance, capital expenditures, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 6,856,407
6,356,407
..... FTEs 89.00

Sec. 90. 2002 Iowa Acts, Senate File 2326, section 79, subsection 11, unnumbered paragraph 1, is amended to read as follows:

For deposit in the school ready children grants account of the Iowa empowerment fund created in section 28.9:

..... \$ 14,033,440
13,724,712

Sec. 91. 2002 Iowa Acts, Senate File 2326, section 79, subsections 13 through 16, are amended by striking the subsections.

Sec. 92. Section 256.9, subsection 48, Code Supplement 2001, is amended to read as follows:

48. Develop and administer, with the cooperation of the commission of veterans affairs, a program which shall be known as "Operation recognition". The purpose of the program is to award high school diplomas to ~~World-War-II~~ World War I, World War II, and the Korean and Vietnam conflicts who left high school prior to graduation to enter United States military service. The department and the commission shall jointly develop an application procedure, distribute applications, and publicize the program to school districts, accredited nonpublic schools, county commissions of veteran affairs, veterans organizations, and state, regional, and local media. All honorably discharged ~~World-War-II~~ veterans who are residents or former residents of the state; who served at any time between April 6, 1917, and November 11, 1918, at any time between September 16, 1940, and December 31, 1946, at any time between June 25, 1950, and January 31, 1955, or at any time between February 28, 1961, and May 5, 1975, all dates inclusive; and who did not return to school and complete their education after the war or conflict shall be eligible to receive a diploma. Diplomas may be issued posthumously. Upon approval of an application, the department shall issue an honorary high school diploma for an eligible veteran. The diploma shall indicate the veteran's school of attendance. The department and the commission shall work together to provide school districts, schools, communities, and county commissions of veteran affairs with information about hosting a diploma ceremony on or around Veterans Day. The diploma shall be mailed to the veteran or, if the veteran is deceased, to the veteran's family.

Sec. 93. Section 261.25, subsection 1, Code 2001, as amended by 2002 Iowa Acts, Senate File 2326, section 85, is amended to read as follows:

1. There is appropriated from the general fund of the state to the commission for each fiscal year the sum of ~~forty-seven~~ forty-six million one hundred fifty-five ~~seventeen~~ thousand three nine hundred eighty-two sixty-four dollars for tuition grants.

Sec. 94. Chapter 260A, Code 2001 and Code Supplement 2001, is repealed.

Sec. 95. EFFECTIVE DATE.

1. Except as otherwise provided in subsection 2, this division of this Act takes effect July 1, 2002.

2. The section of this division of this Act amending section 256.9, being deemed of immediate importance, takes effect upon enactment.

DIVISION V  
HEALTH AND HUMAN RIGHTS

Sec. 96. DEPARTMENT FOR THE BLIND. There is appropriated from the general fund of the state to the department for the blind for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:  
..... \$ 1,529,780  
..... FTEs 106.50

Sec. 97. CIVIL RIGHTS COMMISSION. There is appropriated from the general fund of the state to the Iowa state civil rights commission for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:  
..... \$ 908,253  
..... FTEs 35.75

If the anticipated amount of federal funding from the federal equal employment opportunity commission and the federal department of housing and urban development exceeds \$1,144,875 during the fiscal year beginning July 1, 2002, the Iowa state civil rights commission may exceed the staffing level authorized in this section to hire additional staff to process or to support the processing of employment and housing complaints during that fiscal year.

Sec. 98. DEPARTMENT OF ELDER AFFAIRS. There is appropriated from the general fund of the state to the department of elder affairs for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

1. For aging programs for the department of elder affairs and area agencies on aging to provide citizens of Iowa who are 60 years of age and older with case management for the frail elderly, Alzheimer's support, the retired and senior volunteer program, resident advocate committee coordination, employment, and other services which may include, but are not limited to, adult day services, respite care, chore services, telephone reassurance, information and assistance, and home repair services, including the winterizing of homes, and for the construction of entrance ramps which make residences accessible to the physically handicapped, and for salaries, support, administration, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions with the department of elder affairs:

..... \$ 3,928,156  
..... FTEs 28.00

a. Funds appropriated in this subsection may be used to supplement federal funds under federal regulations. To receive funds appropriated in this subsection, a local area agency on aging shall match the funds with moneys from other sources according to rules adopted by the department. Funds appropriated in this subsection may be used for elderly services not specifically enumerated in this subsection only

if approved by an area agency on aging for provision of the service within the area.

b. It is the intent of the general assembly that the Iowa chapters of the Alzheimer's association and the case management program for the frail elderly shall collaborate and cooperate fully to assist families in maintaining family members with Alzheimer's disease in the community for the longest period of time possible.

c. The department shall maintain policies and procedures regarding Alzheimer's support and the retired and senior volunteer program.

2. The department may grant an exception for a limited period of time, determined by the department to be reasonable, to allow for compliance by persons regulated by the department or applicants for assisted living certification with any part of chapter 104A relative to buildings in existence on July 1, 1998. The determination of the period of time allowed for compliance shall be commensurate with the anticipated magnitude of expenditure, disruption of services, and the degree of hazard presented. The department shall also be authorized to modify the accessibility requirements otherwise applicable to such applicants for buildings in existence on July 1, 1998, if the department determines that compliance with the requirements would be unreasonable, but only if it is determined that noncompliance with the requirements would not present an unreasonable degree of danger.

Sec. 99. GOVERNOR'S OFFICE OF DRUG CONTROL POLICY.

1. There is appropriated from the general fund of the state to the governor's office of drug control policy for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, miscellaneous purposes including statewide coordination of the drug abuse resistance education (D.A.R.E.) programs or similar programs, and for not more than the following full-time equivalent positions:  
..... \$ 261,504

..... FTEs 11.00

2. The governor's office of drug control policy, in consultation with the Iowa department of public health, and after discussion and collaboration with all interested agencies, shall coordinate substance abuse treatment and prevention efforts in order to avoid duplication of services.

Sec. 100. DEPARTMENT OF PUBLIC HEALTH. There is appropriated from the general fund of the state to the Iowa department of public health for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADDICTIVE DISORDERS

For reducing the prevalence of use of tobacco, alcohol, and other drugs, and treating individuals affected by addictive behaviors, including gambling, and for not more than the following full-time equivalent positions:

..... \$ 1,182,980
..... FTEs 15.51

a. The department shall continue to coordinate with substance abuse treatment and prevention providers regardless of funding source to assure the delivery of substance abuse treatment and prevention programs.

b. The commission on substance abuse, in conjunction with the department, shall continue to coordinate the delivery of substance abuse services involving prevention, social and medical detoxification, and other treatment by medical and nonmedical providers to uninsured and court-ordered substance abuse patients in all counties of the state.

c. The department and any grantee or subgrantee of the department shall not discriminate against a nongovernmental organization that provides substance abuse treatment and prevention services or applies for funding to provide those services on the basis that the organization has a religious character. The department shall report to the governor and the general assembly on or before February 1, 2003, regarding the number of religious or other nongovernmental organizations

that applied for funds in the preceding fiscal year, the amounts awarded to those organizations, and the basis for any refusal by the department or grantee or subgrantee of the department to award funds to any of those organizations that applied.

2. ADULT WELLNESS

For maintaining or improving the health status of adults, with target populations between the ages of 18 through 60, and for not more than the following full-time equivalent positions:

..... \$ 497,647
..... FTEs 24.27

3. CHILD AND ADOLESCENT WELLNESS

For promoting the optimum health status for children and adolescents from birth through 21 years of age, and for not more than the following full-time equivalent positions:

..... \$ 1,092,689
..... FTEs 47.07

4. CHRONIC CONDITIONS

For serving individuals identified as having chronic conditions or special health care needs, and for not more than the following full-time equivalent positions:

..... \$ 1,171,453
..... FTEs 10.30

5. COMMUNITY CAPACITY

For strengthening the health care delivery system at the local level, and for not more than the following full-time equivalent positions:

..... \$ 1,225,717
..... FTEs 26.12

6. ELDERLY WELLNESS

For optimizing the health of persons 60 years of age and older, and for not more than the following full-time equivalent positions:

..... \$ 9,455,265
..... FTEs 4.05

7. ENVIRONMENTAL HAZARDS

For reducing the public's exposure to hazards in the environment, primarily chemical hazards, and for not more than the following full-time equivalent positions:

.....	\$	158,258
.....	FTEs	9.20

8. INFECTIOUS DISEASES

For reducing the incidence and prevalence of communicable diseases, and for not more than the following full-time equivalent positions:

.....	\$	1,095,419
.....	FTEs	36.40

9. INJURIES

For providing support and protection to victims of abuse or injury, or programs that are designed to prevent abuse or injury, and for not more than the following full-time equivalent positions:

.....	\$	1,467,105
.....	FTEs	8.55

Of the funds appropriated in this subsection, \$660,000 shall be credited to the emergency medical services fund created in section 135.25.

10. PUBLIC PROTECTION

For protecting the health and safety of the public through establishing standards and enforcing regulations, and for not more than the following full-time equivalent positions:

.....	\$	6,269,235
.....	FTEs	129.77

a. The department may expend funds received from licensing fees in addition to amounts appropriated in this subsection, if those additional expenditures are directly the result of a scope of practice review committee unanticipated litigation costs arising from the discharge of an examining board's regulatory duties. Before the department expends or encumbers funds for a scope of practice review committee or for an amount in excess of the funds budgeted for an examining board, the director of the department of management shall approve the expenditure or encumbrance. The amounts necessary to fund any

unanticipated litigation or scope of practice review committee expense in the fiscal year beginning July 1, 2002, shall not exceed 5 percent of the average annual fees generated by the boards for the previous two fiscal years.

b. For the fiscal year beginning July 1, 2002, the department shall retain fees collected from the certification of lead inspectors and lead abaters pursuant to section 135.105A to support the certification program; and shall retain fees collected from the licensing, registration, authorization, accreditation, and inspection of x-ray machines used for mammographically guided breast biopsy, screening, and diagnostic mammography, pursuant to section 136C.10 to support the administration of the chapter. The department may also retain fees collected pursuant to section 136C.10 on all shippers of radioactive material waste containers transported across Iowa if the department does not obtain funding to support the oversight and regulation of this activity, and for x-ray radiology examination fees collected by the department and reimbursed to a private organization conducting the examination.

c. The department may retain and expend not more than \$279,056 for lease and maintenance expenses from fees collected pursuant to section 147.80 by the board of dental examiners, the board of pharmacy examiners, the board of medical examiners, and the board of nursing in the fiscal year beginning July 1, 2002, and ending June 30, 2003. Fees retained by the department pursuant to this lettered paragraph are appropriated to the department for the purposes described in this lettered paragraph.

d. The department may retain and expend not more than \$100,000 for reduction of the number of days necessary to process medical license requests and for reduction of the number of days needed for consideration of malpractice cases from fees collected pursuant to section 147.80 by the board of medical examiners in the fiscal year beginning July 1, 2002, and ending June 30, 2003. Fees retained by the department pursuant to this lettered paragraph are appropriated to the

department for the purposes described in this lettered paragraph.

e. If a person in the course of responding to an emergency renders aid to an injured person and becomes exposed to bodily fluids of the injured person, that emergency responder shall be entitled to hepatitis testing and immunization in accordance with the latest available medical technology to determine if infection with hepatitis has occurred. The person shall be entitled to reimbursement from the funds appropriated in this subsection only if the reimbursement is not available through any employer or third-party payor.

f. The board of dental examiners may retain and expend not more than \$148,060 from revenues generated pursuant to section 147.80. Fees retained by the board pursuant to this lettered paragraph are appropriated to the department to be used for the purposes of regulating dental assistants.

g. The board of medical examiners, the board of pharmacy examiners, the board of dental examiners, and the board of nursing shall prepare estimates of projected receipts to be generated by the licensing, certification, and examination fees of each board as well as a projection of the fairly apportioned administrative costs and rental expenses attributable to each board. Each board shall annually review and adjust its schedule of fees so that, as nearly as possible, projected receipts equal projected costs.

h. The board of medical examiners, the board of pharmacy examiners, the board of dental examiners, and the board of nursing shall retain their individual executive officers, but are strongly encouraged to share administrative, clerical, and investigative staffs to the greatest extent possible.

i. The licensing boards funded under this section shall submit a report by February 1, 2003, to the chairpersons and ranking members of the joint appropriations subcommittee on health and human rights providing management to staff ratios of all funded positions as of January 13, 2003.

11. RESOURCE MANAGEMENT

For establishing and sustaining the overall ability of the department to deliver services to the public, and for not more than the following full-time equivalent positions:

.....	\$ 1,101,021
..... FTEs	53.76

12. The state university of Iowa hospitals and clinics under the control of the state board of regents shall not receive indirect costs from the funds appropriated in this section.

13. A local health care provider or nonprofit health care organization seeking grant moneys administered by the Iowa department of public health shall provide documentation that the provider or organization has coordinated its services with other local entities providing similar services.

14. a. The department shall apply for available federal funds for sexual abstinence education programs.

b. It is the intent of the general assembly to comply with the United States Congress' intent to provide education that promotes abstinence from sexual activity outside of marriage and reduces pregnancies, by focusing efforts on those persons most likely to father and bear children out of wedlock.

c. Any sexual abstinence education program awarded moneys under the grant program shall meet the definition of abstinence education in the federal law. Grantees shall be evaluated based upon the extent to which the abstinence program successfully communicates the goals set forth in the federal law.

d. It is the intent of the general assembly that the Iowa department of public health and the department of human services shall discuss the feasibility of combining adolescent pregnancy prevention programs under one department and shall submit a written report regarding such discussions to the chairpersons and ranking members of the joint appropriations subcommittee on health and human rights by November 1, 2002.

Sec. 101. DEPARTMENT OF HUMAN RIGHTS. There is appropriated from the general fund of the state to the department of human rights for the fiscal year beginning July



1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. CENTRAL ADMINISTRATION DIVISION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 255,624
..... FTEs 7.00

2. DEAF SERVICES DIVISION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 313,828
..... FTEs 7.00

The fees collected by the division for provision of interpretation services by the division to obligated agencies shall be disbursed pursuant to the provisions of section 8.32, and shall be dedicated and used by the division for continued and expanded interpretation services.

3. PERSONS WITH DISABILITIES DIVISION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 173,136
..... FTEs 3.50

4. LATINO AFFAIRS DIVISION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 155,124
..... FTEs 3.00

5. STATUS OF WOMEN DIVISION

For salaries, support, maintenance, miscellaneous purposes, including the Iowans in transition program, and the domestic violence and sexual assault-related grants, and for not more than the following full-time equivalent positions:

..... \$ 333,415
..... FTEs 9.00

6. STATUS OF AFRICAN-AMERICANS DIVISION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 124,373
..... FTEs 2.00

The appropriation in this subsection is contingent upon the appointment of an administrator of the division on the status of African-Americans and the appointment of all nine members to the commission on the status of African-Americans.

7. CRIMINAL AND JUVENILE JUSTICE PLANNING DIVISION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 368,604
..... FTEs 9.15

The criminal and juvenile justice planning advisory council and the juvenile justice advisory council shall coordinate their efforts in carrying out their respective duties relative to juvenile justice.

8. SHARED STAFF. The divisions of the department of human rights shall retain their individual administrators, but shall share staff to the greatest extent possible.

Sec. 102. COMMISSION OF VETERANS AFFAIRS. There is appropriated from the general fund of the state to the commission of veterans affairs for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. COMMISSION OF VETERANS AFFAIRS ADMINISTRATION

For salaries, support, maintenance, miscellaneous purposes, including the war orphan educational fund established pursuant to chapter 35, and for not more than the following full-time equivalent positions:

..... \$ 192,792

..... FTEs 3.00

The commission of veterans affairs may use the gifts accepted by the chairperson of the commission of veterans affairs, or designee, and other resources available to the commission for use at its Camp Dodge office. The commission shall report annually to the governor and the general assembly on monetary gifts received by the commission for the Camp Dodge office.

2. IOWA VETERANS HOME

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 14,445,694  
..... FTEs 843.00

a. The Iowa veterans home may use the gifts accepted by the chairperson of the commission of veterans affairs and other resources available to the commission for use at the Iowa veterans home.

b. Any Iowa veterans home successor contractor shall not consider employees of a state institution or facility to be new employees for purposes of employee wages, health insurance, or retirement benefits.

c. The chairpersons and ranking members of the joint appropriations subcommittee on health and human rights shall be notified by January 15 of any calendar year during which a request for proposals is anticipated to be issued regarding any Iowa veterans home contract involving employment, for purposes of providing legislative review and oversight.

d. The Iowa veterans home shall operate with a net state general fund appropriation. The amount appropriated in this subsection is the net amount of state moneys projected to be needed for the Iowa veterans home. The purposes of operating with a net state general fund appropriation are to encourage the Iowa veterans home to operate with increased self-sufficiency, to improve quality and efficiency, and to support collaborative efforts among all funders of services available from the Iowa veterans home. Moneys appropriated in this

subsection may be used throughout the fiscal year in the manner necessary for purposes of cash flow management, and for purposes of cash flow management the Iowa veterans home may temporarily draw more than the amount appropriated, provided the amount appropriated is not exceeded at the close of the fiscal year.

Beginning September 1, 2002, the Iowa veterans home shall submit a report every other month to the chairpersons and ranking members of the joint appropriations subcommittee on health and human rights and to the legislative fiscal committee providing a financial analysis of revenues and expenses.

*Veto*

e. Revenues attributable to the Iowa veterans home for the fiscal year beginning July 1, 2002, shall be deposited into the Iowa veterans home account and shall be treated as repayment receipts, including but not limited to all of the following:

- (1) Federal veterans administration payments.
- (2) Medical assistance revenue received under chapter 249A.
- (3) Federal Medicare program payments.
- (4) Moneys received from client financial participation.
- (5) Other revenues generated from current, new, or expanded services which the Iowa veterans home is authorized to provide.

f. For the purposes of allocating the salary adjustment fund moneys appropriated in another Act, the Iowa veterans home shall be considered to be funded entirely with state moneys.

g. Notwithstanding section 8.33, up to \$500,000 of the Iowa veterans home revenues that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available to be used in the succeeding fiscal year.

Sec. 103. GAMBLING TREATMENT FUND -- APPROPRIATION.

1. There is appropriated from funds available in the gambling treatment fund established in the office of the treasurer of state pursuant to section 99E.10 to the Iowa

department of public health for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

a. Addictive disorders

To be utilized for the benefit of persons with addictions:

..... \$ 1,690,000

b. It is the intent of the general assembly that from the moneys appropriated in this section, persons with a dual diagnosis of substance abuse and gambling addictions shall be given priority in treatment services.

c. Gambling treatment program

The funds remaining in the gambling treatment fund after the appropriation in paragraph "a" is made shall be used for funding of administrative costs and to provide programs which may include, but are not limited to, outpatient and follow-up treatment for persons affected by problem gambling, rehabilitation and residential treatment programs, information and referral services, education and preventive services, and financial management services.

2. For the fiscal year beginning July 1, 2002, and ending June 30, 2003, from the tax revenue received by the state racing and gaming commission pursuant to section 99D.15, subsections 1, 3, and 4, an amount equal to three-tenths of one percent of the gross sum wagered by the pari-mutuel method is to be deposited into the gambling treatment fund.

Sec. 104. VITAL RECORDS. The vital records modernization project as enacted in 1993 Iowa Acts, chapter 55, section 1, as amended by 1994 Iowa Acts, chapter 1068, section 8, as amended by 1997 Iowa Acts, chapter 203, section 9, 1998 Iowa Acts, chapter 1221, section 9, and 1999 Iowa Acts, chapter 201, section 17, and as continued by 2000 Iowa Acts, chapter 1222, section 10, and 2001 Iowa Acts, chapter 182, section 13, shall be extended until June 30, 2003, and the increased fees to be collected pursuant to that project shall continue to be collected and are appropriated to the Iowa department of public health until June 30, 2003.

Sec. 105. SPAN OF CONTROL REPORTING. The department for the blind, the Iowa state civil rights commission, the department of elder affairs, the Iowa department of public health, the department of human rights, the governor's office of drug control policy, and the commission of veterans affairs shall submit a report by February 1, 2003, to the chairpersons and ranking members of the joint appropriations subcommittee on health and human rights providing all management to staff ratios of all funded positions as of January 13, 2003.

VET

Sec. 106. PROGRAM PERFORMANCE BUDGETS. It is the intent of the general assembly that the department for the blind, the Iowa state civil rights commission, the department of elder affairs, the Iowa department of public health, the department of human rights, the governor's office of drug control policy, and the commission of veterans affairs develop program performance budget measures to include, but not be limited to, the development and tracking of demand, workload, productivity, and effectiveness performance indicators for each program. The program performance measures shall include minority programs and grants received by minority programs. The program performance measures shall also include gender-based programs. The purpose of the program performance budget initiative is to emphasize the programs the agencies provide based upon citizen needs, the agencies' responses to those needs, and the resources the agencies require to respond to those needs. The agencies shall submit a report on the status of achieving the program performance measures to the chairpersons and ranking members of the joint appropriations subcommittee on health and human rights by December 16, 2002.

Sec. 107. SCOPE OF PRACTICE REVIEW PROJECT. The scope of practice review committee pilot project as enacted in 1997 Iowa Acts, chapter 203, section 6, shall be extended until July 1, 2003. The Iowa department of public health shall submit an annual progress report to the governor and the general assembly by January 15 and shall include any recommendations for legislative action as a result of review committee activities. The department may contract with a

school or college of public health in Iowa to assist in implementing the project.

Sec. 108. Section 232.190, Code 2001, is repealed.

VETO

Sec. 109. EFFECTIVE DATE. This division of this Act takes effect July 1, 2002.

DIVISION VI  
HUMAN SERVICES

Sec. 110. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT. There is appropriated from the fund created in section 8.41 to the department of human services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, from moneys received under the federal temporary assistance for needy families block grant pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193 and successor legislation, which are federally appropriated for the federal fiscal years beginning October 1, 2001, and ending September 30, 2002, and beginning October 1, 2002, and ending September 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

If the federal government appropriation received for Iowa's portion of the federal temporary assistance for needy families block grant for the federal fiscal year beginning October 1, 2002, and ending September 30, 2003, is less than \$131,524,959, it is the intent of the general assembly to act expeditiously during the 2003 legislative session to adjust appropriations or take other actions to address the reduced amount. Moneys appropriated in this section shall be used in accordance with the federal law making the funds available, applicable Iowa law, appropriations made from the general fund of the state in this Act for the purpose designated, and administrative rules adopted to implement the federal and Iowa law:

1. To be credited to the family investment program account and used for assistance under the family investment program under chapter 239B:  
..... \$ 46,508,982

- 2. To be credited to the family investment program account and used for the job opportunities and basic skills (JOBS) program, and implementing family investment agreements, in accordance with chapter 239B:  
..... \$ 13,412,794
- 3. For field operations:  
..... \$ 12,885,790
- 4. For general administration:  
..... \$ 3,238,614
- 5. For local administrative costs:  
..... \$ 2,122,982
- 6. For state child care assistance:  
..... \$ 28,638,329
  - a. Of the funds appropriated in this subsection, \$200,000 shall be used for provision of educational opportunities to registered child care home providers in order to improve services and programs offered by this category of providers and to increase the number of providers. The department may contract with institutions of higher education or child care resource and referral centers to provide the educational opportunities. Allowable administrative costs under the contracts shall not exceed 5 percent. The application for a grant shall not exceed two pages in length.
  - b. Of the funds appropriated in this subsection, the maximum amount allowed under Pub. L. No. 104-193 shall be transferred to the child care and development block grant appropriation. Funds appropriated in this subsection that remain following the transfer shall be used to provide direct spending for the child care needs of working parents in families eligible for the family investment program.
- 7. For emergency assistance:  
..... \$ 1,000,000
- 8. For mental health and developmental disabilities community services:  
..... \$ 4,349,266
- 9. For child and family services:  
..... \$ 22,896,571
- 10. For child abuse prevention grants:

..... \$ 250,000

11. For pregnancy prevention grants on the condition that family planning services are funded:

..... \$ 2,514,413

a. Pregnancy prevention grants shall be awarded to programs in existence on or before July 1, 2002, if the programs are comprehensive in scope and have demonstrated positive outcomes. Grants shall be awarded to pregnancy prevention programs which are developed after July 1, 2002, if the programs are comprehensive in scope and are based on existing models that have demonstrated positive outcomes. Grants shall comply with the requirements provided in 1997 Iowa Acts, chapter 208, section 14, subsections 1 and 2, including the requirement that grant programs must emphasize sexual abstinence. Priority in the awarding of grants shall be given to programs that serve areas of the state which demonstrate the highest percentage of unplanned pregnancies of females age 13 or older but younger than age 18 within the geographic area to be served by the grant.

b. In addition to the full-time equivalent positions funded in this division of this Act, the department may use a portion of the funds appropriated in this subsection to employ an employee in up to 1.00 full-time equivalent position for the administration of programs specified in this subsection.

12. For technology needs and other resources necessary to meet federal welfare reform reporting, tracking, and case management requirements:

..... \$ 565,088

13. For volunteers:

..... \$ 42,663

14. For individual development accounts under chapter 541A:

..... \$ 150,000

15. For the healthy opportunities for parents to experience success (HOPES) program administered by the Iowa department of public health to target child abuse prevention:

..... \$ 200,000

16. To be credited to the state child care assistance appropriation made in this section to be used for funding of community-based early childhood programs targeted to children from birth through five years of age, developed by community empowerment areas as provided in this subsection:

..... \$ 6,350,000

a. The department may transfer federal temporary assistance for needy families block grant funding appropriated and allocated in this subsection to the child care and development block grant appropriation in accordance with federal law as necessary to comply with the provisions of this subsection. The funding shall then be provided to community empowerment areas for the fiscal year beginning July 1, 2002, in accordance with all of the following:

(1) The area must be approved as a designated community empowerment area by the Iowa empowerment board.

(2) The maximum funding amount a community empowerment area is eligible to receive shall be determined by applying the area's percentage of the state's average monthly family investment program population in the preceding fiscal year to the total amount appropriated for fiscal year 2002-2003 from the TANF block grant to fund community-based programs targeted to children from birth through five years of age developed by community empowerment areas.

(3) A community empowerment area receiving funding shall comply with any federal reporting requirements associated with the use of that funding and other results and reporting requirements established by the Iowa empowerment board. The department shall provide technical assistance in identifying and meeting the federal requirements.

(4) The availability of funding provided under this subsection is subject to changes in federal requirements and amendments to Iowa law.

b. The moneys distributed in accordance with this subsection shall be used by communities for the purposes of enhancing quality child care capacity in support of parent capability to obtain or retain employment. The moneys shall

be used with a primary emphasis on low-income families and children from birth to five years of age. Moneys shall be provided in a flexible manner to communities, and shall be used to implement strategies identified by the communities to achieve such purposes. In addition to the full-time equivalent positions funded in this division of this Act, 1.00 full-time equivalent position is authorized and the department may use funding appropriated in this subsection for provision of technical assistance and other support to communities developing and implementing strategies with moneys distributed in accordance with this subsection.

c. Moneys that are subject to this subsection which are not distributed to a community empowerment area or otherwise remain unobligated or unexpended at the end of the fiscal year shall revert to the fund created in section 8.41 to be available for appropriation by the general assembly in a subsequent fiscal year.

Of the amounts appropriated in this section, \$11,612,112 for the fiscal year beginning July 1, 2002, shall be transferred to the appropriation of the federal social services block grant for that fiscal year.

Eligible funding available under the federal temporary assistance for needy families block grant that is not appropriated or not otherwise expended shall be considered reserved for economic downturns and welfare reform purposes and is subject to further state appropriation to support families in their movement toward self-sufficiency.

Federal funding received that is designated for activities supporting marriage or two-parent families is appropriated to the Iowa marriage initiative grant fund created in section 234.45.

Sec. 111. FAMILY INVESTMENT PROGRAM ACCOUNT.

1. Moneys credited to the family investment program (FIP) account for the fiscal year beginning July 1, 2002, and ending June 30, 2003, shall be used in accordance with the following requirements:

- a. The department shall provide assistance in accordance with chapter 239B.
- b. The department shall continue the special needs program under the family investment program.
- c. The department shall continue to comply with federal welfare reform data requirements pursuant to the appropriations made for that purpose.
- d. (1) The department shall continue expansion of the electronic benefit transfer program as necessary to comply with federal food stamp benefit requirements. The target date for statewide implementation of the program is October 1, 2003.

(2) Notwithstanding section 234.12A, subsection 1, for the fiscal year beginning July 1, 2002, a retailer providing electronic equipment shall not be reimbursed a transaction fee.

2. The department may use a portion of the moneys credited to the family investment account under this section, as necessary for salaries, support, maintenance, and miscellaneous purposes for not more than the following full-time equivalent positions which are in addition to any other full-time equivalent positions authorized by this Act:

..... FTEs 6.00

3. The department may transfer funds in accordance with section 8.39, either federal or state, to or from the child care appropriations made for the fiscal year beginning July 1, 2002, if the department deems this would be a more effective method of paying for JOBS program child care, to maximize federal funding, or to meet federal maintenance of effort requirements.

4. Moneys appropriated in this division of this Act and credited to the family investment program account for the fiscal year beginning July 1, 2002, and ending June 30, 2003, are allocated as follows:

- a. For the family development and self-sufficiency grant program as provided under section 217.12:  
..... \$ 5,133,042

(1) Of the funds allocated for the family development and self-sufficiency grant program in this lettered paragraph, not more than 5 percent of the funds shall be used for the administration of the grant program.

(2) Based upon the annual evaluation report concerning each grantee funded by previously appropriated funds and through the solicitation of additional grant proposals, the family development and self-sufficiency council may use the allocated funds to renew or expand existing grants or award new grants. In utilizing the funding allocated in this lettered paragraph, the council shall give consideration, in addition to other criteria established by the council, to a grantee's intended use of local funds with a grant and to whether approval of a grant proposal would expand the availability of the program's services.

(3) The department may continue to implement the family development and self-sufficiency grant program statewide during FY 2002-2003.

b. For the diversion subaccount of the family investment program account:

..... \$ 1,814,000

(1) Moneys allocated to the diversion subaccount shall be used to continue the pilot initiative of providing incentives to assist families who meet income eligibility requirements for the family investment program in obtaining or retaining employment, to assist participant families in overcoming barriers to obtaining employment, and to assist families in stabilizing employment and in reducing the likelihood of the family returning to the family investment program. The requirements established and position authorized under 2001 Iowa Acts, chapter 191, section 3, subsection 5, paragraph "c", subparagraph (1), shall remain applicable to the initiative for fiscal year 2002-2003.

(2) Of the moneys allocated to the diversion subaccount, not more than \$250,000 shall be used to develop or continue community-level parental obligation pilot projects. The requirements established under 2001 Iowa Acts, chapter 191,

section 3, subsection 5, paragraph "c", subparagraph (3), shall remain applicable to the parental obligation pilot projects for fiscal year 2002-2003.

c. For the food stamp employment and training program: ..... \$ 63,000

5. Of the child support collections assigned under the family investment program, an amount equal to the federal share of support collections shall be credited to the child support recovery appropriation. Of the remainder of the assigned child support collections received by the child support recovery unit, a portion shall be credited to the family investment program account and a portion may be used to increase recoveries.

6. The department may adopt emergency administrative rules for the family investment, food stamp, and medical assistance programs, if necessary, to comply with federal requirements.

Prior to adoption of the rules, the department shall consult with the welfare reform council and the chairpersons and ranking members of the joint appropriations subcommittee on human services.

VETO

7. The department may continue the initiative to streamline and simplify the employer verification process for applicants, participants, and employers in the administration of the department's programs. The department may contract with companies collecting data from employers when the information is needed in the administration of these programs. The department may limit the availability of the initiative on the basis of geographic area or number of individuals.

Sec. 112. FAMILY INVESTMENT PROGRAM GENERAL FUND. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

To be credited to the family investment program account and used for family investment program assistance under chapter 239B:

..... \$ 35,288,782

1. The department of workforce development, in consultation with the department of human services, shall continue to utilize recruitment and employment practices to include former and current family investment program recipients.

2. The department of human services shall continue to work with the department of workforce development and local community collaborative efforts to provide support services for family investment program participants. The support services shall be directed to those participant families who would benefit from the support services and are likely to have success in achieving economic independence.

3. Of the funds appropriated in this section, \$9,274,143 is allocated for the JOBS program.

4. The department shall continue to work with religious organizations and other charitable institutions to increase the availability of host homes, referred to as second chance homes or other living arrangements under the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, § 103. The purpose of the homes or arrangements is to provide a supportive and supervised living arrangement for minor parents receiving assistance under the family investment program who, under chapter 239B, may receive assistance while living in an alternative setting other than with their parent or legal guardian.

Sec. 113. EMERGENCY ASSISTANCE.

1. The emergency assistance funds received in accordance with this section and federal moneys appropriated for this purpose in this division of this Act shall be available beginning October 1, 2002, and shall be provided only if all other publicly funded resources have been exhausted. Specifically, emergency assistance is the program of last resort and shall not supplant assistance provided by the low-income home energy assistance program (LIHEAP), county general relief, and veterans affairs programs. The department shall establish a \$500 maximum payment, per family, in a 12-month

period. The emergency assistance includes, but is not limited to, assisting people who face eviction, potential eviction, or foreclosure, utility shutoff or fuel shortage, loss of heating energy supply or equipment, homelessness, utility or rental deposits, or other specified crisis which threatens family or living arrangements. The emergency assistance shall be available to migrant families who would otherwise meet eligibility criteria. The department may contract for the administration and delivery of the program. The program shall be terminated when funds are exhausted.

2. a. For the fiscal year beginning July 1, 2002, the department shall continue the process for the state to receive refunds of utility and rent deposits, including any accrued interest, for emergency assistance recipients which were paid by persons other than the state. The department shall also receive refunds, including any accrued interest, of assistance paid with funding available under this program. The refunds received by the department under this subsection shall be deposited with the moneys of the appropriation made in this Act and are appropriated to be used as additional funds for the emergency assistance program.

b. Notwithstanding section 8.33, moneys received by the department under this subsection which remain after the emergency assistance program is terminated and state or federal moneys in the emergency assistance account which remain unobligated or unexpended at the close of the fiscal year beginning July 1, 2002, shall not revert but shall remain available for expenditure when the program resumes operation on October 1 in the succeeding fiscal year.

Sec. 114. CHILD SUPPORT RECOVERY. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For child support recovery, including salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:



..... \$ 5,895,189  
 ..... FTEs 406.40

1. The director of human services, within the limitations of the moneys appropriated in this section, or moneys transferred from the family investment program account for this purpose, shall establish new positions and add employees to the child support recovery unit if the director determines that both the current and additional employees together can reasonably be expected to maintain or increase net state revenue at or beyond the budgeted level.

2. Nonpublic assistance application fees and other user fees received by the child support recovery unit are appropriated and shall be used for the purposes of the child support recovery program. The director of human services may add positions within the limitations of the amount appropriated for salaries and support for the positions.

3. The director of human services, in consultation with the department of management and the legislative fiscal committee, is authorized to receive and deposit state child support incentive earnings in the manner specified under applicable federal requirements.

4. a. The director of human services may establish new positions and add state employees to the child support recovery unit or contract for delivery of services if the director determines the employees are necessary to replace county-funded positions eliminated due to termination, reduction, or nonrenewal of a chapter 28E contract. However, the director must also determine that the resulting increase in the state share of child support recovery incentives exceeds the cost of the positions or contract, the positions or contract are necessary to ensure continued federal funding of the program, or the new positions or contract can reasonably be expected to recover at least twice the amount of money necessary to pay the salaries and support for the new positions or the contract will generate at least 200 percent of the cost of the contract.

b. Employees in full-time positions that transition from county government to state government employment under this subsection are exempt from testing, selection, and appointment provisions of chapter 19A and from the provisions of collective bargaining agreements relating to the filling of vacant positions.

5. Surcharges paid by obligors and received by the unit as a result of the referral of support delinquency by the child support recovery unit to any private collection agency are appropriated to the department and shall be used to pay the costs of any contracts with the collection agencies.

6. The department shall expend up to \$51,000, including federal financial participation, for the fiscal year beginning July 1, 2002, for a child support public awareness campaign. The department and the office of the attorney general shall cooperate in continuation of the campaign. The public awareness campaign shall emphasize, through a variety of media activities, the importance of maximum involvement of both parents in the lives of their children as well as the importance of payment of child support obligations.

7. Federal access and visitation grant moneys shall be issued directly to private not-for-profit agencies that provide services designed to increase compliance with the child access provisions of court orders, including but not limited to neutral visitation site and mediation services.

Sec. 115. 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, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical assistance reimbursement and associated costs as specifically provided in the reimbursement methodologies in effect on June 30, 2002, except as otherwise expressly authorized by law, including reimbursement for abortion services, which shall be available under the medical assistance program only for those abortions which are medically necessary:

..... \$380,907,073

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. 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 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.

3. a. The county of legal settlement shall be billed for 50 percent of the nonfederal share of the cost of case management provided for adults, day treatment, and partial hospitalization in accordance with sections 249A.26 and 249A.27, and 100 percent of the nonfederal share of the cost of care for adults which is reimbursed under a federally

approved home and community-based waiver that would otherwise be approved for provision in an intermediate care facility for persons with mental retardation, provided under the medical assistance program. The state shall have responsibility for the remaining 50 percent of the nonfederal share of the cost of case management provided for adults, day treatment, and partial hospitalization. For persons without a county of legal settlement, the state shall have responsibility for 100 percent of the nonfederal share of the costs of case management provided for adults, day treatment, partial hospitalization, and the home and community-based waiver services. The case management services specified in this subsection shall be billed to a county only if the services are provided outside of a managed care contract.

b. The state shall pay the entire nonfederal share of the costs for case management services provided to persons 17 years of age and younger who are served in a medical assistance home and community-based waiver program for persons with mental retardation.

c. Medical assistance funding for case management services for eligible persons 17 years of age and younger shall also be provided to persons residing in counties with child welfare decategorization projects implemented in accordance with section 232.188, provided these projects have included these persons in their service plan and the decategorization project county is willing to provide the nonfederal share of costs.

d. When paying the necessary and legal expenses of intermediate care facilities for persons with mental retardation (ICFMR), the cost payment requirements of section 222.60 shall be considered fulfilled when payment is made in accordance with the medical assistance payment rates established for ICFMRs by the department and the state or a county of legal settlement is not obligated for any amount in excess of the rates.

e. Unless a county has paid or is paying for the nonfederal share of the cost of a person's home and community-based waiver services or ICFMR placement under the county's

mental health, mental retardation, and developmental disabilities services fund, or unless a county of legal settlement would become liable for the costs of services at the ICFMR level of care for a person due to the person reaching the age of majority, the state shall pay the nonfederal share of the costs of an eligible person's services under the home and community-based waiver for persons with brain injury.

4. The department shall utilize not more than \$60,000 of the funds appropriated in this section to continue the AIDS/HIV health insurance premium payment program as established in 1992 Iowa Acts, Second Extraordinary Session, chapter 1001, section 409, subsection 6. Of the funds allocated in this subsection, not more than \$5,000 may be expended for administrative purposes.

5. Of the funds appropriated to the Iowa department of public health for substance abuse grants, \$950,000 for the fiscal year beginning July 1, 2002, shall be transferred to the department of human services for an integrated substance abuse managed care system.

6. In administering the medical assistance home and community-based waivers, the total number of openings for persons with physical disabilities served at any one time shall be limited to the number approved for a waiver by the secretary of the United States department of health and human services. The openings shall be available on a first-come, first-served basis.

7. The department of human services, in consultation with the Iowa department of public health and the department of education, shall continue the program to utilize the early and periodic screening, diagnosis, and treatment (EPSDT) funding under medical assistance, to the extent possible, to implement the screening component of the EPSDT program through the school system. The department may enter into contracts to utilize maternal and child health centers, the public health nursing program, or school nurses in implementing this provision.

VETO

8. The department shall continue the medical assistance home and community-based services waiver to allow children with mental retardation, who would otherwise require ICF/MR care, to be served in out-of-home settings of up to eight beds which meet standards established by the department. Up to \$1,487,314 of the funds appropriated in this section may be used for the costs of the waiver.

9. The department shall continue working with county representatives in aggressively implementing the rehabilitation option for services to persons with chronic mental illness under the medical assistance program, and county funding shall be used to provide the match for the federal funding, except for individuals with state case status, for whom state funding shall provide the match.

10. If the federal centers for Medicare and Medicaid services approves a waiver request from the department, the department shall provide a period of 24 months of guaranteed eligibility for medical assistance family planning services, regardless of the change in circumstances of a woman who was a medical assistance recipient when a pregnancy ended.

11. The department shall aggressively pursue options for providing medical assistance or other assistance to individuals with special needs who become ineligible to continue receiving services under the early and periodic, screening, diagnosis, and treatment program under the medical assistance program due to becoming 21 years of age, who have been approved for additional assistance through the department's exception to policy provisions, but who have health care needs in excess of the funding available through the exception to policy process.

12. Of the funds appropriated in this section, \$150,000 shall be used as state matching funds, in combination with federal and private funds for participation in a federal home telecare pilot program intended to manage health care needs of subpopulations of Iowans and specifically including subpopulations of Iowans who require high utilization of health care services and represent a disproportionate share of

consumption of health care services. The program shall be administered by the Iowa telecare consortium, which is a collaboration of public, private, academic, and governmental participants coordinated by Des Moines university -- osteopathic medical center. The program may direct telecare services to persons with diagnoses of specific nonacute chronic illnesses, which may include, but are not limited to, chronic obstructive pulmonary disease, congestive heart disease, diabetes, and asthma. Des Moines university -- osteopathic medical center shall submit a report to the general assembly by January 15, 2003, regarding the status of the pilot program. The program guidelines shall be consistent with those specified under 2001 Iowa Acts, chapter 191, section 7, subsection 15.

13. The drug utilization review board shall submit copies of the board's annual review, including facts and findings, of the drugs on the department's prior authorization list to the department and to the members of the joint appropriations subcommittee on human services.

14. The department shall expend the anticipated savings for operation of the state maximum allowable cost program for pharmaceuticals as additional funding for the medical assistance program.

Sec. 116. HEALTH INSURANCE PREMIUM PAYMENT PROGRAM. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For administration of the health insurance premium payment program, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:  
..... \$ 580,044  
..... FTEs 22.00

Sec. 117. MEDICAL CONTRACTS. There is appropriated from the general fund of the state to the department of human

services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical contracts:

..... \$ 8,729,141

*VETO* 1. The department shall receive input and recommendations from the chairpersons and ranking members of the joint appropriations subcommittee on human services prior to entering into or extending any managed care contract for mental health or substance abuse services.

2. In any managed care contract for mental health or substance abuse services entered into or extended by the department on or after July 1, 2002, the request for proposals shall provide for coverage of dual diagnosis mental health and substance abuse treatment provided at the state mental health institute at Mount Pleasant. To the extent possible, the department shall also amend any such contract existing on July 1, 2002, to provide for such coverage.

Sec. 118. STATE SUPPLEMENTARY ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For state supplementary assistance and the medical assistance home and community-based services waiver rent subsidy program:

..... \$ 19,500,000

1. The department shall increase the personal needs allowance for residents of residential care facilities by the same percentage and at the same time as federal supplemental security income and federal social security benefits are increased due to a recognized increase in the cost of living. The department may adopt emergency rules to implement this subsection.

2. If during the fiscal year beginning July 1, 2002, the department projects that state supplementary assistance

expenditures for a calendar year will not meet the federal pass-along requirement specified in Title XVI of the federal Social Security Act, section 1618, as codified in 42 U.S.C. § 1382g, the department may take actions including but not limited to increasing the personal needs allowance for residential care facility residents and making programmatic adjustments or upward adjustments of the residential care facility or in-home health-related care reimbursement rates prescribed in this division of this Act to ensure that federal requirements are met. The department may adopt emergency rules to implement the provisions of this subsection.

3. The department may use up to \$25,000 of the funds appropriated in this section for a rent subsidy program for adult persons. The requirements under 2001 Iowa Acts, chapter 191, section 11, subsection 3, shall apply to the program and the participants in the program.

Sec. 119. CHILD CARE ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child care programs:

..... \$ 4,939,635

1. a. Of the funds appropriated in this section, \$4,414,111 shall be used for state child care assistance in accordance with section 237A.13.

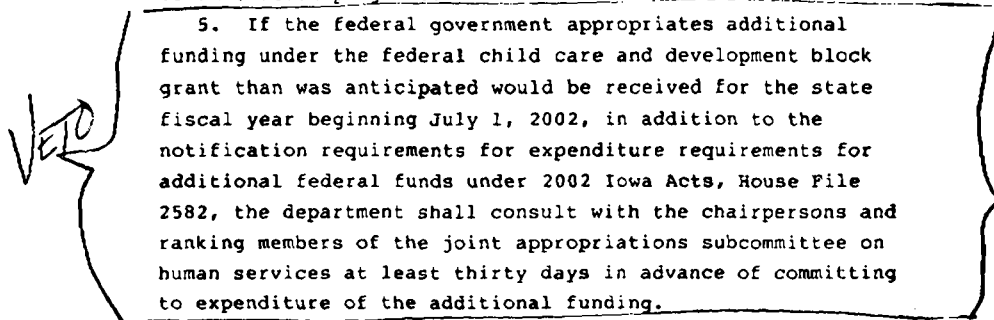
b. During the 2002-2003 fiscal year, the moneys deposited in the child care credit fund created in section 237A.28 are appropriated to the department to be used for state child care assistance in accordance with section 237A.13, in addition to the moneys allocated for that purpose in paragraph "a".

2. 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 assistance due to an income level consistent with the waiting list requirements of section 237A.13. Any state obligation to provide services pursuant to this section is limited to the extent of the funds appropriated in this section.

3. Of the funds appropriated in this section, \$525,524 is allocated for the statewide program for child care resource and referral services under section 237A.26.

4. The department may use any of the funds appropriated in this section as a match to obtain federal funds for use in expanding child care assistance and related programs. For the purpose of expenditures of state and federal child care funding, funds shall be considered obligated at the time expenditures are projected or are allocated to the department's regions. Projections shall be based on current and projected caseload growth, current and projected provider rates, staffing requirements for eligibility determination and management of program requirements including data systems management, staffing requirements for administration of the program, contractual and grant obligations and any transfers to other state agencies, and obligations for decategorization or innovation projects.

5. If the federal government appropriates additional funding under the federal child care and development block grant than was anticipated would be received for the state fiscal year beginning July 1, 2002, in addition to the notification requirements for expenditure requirements for additional federal funds under 2002 Iowa Acts, House File 2582, the department shall consult with the chairpersons and ranking members of the joint appropriations subcommittee on human services at least thirty days in advance of committing to expenditure of the additional funding.



Sec. 120. JUVENILE INSTITUTIONS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For operation of the Iowa juvenile home at Toledo and for salaries, support, maintenance, and for not more than the following full-time equivalent positions:  
..... \$ 6,273,663

..... FTEs 134.54

It is the intent of the general assembly that beginning in the fiscal year commencing on July 1, 2003, the Iowa juvenile home at Toledo will serve only females.

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2. For operation of the state training school at Eldora and for salaries, support, maintenance, and for not more than the following full-time equivalent positions:

..... \$ 10,434,719

..... FTEs 218.53

3. During the fiscal year beginning July 1, 2002, the population levels at the state juvenile institutions shall not exceed the population guidelines established under 1990 Iowa Acts, chapter 1239, section 21, as adjusted for additional beds developed at the institutions.

4. A portion of the moneys appropriated in this section shall be used by the state training school and by the Iowa juvenile home for grants for adolescent pregnancy prevention activities at the institutions in the fiscal year beginning July 1, 2002.

5. Within the amounts appropriated in this section, the department may transfer funds as necessary to best fulfill the needs of the institutions provided for in the appropriation.

Sec. 121. CHILD AND FAMILY SERVICES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child and family services:

..... \$ 98,144,163

1. The department may transfer funds appropriated in this section as necessary to pay the nonfederal costs of services reimbursed under medical assistance or the family investment program which are provided to children who would otherwise receive services paid under the appropriation in this section. The department may transfer funds appropriated in this section to the appropriations in this division of this Act for general

administration and for field operations for resources necessary to implement and operate the services funded in this section.

2. a. Of the funds appropriated in this section, up to \$28,665,950 is allocated as the statewide expenditure target under section 232.143 for group foster care maintenance and services.

b. If at any time after September 30, 2002, annualization of a service area's current expenditures indicates a service area is at risk of exceeding its group foster care expenditure target under section 232.143 by more than five percent, the department and juvenile court services shall examine all group foster care placements in that service area in order to identify those which might be appropriate for termination. In addition, any aftercare services believed to be needed for the children whose placements may be terminated shall be identified. The department and juvenile court services shall initiate action to set dispositional review hearings for the placements identified. In such a dispositional review hearing, the juvenile court shall determine whether needed aftercare services are available and whether termination of the placement is in the best interest of the child and the community.

c. (1) Of the funds appropriated in this section, not more than \$6,585,993 is allocated as the state match funding for psychiatric medical institutions for children.

(2) The department may transfer all or a portion of the amount allocated in this lettered paragraph for psychiatric medical institutions for children (PMICs) to the appropriation in this division of this Act for medical assistance.

d. Of the funds allocated in this subsection, \$1,370,127 is allocated as the state match funding for 50 highly structured juvenile program beds. If the number of beds provided for in this lettered paragraph is not utilized, the remaining funds allocated may be used for group foster care.

e. For the fiscal year beginning July 1, 2002, the requirements of section 232.143 applicable to the juvenile

court and to representatives of the juvenile court shall be applicable instead to juvenile court services and to representatives of juvenile court services. The representatives appointed by the department of human services and by juvenile court services to establish the plan to contain expenditures for children placed in group foster care ordered by the court within the budget target allocated to the service area shall establish the plan in a manner so as to ensure the moneys allocated to the service area under section 232.143 shall last the entire fiscal year. Funds for a child placed in group foster care shall be considered encumbered for the duration of the child's projected or actual length of stay, whichever is applicable.

3. The department shall continue the goal that not more than 15 percent of the children placed in foster care funded under the federal Social Security Act, Title IV-E, may be placed in foster care for a period of more than 24 months.

4. In accordance with the provisions of section 232.188, the department shall continue the program to decategorize child welfare services funding in additional counties or clusters of counties.

5. A portion of the funding appropriated in this section may be used for emergency family assistance to provide other resources required for a family participating in a family preservation or reunification project to stay together or to be reunified.

6. Notwithstanding section 234.35, subsection 1, for the fiscal year beginning July 1, 2002, state funding for shelter care paid pursuant to section 234.35, subsection 1, paragraph "h", shall be limited to \$7,120,382.

7. The department shall continue to make adoption presubsidy and adoption subsidy payments to adoptive parents at the beginning of the month for the current month.

8. Federal funds received by the state during the fiscal year beginning July 1, 2002, as the result of the expenditure of state funds appropriated during a previous state fiscal year for a service or activity funded under this section,

shall be used as additional funding for services provided under this section.

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9. The department and juvenile court services shall continue to develop criteria for the department service area administrator and chief juvenile court officer to grant exceptions to extend eligibility, within the funds allocated, for intensive tracking and supervision and for supervised community treatment to delinquent youth beyond age 18 who are subject to release from the state training school, a highly structured juvenile program, or group foster care.

10. Of the moneys appropriated in this section, not more than \$415,135 is allocated to provide clinical assessment services as necessary to continue funding of children's rehabilitation services under medical assistance in accordance with federal law and requirements. The funding allocated is the amount projected to be necessary for providing the clinical assessment services.

11. Of the funding appropriated in this section, \$3,696,285 shall be used for protective child care assistance.

12. Of the moneys appropriated in this section, up to \$2,924,183 is allocated for the payment of the expenses of court-ordered services provided to juveniles which are a charge upon the state pursuant to section 232.141, subsection 4.

a. Notwithstanding section 232.141 or any other provision of law, the amount allocated in this subsection shall be distributed to the judicial districts as determined by the state court administrator. The state court administrator shall make the determination of the distribution amounts on or before June 15, 2002.

b. Notwithstanding chapter 232 or any other provision of law, a district or juvenile court shall not order any service which is a charge upon the state pursuant to section 232.141 if there are insufficient court-ordered services funds available in the district court distribution amount to pay for the service. The chief juvenile court officer shall encourage use of the funds allocated in this subsection such that there

are sufficient funds to pay for all court-related services during the entire year. The chief juvenile court officers shall attempt to anticipate potential surpluses and shortfalls in the distribution amounts and shall cooperatively request the state court administrator to transfer funds between the districts' distribution amounts as prudent.

c. Notwithstanding any provision of law to the contrary, a district or juvenile court shall not order a county to pay for any service provided to a juvenile pursuant to an order entered under chapter 232 which is a charge upon the state under section 232.141, subsection 4.

d. Of the funding allocated in this subsection, not more than \$100,000 may be used by the judicial branch for administration of the requirements under this subsection and for travel associated with court-ordered placements which are a charge upon the state pursuant to section 232.141, subsection 4.

13. a. Of the funding appropriated in this section, \$2,927,602 is allocated to provide school-based supervision of children adjudicated under chapter 232, including not more than \$1,463,801 from the allocation in this section for court-ordered services. Not more than \$15,000 of the funding allocated in this subsection may be used for the purpose of training.

b. A portion of the cost of each school-based liaison officer shall be paid by the school district or other funding source as approved by the chief juvenile court officer.

14. The department shall maximize the capacity to draw federal funding under Title IV-E of the federal Social Security Act.

15. Any unanticipated federal funding that is received during the fiscal year due to improvements in the hours counted by the judicial branch under the claiming process for federal Title IV-E funding are appropriated to the department to be used for additional or expanded services and support for court-ordered services pursuant to section 232.141. Notwithstanding section 8.33, moneys appropriated in this

subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

16. Notwithstanding section 234.39, subsection 5, and 2000 Iowa Acts, chapter 1228, section 43, the department may operate a subsidized guardianship program if the United States department of health and human services approves a waiver under Title IV-E of the federal Social Security Act and the subsidized guardianship program can be operated without loss of Title IV-E funds.

17. It is the intent of the general assembly that the department continue its practice of providing strong support for Iowa's nationally recognized initiative of decategorization of child welfare funding.

18. It is the intent of the general assembly that administration of the foster care and adoption programs be privatized.

Sec. 122. JUVENILE DETENTION HOME FUND. Moneys deposited in the juvenile detention home fund created in section 232.142 during the fiscal year beginning July 1, 2002, and ending June 30, 2003, are appropriated to the department of human services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, for distribution as follows:

1. An amount equal to ten percent of the costs of the establishment, improvement, operation, and maintenance of county or multicounty juvenile detention homes in the fiscal year beginning July 1, 2001. Moneys appropriated for distribution in accordance with this paragraph shall be allocated among eligible detention homes, prorated on the basis of an eligible detention home's proportion of the costs of all eligible detention homes in the fiscal year beginning July 1, 2001. Notwithstanding section 232.142, subsection 3, the financial aid payable by the state under that provision for the fiscal year beginning July 1, 2002, shall be limited to the amount appropriated for the purposes of this subsection.



2. For renewal of a grant to a county with a population between 168,000 and 175,000 for implementation of the county's runaway treatment plan under section 232.195:

..... \$ 80,000

3. For grants to counties implementing a runaway treatment plan under section 232.195.

4. The remainder for additional allocations to county or multicounty juvenile detention homes, in accordance with the distribution requirements of subsection 1.

Sec. 123. FAMILY SUPPORT SUBSIDY PROGRAM. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the family support subsidy program:

..... \$ 1,936,434

1. The department may use up to \$333,312 of the moneys appropriated in this section to continue the children-at-home program in current counties, of which not more than \$20,000 shall be used for administrative costs.

2. Notwithstanding section 225C.38, subsection 1, the monthly family support payment amount for the fiscal year beginning July 1, 2002, shall remain the same as the payment amount in effect on June 30, 2002.

Sec. 124. CONNER DECREE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For building community capacity through the coordination and provision of training opportunities in accordance with the consent decree of Conner v. Branstad, No. 4-86-CV-30871(S.D. Iowa, July 14, 1994):

..... \$ 42,623

Sec. 125. MENTAL HEALTH INSTITUTES. There is appropriated from the general fund of the state to the department of human

services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the state mental health institute at Cherokee for salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

..... \$ 12,747,990  
..... FTEs 227.65

2. For the state mental health institute at Clarinda for salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

..... \$ 7,244,131  
..... FTEs 126.15

3. For the state mental health institute at Independence for salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

..... \$ 16,552,128  
..... FTEs 333.80

The state mental health institute at Independence shall continue the 30 psychiatric medical institution for children (PMIC) beds authorized in section 135H.6, in a manner which results in no net state expenditure amount in excess of the amount appropriated in this subsection. Counties are not responsible for the costs of PMIC services described in this subsection. Subject to the approval of the department, with the exception of revenues required under section 249A.11 to be credited to the appropriation in this division of this Act for medical assistance, revenues attributable to the PMIC beds described in this subsection for the fiscal year beginning July 1, 2002, and ending June 30, 2003, shall be deposited in the institute's account, including but not limited to any of the following revenues:

- a. The federal share of medical assistance revenue received under chapter 249A.
- b. Moneys received through client participation.
- c. Any other revenues directly attributable to the PMIC beds.

4. For the state mental health institute at Mount Pleasant for salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

.....	\$	5,343,829
.....	FTEs	100.07

a. Funding is provided in this subsection for the state mental health institute at Mount Pleasant to continue the dual diagnosis mental health and substance abuse program on a net budgeting basis in which 50 percent of the actual per diem and ancillary services costs are chargeable to the patient's county of legal settlement or as a state case, as appropriate. Subject to the approval of the department, revenues attributable to the dual diagnosis program for the fiscal year beginning July 1, 2002, and ending June 30, 2003, shall be deposited in the institute's account, including but not limited to all of the following revenues:

- (1) Moneys received by the state from billings to counties under section 230.20.
- (2) Moneys received from billings to the Medicare program.
- (3) Moneys received from a managed care contractor providing services under contract with the department or any private third-party payor.
- (4) Moneys received through client participation.
- (5) Any other revenues directly attributable to the dual diagnosis program.

b. The following additional provisions are applicable in regard to the dual diagnosis program:

- (1) A county may split the charges between the county's mental health, mental retardation, and developmental disabilities services fund and the county's budget for substance abuse expenditures.

(2) If an individual is committed to the custody of the department of corrections at the time the individual is referred for dual diagnosis treatment, the department of corrections shall be charged for the costs of treatment.

(3) Prior to an individual's admission for dual diagnosis treatment, the individual shall have been screened through a county's single entry point process to determine the appropriateness of the treatment.

(4) A county shall not be chargeable for the costs of treatment for an individual enrolled in and authorized by or decertified by a managed behavioral care plan under the medical assistance program.

(5) Notwithstanding section 8.33, state mental health institute revenues related to the dual diagnosis program that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available up to the amount which would allow the state mental health institute to meet credit obligations owed to counties as a result of year-end per diem adjustments for the dual diagnosis program.

5. Within the funds appropriated in this section, the department may transfer funds as necessary to best fulfill the needs of the institutes provided for in the appropriation.

6. As part of the discharge planning process at the state mental health institutes, the department shall provide assistance in obtaining eligibility for federal supplemental security income (SSI) to those individuals whose care at a state mental health institute is the financial responsibility of the state or a county.

Sec. 126. STATE RESOURCE CENTERS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

- 1. For the state resource center at Glenwood for salaries, support, maintenance, and miscellaneous purposes:

.....	\$	2,170,150
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2. For the state resource center at Woodward for salaries, support, maintenance, and miscellaneous purposes:

..... \$ 1,463,073

3. a. The department shall continue operating the state resource centers at Glenwood and Woodward with a net general fund appropriation. The amounts allocated in this section are the net amounts of state moneys projected to be needed for the state resource centers. The purposes of operating with a net general fund appropriation are to encourage the state resource centers to operate with increased self-sufficiency, to improve quality and efficiency, and to support collaborative efforts between the state resource centers and counties and other funders of services available from the state resource centers. The state resource centers shall not be operated under the net appropriation in a manner which results in a cost increase to the state or cost shifting between the state, the medical assistance program, counties, or other sources of funding for the state resource centers. Moneys appropriated in this section may be used throughout the fiscal year in the manner necessary for purposes of cash flow management, and for purposes of cash flow management the state resource centers may temporarily draw more than the amounts appropriated, provided the amounts appropriated are not exceeded at the close of the fiscal year.

b. Subject to the approval of the department, except for revenues under section 249A.11, revenues attributable to the state resource centers for the fiscal year beginning July 1, 2002, shall be deposited into each state resource center's account, including but not limited to all of the following:

- (1) Moneys received by the state from billings to counties under section 222.73.
- (2) The federal share of medical assistance revenue received under chapter 249A.
- (3) Federal Medicare program payments.
- (4) Moneys received from client financial participation.
- (5) Other revenues generated from current, new, or expanded services which the state resource center is authorized to provide.

c. For the purposes of allocating the salary adjustment fund moneys appropriated in another Act, the state resource centers shall be considered to be funded entirely with state moneys.

d. Notwithstanding section 8.33, up to \$500,000 of a state resource center's revenues that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available to be used in the succeeding fiscal year.

4. Within the funds appropriated in this section, the department may transfer funds as necessary to best fulfill the needs of the institutions provided for in the appropriation.

5. The department may continue to bill for state resource center services utilizing a scope of services approach used for private providers of ICFMR services, in a manner which does not shift costs between the medical assistance program, counties, or other sources of funding for the state resource centers.

6. The state resource centers may expand the time limited assessment and respite services during the fiscal year.

7. If the department's administration and the department of management concur with a finding by a state resource center's superintendent that projected revenues can reasonably be expected to pay the salary and support costs for a new employee position, or that such costs for adding a particular number of new positions for the fiscal year would be less than the overtime costs if new positions would not be added, the superintendent may add the new position or positions. If the vacant positions available to a resource center do not include the position classification desired to be filled, the state resource center's superintendent may reclassify any vacant position as necessary to fill the desired position. The superintendents of the state resource centers may, by mutual agreement, pool vacant positions and position classifications during the course of the fiscal year in order to assist one another in filling necessary positions.

8. If existing capacity limitations are reached in operating units, a waiting list is in effect for a service or a special need for which a payment source or other funding is available for the service or to address the special need, and facilities for the service or to address the special need can be provided within the available payment source or other funding, the superintendent of a state resource center may authorize opening not more than two units or other facilities and to begin implementing the service or addressing the special need during fiscal year 2002-2003.

Sec. 127. SPECIAL NEEDS GRANTS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

To provide special needs grants to families with a family member at home who has a developmental disability or to a person with a developmental disability:  
..... \$ 47,827

Grants must be used by a family to defray special costs of caring for the family member to prevent out-of-home placement of the family member or to provide for independent living costs. The grants may be administered by a private nonprofit agency which serves people statewide provided that no administrative costs are received by the agency.

Sec. 128. MI/MR/DD STATE CASES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For purchase of local services for persons with mental illness, mental retardation, and developmental disabilities where the client has no established county of legal settlement:  
..... \$ 11,414,619

The general assembly encourages the department to continue discussions with the Iowa state association of counties and

administrators of county central point of coordination offices regarding proposals for moving state cases to county budgets.

Sec. 129. MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES -- COMMUNITY SERVICES FUND. There is appropriated from the general fund of the state to the mental health and developmental disabilities community services fund created in section 225C.7 for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For mental health and developmental disabilities community services in accordance with this division of this Act:  
..... \$ 17,757,890

1. Of the funds appropriated in this section, \$17,727,890 shall be allocated to counties for funding of community-based mental health and developmental disabilities services. The moneys shall be allocated to a county as follows:

a. Fifty percent based upon the county's proportion of the state's population of persons with an annual income which is equal to or less than the poverty guideline established by the federal office of management and budget.

b. Fifty percent based upon the county's proportion of the state's general population.

2. a. A county shall utilize the funding the county receives pursuant to subsection 1 for services provided to persons with a disability, as defined in section 225C.2. However, no more than 50 percent of the funding shall be used for services provided to any one of the service populations.

b. A county shall use at least 50 percent of the funding the county receives under subsection 1 for contemporary services provided to persons with a disability, as described in rules adopted by the department.

3. Of the funds appropriated in this section, \$30,000 shall be used to support the Iowa compass program providing computerized information and referral services for Iowans with disabilities and their families.

4. a. Funding appropriated for purposes of the federal social services block grant is allocated for distribution to

counties for local purchase of services for persons with mental illness or mental retardation or other developmental disability.

b. The funds allocated in this subsection shall be expended by counties in accordance with the county's approved county management plan. A county without an approved county management plan shall not receive allocated funds until the county's management plan is approved.

c. The funds provided by this subsection shall be allocated to each county as follows:

(1) Fifty percent based upon the county's proportion of the state's population of persons with an annual income which is equal to or less than the poverty guideline established by the federal office of management and budget.

(2) Fifty percent based upon the amount provided to the county for local purchase of services in the preceding fiscal year.

5. A county is eligible for funds under this section if the county qualifies for a state payment as described in section 331.439.

Sec. 130. PERSONAL ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For continuation of a pilot project for the personal assistance services program in accordance with this section: ..... \$ 157,921

1. The funds appropriated in this section shall be used to continue the pilot project for the personal assistance services program under section 225C.46 in an urban and a rural area. Not more than 10 percent of the amount appropriated shall be used for administrative costs. The pilot project shall not be implemented in a manner which would require additional county or state costs for assistance provided to an individual served under the pilot project.

2. In accordance with 2001 Iowa Acts, chapter 191, section 25, subsection 2, new applicants shall not be accepted into the pilot project. An individual receiving services under the pilot project as of June 30, 2002, shall continue receiving services until the individual voluntarily leaves the project or until another program with similar services exists.

Sec. 131. SEXUALLY VIOLENT PREDATORS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For costs associated with the commitment and treatment of sexually violent predators in the unit located at the state mental health institute at Cherokee, including costs of legal services and other associated costs, including salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:  
..... \$ 3,459,855  
..... FTEs 44.00

In implementing the relocation of the unit for commitment of sexually violent predators from Oakdale to the state mental health institute at Cherokee in the fiscal year beginning July 1, 2002, it is the intent of the general assembly that the department of human services complete the renovation of space at the institute and the relocation of the unit as expeditiously as possible. If requested by the department of human services as necessary to complete the renovation of space and relocation as expeditiously as possible, notwithstanding any provision of law or rule to the contrary, the department of general services shall grant a waiver for purposes of the renovation project from those requirements in administrative rule and policy that would otherwise govern the length of time the renovation project components are noticed.

Sec. 132. FIELD OPERATIONS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2002, and

ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

1. For field operations, including salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

..... \$ 51,204,264  
..... FTEs 1,920.00

Priority in filling full-time equivalent positions shall be given to those positions related to child protection services.

2. In implementing the transition from a regional system to the service area system established pursuant to 2001 Iowa Acts, Second Extraordinary Session, chapter 4, for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the department shall utilize the service areas and service area administrators in lieu of regions and regional administrators, notwithstanding the references to department regions or regional administrators in sections 232.2, 232.52, 232.68, 232.72, 232.102, 232.117, 232.127, 232.143, 232.188, and 234.35, or other provision in law.

The department shall submit proposed legislation under section 2.16 for consideration by the Eightieth General Assembly, 2003 Session, to correct the references in the necessary Code sections.

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Sec. 133. ADDITIONAL FEDERAL FUNDING -- FISCAL YEAR 2002-2003.

1. The provisions of this section are applicable for the fiscal year beginning July 1, 2002.

2. It is the intent of the general assembly that the director of human services work to secure federal financial participation through Titles IV-E and XIX of the federal Social Security Act for services and activities that are currently funded with state, county, or community moneys. It is further intended that the director initially focus on securing targeted case management funding under medical assistance for state child protection staff and for services and activities currently funded with juvenile court services, county, or community moneys and state moneys used in combination with such moneys.

3. Additional federal financial participation secured for the fiscal year beginning July 1, 2002, and ending June 30, 2003, is appropriated to the department of human services for use as provided in this section. All of the following are applicable to the additional federal financial participation and efforts made to secure the federal financial participation:

a. The department may pursue federal approval of a state plan amendment to use medical assistance funding for targeted case management services. The population to be served through targeted case management services is children who are at risk of maltreatment or who are in need of protective services. The funding shall be based on the federal and state moneys available under the medical assistance program. For the additional federal financial participation received under the reimbursement methodology established for the services, a distribution plan shall attribute revenue to the cost sources upon which the reimbursement rates are based. In addition, of the additional federal funds received, a 5 percent set-aside shall be used for funding the revenue enhancement activities and for service delivery and results improvement efforts.

b. The director may use part or all of the additional federal financial participation received from medical assistance claims for child protection staff for full-time equivalent state child protection staff positions, including child abuse assessment positions, social workers, and support positions performing related functions. Positions added in accordance with this paragraph "b" are in addition to those authorized in the appropriation made in this Act for field operations.

c. The director may also use a portion of the additional federal financial participation received from medical assistance claims for child protection staff for providing grants to communities to support the community partnership approach to child protection. Potential grantees may include child welfare funding decategorization projects, community empowerment area boards, or other community-based entities

who, in partnership with the local departmental administrators, agree to implement the four community partnership components.

4. The department may adopt emergency rules to implement the provisions of this section.

Sec. 134. ADDITIONAL FEDERAL FINANCIAL PARTICIPATION -- FISCAL 2001-2002 AND FISCAL 2002-2003. The first \$10 million of federal financial participation received under the section of this division of this Act providing for the department of human services' efforts to secure additional federal funding for FY 2002-2003 through Titles IV-E and XIX of the federal Social Security Act or from other efforts by the department of human services to draw additional federal financial participation associated with funds appropriated for child and family services in fiscal years 2001-2002 and 2002-2003 shall be used in those two fiscal years to offset reductions in federal financial participation for child welfare services due to changes in federal regulations or interpretations of federal regulations, changes in federal cost allocations or federal match provisions, or federal sanctions. The department may adopt emergency rules to implement the provisions of this section.

Sec. 135. GENERAL ADMINISTRATION. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For general administration, including salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

..... \$ 11,587,936  
..... FTEs 356.00

1. Of the funds appropriated in this section, \$57,000 is allocated for the prevention of disabilities policy council established in section 225B.3.

2. The department shall report to the governor, the general assembly, the legislative fiscal bureau, and the

VETO

legislative service bureau, within thirty days of notice from the source of payment of the future receipt of any bonus, incentive, or other payments received from the federal government, court settlement payments, and any other payments received by the state that may be used to supplement state funds appropriated to the department.

VETO

3. If the department proposes an amendment to a state plan for a program that is subject to federal approval and the amendment would have an effect on state appropriations, unless the amendment is adopted as a rule that has been reviewed and approved by the administrative rules review committee, the amendment shall not be submitted to the federal government for consideration unless the fiscal committee of the legislative council has adopted a motion recommending implementation of the amendment.

VETO

Sec. 136. VOLUNTEERS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For development and coordination of volunteer services:  
..... \$ 109,568

Sec. 137. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE DEPARTMENT OF HUMAN SERVICES.

1. a. For the fiscal year beginning July 1, 2002, nursing facilities shall be reimbursed as provided in 2002 Iowa Acts, House File 2613. Nursing facilities reimbursed under the medical assistance program shall submit annual cost reports and additional documentation as required by rules adopted by the department.

b. (1) For the fiscal year beginning July 1, 2002, the department shall reimburse pharmacy dispensing fees using a single rate of \$5.17 per prescription or the pharmacy's usual and customary fee, whichever is lower.

(2) The department shall implement a series of prospective drug utilization review edits on targeted drugs to facilitate

the cost effective use of these drugs. The edits shall be implemented in a manner that does not change the therapy or the therapeutic outcome for the patient.

(3) The department of human services shall require recipients of medical assistance to pay the following copayment on each covered drug prescription, including each refill as follows:

- (a) A copayment of \$1 for each covered generic drug prescription.
- (b) A copayment of \$1 for each covered brand-name drug prescription for which the cost to the state is less than \$25.
- (c) A copayment of \$2 for each covered brand-name drug prescription for which the cost to the state is between \$25 and \$50.
- (d) A copayment of \$3 for each covered brand-name drug prescription for which the cost to the state is over \$50.

VETO

c. For the fiscal year beginning July 1, 2002, reimbursement rates for inpatient and outpatient hospital services shall remain at the rates in effect on June 30, 2002. The department shall continue the outpatient hospital reimbursement system based upon ambulatory patient groups implemented pursuant to 1994 Iowa Acts, chapter 1186, section 25, subsection 1, paragraph "f". In addition, the department shall continue the revised medical assistance payment policy implemented pursuant to that paragraph to provide reimbursement for costs of screening and treatment provided in the hospital emergency room if made pursuant to the prospective payment methodology developed by the department for the payment of outpatient services provided under the medical assistance program. Any rebasing of hospital inpatient or outpatient rates shall not increase total payments for inpatient and outpatient services.

d. For the fiscal year beginning July 1, 2002, reimbursement rates for rural health clinics, hospices, independent laboratories, and acute mental hospitals shall be increased in accordance with increases under the federal Medicare program or as supported by their Medicare audited costs.

e. For the fiscal year beginning July 1, 2002, reimbursement rates for home health agencies shall remain at the rates in effect on June 30, 2002.

f. For the fiscal year beginning July 1, 2002, federally qualified health centers shall receive cost-based reimbursement for 100 percent of the reasonable costs for the provision of services to recipients of medical assistance.

g. Beginning July 1, 2002, the reimbursement rates for dental services shall remain at the rates in effect on June 30, 2002.

h. Beginning July 1, 2002, the reimbursement rates for community mental health centers shall remain at the rates in effect on June 30, 2002.

i. For the fiscal year beginning July 1, 2002, the maximum reimbursement rate for psychiatric medical institutions for children shall remain at the rate in effect on June 30, 2002, based on per day rates for actual costs.

j. For the fiscal year beginning July 1, 2002, unless otherwise specified in this division of this Act, all noninstitutional medical assistance provider reimbursement rates shall remain at the rates in effect on June 30, 2002, except for area education agencies, local education agencies, infant and toddler services providers, and those providers whose rates are required to be determined pursuant to section 249A.20.

k. Notwithstanding section 249A.20, the average reimbursement rates for health care providers eligible for use of the reimbursement methodology under that section shall remain at the rate in effect on June 30, 2002.

l. In addition to other dental services provided to adults under the medical assistance program in accordance with 2002 Iowa Acts, House File 2245, section 7, subsection 2, for the fiscal year beginning July 1, 2002, the following services shall be provided:

- (1) Root canal treatments on permanent anterior teeth.
- (2) General anesthesia and intravenous sedation if necessitated by the physical or mental disability of the patient.



2. For the fiscal year beginning July 1, 2002, the maximum cost reimbursement rate for residential care facilities reimbursed by the department shall not be less than \$25.92 per day for the time period of July 1, 2002, through December 31, 2002, and shall not be less than \$26.20 per day for the time period of January 1, 2003, through June 30, 2003. The flat reimbursement rate for facilities electing not to file semiannual cost reports shall not be less than \$18.52 per day for the time period of July 1, 2002, through December 31, 2002, and shall not be less than \$18.72 per day for the time period of January 1, 2003, through June 30, 2003.

3. For the fiscal year beginning July 1, 2002, the maximum reimbursement rate for providers reimbursed under the in-home health-related care program shall not be less than \$498.29 per month for the time period of July 1, 2002, through December 31, 2002, and shall not be less than \$503.67 per month for the time period of January 1, 2003, through June 30, 2003.

4. Unless otherwise directed in this section, when the department's reimbursement methodology for any provider reimbursed in accordance with this section includes an inflation factor, this factor shall not exceed the amount by which the consumer price index for all urban consumers increased during the calendar year ending December 31, 2001.

5. Notwithstanding section 234.38, in the fiscal year beginning July 1, 2002, the foster family basic daily maintenance rate and the maximum adoption subsidy rate for children ages 0 through 5 years shall be \$14.28, the rate for children ages 6 through 11 years shall be \$15.07, the rate for children ages 12 through 15 years shall be \$16.83, and the rate for children ages 16 and older shall be \$16.83.

6. For the fiscal year beginning July 1, 2002, the maximum reimbursement rates for social service providers shall remain at the rates in effect on June 30, 2002. However, the rates may be adjusted under any of the following circumstances:

a. If a new service was added after June 30, 2002, the initial reimbursement rate for the service shall be based upon actual and allowable costs.

b. If a social service provider loses a source of income used to determine the reimbursement rate for the provider, the provider's reimbursement rate may be adjusted to reflect the loss of income, provided that the lost income was used to support actual and allowable costs of a service purchased under a purchase of service contract.

7. The group foster care reimbursement rates paid for placement of children out-of-state shall be calculated according to the same rate-setting principles as those used for in-state providers unless the director or the director's designee determines that appropriate care cannot be provided within the state. The payment of the daily rate shall be based on the number of days in the calendar month in which service is provided.

8. For the fiscal year beginning July 1, 2002, the reimbursement rates for rehabilitative treatment and support services providers shall remain at the rates in effect on June 30, 2002.

9. For the fiscal year beginning July 1, 2002, the combined service and maintenance components of the reimbursement rate paid to a shelter care provider shall be based on the cost report submitted to the department. The maximum reimbursement rate shall be \$83.69 per day. The department shall reimburse a shelter care provider at the provider's actual and allowable unit cost, plus inflation, not to exceed the maximum reimbursement rate.

10. For the fiscal year beginning July 1, 2002, the department shall calculate reimbursement rates for intermediate care facilities for persons with mental retardation at the 80th percentile.

11. For the fiscal year beginning July 1, 2002, for child care providers, the department shall set provider reimbursement rates based on the rate reimbursement survey completed in December 1998. The department shall set rates in a manner so as to provide incentives for a nonregistered provider to become registered.

12. For the fiscal year beginning July 1, 2002, reimbursements for providers reimbursed by the department of human services may be modified if appropriated funding is allocated for that purpose from the senior living trust fund created in section 249H.4, or as specified in appropriations from the healthy Iowans tobacco trust created in section 12.65.

13. The department may adopt emergency rules to implement this section.

**Sec. 138. HEALTH CARE FACILITY -- EXCEPTION.**

Notwithstanding any provision of chapter 135, division VI, to the contrary and notwithstanding current applicable life safety code and physical plant requirements, a health care facility located in Dows, Iowa, that was operating prior to May 1, 2002, and that terminated operation prior to May 31, 2002, that previously completed the certificate of need process and that was previously licensed by the state, shall not be subject to a subsequent certificate of need process and shall not be subject to current life safety code requirements or current physical plant requirements in order to be issued a conditional license, if the successor health care facility becomes operational on or before July 1, 2004.

VETO

**Sec. 139. TRANSFER AUTHORITY.** Subject to the provisions of section 8.39, for the fiscal year beginning July 1, 2002, if necessary to meet federal maintenance of effort requirements or to transfer federal temporary assistance for needy families block grant funding to be used for purposes of the federal social services block grant or to meet cash flow needs resulting from delays in receiving federal funding or to implement, in accordance with this division of this Act, targeted case management for child protection and for activities currently funded with juvenile court services, county, or community moneys and state moneys used in combination with such moneys, the department of human services may transfer within or between any of the appropriations made in this division of this Act and appropriations in law for the federal social services block grant to the department for the

following purposes, provided that the combined amount of state and federal temporary assistance for needy families block grant funding for each appropriation remains the same before and after the transfer:

1. For the family investment program.
2. For emergency assistance.
3. For child care assistance.
4. For child and family services.
5. For field operations.
6. For general administration.
7. MH/MR/DD/BI community services (local purchase).

This section shall not be construed to prohibit existing state transfer authority for other purposes.

**Sec. 140. FRAUD AND RECOUPMENT ACTIVITIES.** During the fiscal year beginning July 1, 2002, notwithstanding the restrictions in section 239B.14, recovered moneys generated through fraud and recoupment activities are appropriated to the department of human services to be used for additional fraud and recoupment activities performed by the department of human services or the department of inspections and appeals, and the department of human services may add not more than five full-time equivalent positions, in addition to those funded in this division of this Act, subject to both of the following conditions:

1. The director of human services determines that the investment can reasonably be expected to increase recovery of assistance paid in error, due to fraudulent or nonfraudulent actions, in excess of the amount recovered in the fiscal year beginning July 1, 1997.
2. The amount expended for the additional fraud and recoupment activities shall not exceed the amount of the projected increase in assistance recovered.

VETO

**Sec. 141. TARGETED CASE MANAGEMENT SERVICES FOR CHILDREN -- FY 2001-2002.** It is the intent of the general assembly that the department evaluate the documentation provisions implemented in fiscal year 2001-2002 for medical assistance claiming of targeted case management services for children who

are at risk of maltreatment or who are in need of protective services. The purpose of the evaluation is for the department to ease the administrative burden on department staff by limiting the documentation requirement to those children known to be eligible or implementing other appropriate measures.

Sec. 142. NEW SECTION. 249A.20A NURSING FACILITIES -- DUAL CERTIFICATION REQUIRED.

Beginning October 1, 2002, all licensed nursing facilities shall be certified under both the federal Medicare program and the medical assistance program as a condition for participation in the medical assistance program. The department shall, in consultation with nursing facility provider organizations, adopt rules to establish criteria for individual exceptions to the dual certification requirement under this section.

Veto

Sec. 143. Section 252B.4, subsection 1, Code 2001, is amended to read as follows:

1. The director shall require an application fee of five twenty-five dollars.

Sec. 144. 2001 Iowa Acts, chapter 176, section 1, is amended to read as follows:

SECTION 1. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR ADJUSTMENT AND ALLOCATIONS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For distribution to counties of the county mental health, mental retardation, and developmental disabilities allowed growth factor adjustment, as provided in this section in lieu of the provisions of section 331.438, subsection 2, and section 331.439, subsection 3, and chapter 426B:

..... \$ ~~14,874,702~~  
14,181,000

The funding appropriated in this section is the allowed growth factor adjustment for fiscal year 2002-2003, and is allocated for distribution as provided by law.

Sec. 145. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND DEVELOPMENTAL DISABILITIES (MH/MR/DD) ALLOWED GROWTH FACTOR ADJUSTMENT AND ALLOCATIONS -- DISTRIBUTION FOR FY 2002-2003.

1. For the fiscal year beginning July 1, 2002, the moneys appropriated in 2001 Acts, chapter 176, section 1, as amended by this division of this Act, for distribution to counties of the county mental health, mental retardation, and developmental disabilities allowed growth factor adjustment, shall be distributed as provided in this section in lieu of the provisions of section 331.438, subsection 2, and section 331.439, subsection 3, and chapter 426B, as follows:

a. The first \$500,000 shall be credited to the risk pool created in the property tax relief fund and shall be distributed pursuant to section 426B.5, subsection 2.

b. The remaining \$13,681,000 shall be distributed as provided in this section.

2. The following formula amounts shall be utilized only to calculate preliminary distribution amounts for fiscal year 2002-2003 under this section by applying the indicated formula provisions to the formula amounts and producing a preliminary distribution total for each county:

a. For calculation of an allowed growth factor adjustment amount for each county in accordance with the formula in section 331.438, subsection 2, paragraph "b":

..... \$ 12,000,000

b. For calculation of a distribution amount for eligible counties from the per capita expenditure target pool created in the property tax relief fund in accordance with the requirements in section 426B.5, subsection 1:

..... \$ 14,492,712

c. For calculation of a distribution amount for counties from the mental health and developmental disabilities (MH/DD) community services fund in accordance with the formula provided in this division of this Act:

..... \$ 17,727,890

3. Notwithstanding any contrary provisions of sections 225C.7, 331.438, subsection 2, 331.439, subsection 3, and

426B.5, the moneys allocated for distribution in subsection 1, paragraph "b", and in any other Act of the Seventy-ninth General Assembly, 2002 Session, for distribution to counties in the fiscal year beginning July 1, 2002, for purposes of the mental health and developmental disabilities (MH/DD) community services fund under section 225C.7, and for the allowed growth factor adjustment for services paid under a county's section 331.424A mental health, mental retardation, and developmental disabilities services fund and as calculated under subsection 2 to produce preliminary distribution amounts for counties shall be subject to withholding as provided in this section.

4. After applying the applicable statutory distribution formulas to the amounts indicated in subsection 2 for purposes of formula calculations to produce preliminary distribution totals, the department of human services shall apply a withholding factor to adjust an eligible individual county's preliminary distribution total. An ending balance percentage for each county shall be determined by expressing the county's ending balance on a modified accrual basis under generally accepted accounting principles for the fiscal year beginning July 1, 2001, in the county's mental health, mental retardation, and developmental disabilities services fund created under section 331.424A, as a percentage of the county's gross expenditures from that fund for that fiscal year. The withholding factor for a county shall be the following applicable percent:

- a. For an ending balance percentage of less than 10 percent, a withholding factor of 0 percent.
- b. For an ending balance percentage of 10 through 24 percent, a withholding factor of 48.1 percent.
- c. For an ending balance percentage of 25 through 34 percent, a withholding factor of 60 percent.
- d. For an ending balance percentage of 35 through 44 percent, a withholding factor of 85 percent.
- e. For an ending balance percentage of 45 percent or more, a withholding factor of 100 percent.

5. The total withholding amounts applied pursuant to subsection 4 shall be equal to a withholding target amount of \$12,811,712 and the appropriation made in this division of this Act for the MH/DD community services fund and the appropriation made in 2001 Iowa Acts, chapter 176, section 1, as amended by this division of this Act shall be reduced by the amount necessary to attain the withholding target amount. If the department of human services determines that the amount to be withheld in accordance with subsection 4 is not equal to the target withholding amount, the department shall adjust the withholding factors listed in subsection 4 as necessary to achieve the withholding target amount. However, in making such adjustments to the withholding factors, the department shall strive to minimize changes to the withholding factors for those ending balance percentage ranges that are lower than others and shall not adjust the zero withholding factor specified in subsection 4, paragraph "a".

6. In order to be eligible for a funding distribution under this section, a county must levy at least 70 percent of the maximum allowed for the county's services fund under section 331.424A for taxes due and payable in the fiscal year beginning July 1, 2002, and comply with the December 1, 2002, filing deadline for the county annual financial report in accordance with section 331.403. The amount that would otherwise be available for distribution to a county that fails to so comply shall be proportionately distributed among the eligible counties.

7. The department of human services shall authorize the issuance of warrants payable to the county treasurer for the distribution amounts due the counties eligible under this section and notwithstanding prior practice for the MH/DD community services fund, the warrants shall be issued in January 2003.

Sec. 146. EMERGENCY RULES. If specifically authorized by a provision of this division of this Act, the department of human services or the mental health and developmental disabilities commission 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 or on a later effective date specified in the rules, unless the effective date is delayed by the administrative rules review committee. Any rules adopted in accordance with this section shall not take effect before the rules are reviewed by the administrative rules review committee. The delay authority provided to the administrative rules review committee under section 17A.4, subsection 5, and section 17A.8, subsection 9, shall be applicable to a delay imposed under this section, notwithstanding a provision in those sections making them inapplicable to section 17A.5, subsection 2, paragraph "b". 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.

**Sec. 147. REPORTS.**

1. Any reports or information required to be compiled and submitted under this division of this Act shall be submitted to the chairpersons and ranking members of the joint appropriations subcommittee on human services, the legislative fiscal bureau, the legislative service bureau, and to the legislative caucus staffs on or before the dates specified for submission of the reports or information.

2. In order to reduce mailing and paper processing costs, the department shall provide, to the extent feasible, reports, notices, minutes, and other documents by electronic means to those persons who have the capacity to access the documents in that manner.

**Sec. 148. LAW INAPPLICABLE FOR FISCAL YEAR 2002-2003.**

1. The following provisions in Code or rule shall be suspended for the period beginning July 1, 2002, and ending June 30, 2003:

a. The requirements of section 239B.2A, relating to school attendance by children participating in the family investment program.

b. For a case permanency plan, as defined in section 232.2, the requirement for a six-month case permanency plan review for an intact family. In addition, the department of human services may implement a shortened case permanency plan format tailored to meet compliance issues.

c. The requirements of section 225C.42, relating to an annual evaluation of the family support subsidy program.

2. The department may adopt emergency rules to implement the provisions of this section.

**Sec. 149. MEDICAL ASSISTANCE PROGRAM -- REPAYMENT OF SENIOR LIVING TRUST FUND FOR FY 2001-2002.** If moneys appropriated for the medical assistance program for the fiscal year beginning July 1, 2001, and ending June 30, 2002, from the general fund of the state, the tobacco settlement trust fund, the healthy Iowans tobacco trust fund, the senior living trust fund, and the hospital trust fund are in excess of actual expenditures for the medical assistance program and remain available at the close of the fiscal year, the excess moneys in an amount not to exceed the amount appropriated from the senior living trust fund for the medical assistance program for the fiscal year beginning July 1, 2001, which have not otherwise been repaid, shall be transferred to the senior living trust fund created in section 249H.4.

**Sec. 150. MEDICAL ASSISTANCE PROGRAM -- REPAYMENT OF SENIOR LIVING TRUST FUND FOR FY 2002-2003.** If moneys appropriated for the medical assistance program for the fiscal year beginning July 1, 2002, and ending June 30, 2003, from the general fund of the state, the tobacco settlement trust fund, the healthy Iowans tobacco trust fund, the senior living trust fund, and the hospital trust fund are in excess of actual expenditures for the medical assistance program and remain available at the close of the fiscal year, the excess moneys, not to exceed the amount appropriated from the senior living trust fund for the medical assistance program for the fiscal years beginning July 1, 2001, and July 1, 2002, which have not otherwise been repaid, shall be transferred to the senior living trust fund created in section 249H.4.

**Sec. 151. EFFECTIVE DATES.**

- 1. Except as otherwise provided in subsection 2, this division of this Act takes effect July 1, 2002.
- 2. The following provisions of this division of this Act, being deemed of immediate importance, take effect upon enactment:

- a. The provision under the appropriation for child and family services, relating to requirements of section 232.143 for representatives of the department of human services and juvenile court services to establish a plan for continuing group foster care expenditures for the 2002-2003 fiscal year.
- b. The provision under the appropriation for child and family services, relating to the state court administrator determining allocation of court-ordered services funding by June 15, 2002.

c. The provision relating to the evaluation of documentation for targeted case management services for children in fiscal year 2001-2002.

Veto

d. The provision relating to obtaining additional federal financial participation for fiscal year 2001-2002 and fiscal year 2002-2003.

e. The provision relating to repayment of the senior living trust fund for fiscal year 2001-2002.

f. The provision enacting new section 249A.20A relating to dual certification of nursing facilities.

Veto

DIVISION VII  
JUSTICE SYSTEM

Sec. 152. DEPARTMENT OF JUSTICE. There is appropriated from the general fund of the state to the department of justice for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

- 1. For the general office of attorney general for salaries, support, maintenance, miscellaneous purposes including prosecuting attorney training program, victim assistance grants, office of drug control policy (ODCP) prosecuting attorney program, legal services for persons in poverty grants as provided in section 13.34, odometer fraud

enforcement, and for not more than the following full-time equivalent positions:

.....	\$ 7,340,260
.....	FTEs 210.48

2. In addition to the funds appropriated in subsection 1, there is appropriated from the general fund of the state to the department of justice for the fiscal year beginning July 1, 2002, and ending June 30, 2003, an amount not exceeding \$200,000 to be used for the enforcement of the Iowa competition law. The funds appropriated in this subsection are contingent upon receipt by the general fund of the state of an amount at least equal to the expenditure amount from either damages awarded to the state or a political subdivision of the state by a civil judgment under chapter 553, if the judgment authorizes the use of the award for enforcement purposes or costs or attorneys fees awarded the state in state or federal antitrust actions. However, if the amounts received as a result of these judgments are in excess of \$200,000, the excess amounts shall not be appropriated to the department of justice pursuant to this subsection.

3. In addition to the funds appropriated in subsection 1, there is appropriated from the general fund of the state to the department of justice for the fiscal year beginning July 1, 2002, and ending June 30, 2003, an amount not exceeding \$1,125,000 to be used for public education relating to consumer fraud and for enforcement of section 714.16, and an amount not exceeding \$75,000 for investigation, prosecution, and consumer education relating to consumer and criminal fraud against older Iowans. The funds appropriated in this subsection are contingent upon receipt by the general fund of the state of an amount at least equal to the expenditure amount from damages awarded to the state or a political subdivision of the state by a civil consumer fraud judgment or settlement, if the judgment or settlement authorizes the use of the award for public education on consumer fraud. However, if the funds received as a result of these judgments and settlements are in excess of \$1,200,000, the excess funds

shall not be appropriated to the department of justice pursuant to this subsection.

4. a. The funds used for victim assistance grants shall be used to provide grants to care providers providing services to crime victims of domestic abuse or to crime victims of rape and sexual assault.

b. The balance of the victim compensation fund established in section 915.94 may be used to provide salary and support of not more than 22.0 FTEs and to provide maintenance for the victim compensation functions of the department of justice.

5. The department of justice shall submit monthly financial statements to the legislative fiscal bureau and the department of management containing all appropriated accounts in the same manner as provided in the monthly financial status reports and personal services usage reports of the department of revenue and finance. The monthly financial statements shall include comparisons of the moneys and percentage spent of budgeted to actual revenues and expenditures on a cumulative basis for full-time equivalent positions and available moneys.

6. a. The department of justice, in submitting budget estimates for the fiscal year commencing July 1, 2003, pursuant to section 8.23, shall include a report of funding from sources other than amounts appropriated directly from the general fund of the state to the department of justice or to the office of consumer advocate. These funding sources shall include, but are not limited to, reimbursements from other state agencies, commissions, boards, or similar entities, and reimbursements from special funds or internal accounts within the department of justice. The department of justice shall report actual reimbursements for the fiscal year commencing July 1, 2001, and actual and expected reimbursements for the fiscal year commencing July 1, 2002.

b. The department of justice shall include the report required under paragraph "a", as well as information regarding any revisions occurring as a result of reimbursements actually received or expected at a later date, in a report to the co-

chairpersons and ranking members of the joint appropriations subcommittee on the justice system and the legislative fiscal bureau. The department of justice shall submit the report on or before January 15, 2003.

7. As a condition for accepting a grant for legal services for persons in poverty funded pursuant to section 13.34, an organization receiving a grant shall submit a report to the general assembly by January 1, 2003, concerning the use of any grants received during the previous fiscal year and efforts made by the organization to find alternative sources of revenue to replace any reductions in federal funding for the organization.

Sec. 153. DEPARTMENT OF JUSTICE -- ENVIRONMENTAL CRIMES INVESTIGATION AND PROSECUTION -- FUNDING. There is appropriated from the environmental crime fund of the department of justice, consisting of court-ordered fines and penalties awarded to the department arising out of the prosecution of environmental crimes, to the department of justice for the fiscal year beginning July 1, 2002, and ending June 30, 2003, an amount not exceeding \$20,000 to be used by the department, at the discretion of the attorney general, for the investigation and prosecution of environmental crimes, including the reimbursement of expenses incurred by county, municipal, and other local governmental agencies cooperating with the department in the investigation and prosecution of environmental crimes.

The funds appropriated in this section are contingent upon receipt by the environmental crime fund of the department of justice of an amount at least equal to the appropriations made in this section and received from contributions, court-ordered restitution as part of judgments in criminal cases, and consent decrees entered into as part of civil or regulatory enforcement actions. However, if the funds received during the fiscal year are in excess of \$20,000, the excess funds shall be deposited in the general fund of the state.

Notwithstanding section 8.33, moneys appropriated in this section that remain unexpended or unobligated at the close of

the fiscal year shall not revert but shall remain available for expenditure for the purpose designated until the close of the succeeding fiscal year.

Sec. 154. OFFICE OF CONSUMER ADVOCATE. There is appropriated from the general fund of the state to the office of consumer advocate of the department of justice for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 2,443,903  
..... FTEs 33.00

Sec. 155. DEPARTMENT OF CORRECTIONS -- FACILITIES. There is appropriated from the general fund of the state to the department of corrections for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the operation of adult correctional institutions, reimbursement of counties for certain confinement costs, and federal prison reimbursement, to be allocated as follows:

a. For the operation of the Fort Madison correctional facility, including salaries, support, maintenance, employment of correctional officers, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 32,168,605  
..... FTEs 543.69

It is the intent of the general assembly to operate a special needs unit at the Fort Madison correctional facility at a capacity of 200 beds when funding constraints are eliminated.

b. For the operation of the Anamosa correctional facility, including salaries, support, maintenance, employment of correctional officers and a part-time chaplain to provide religious counseling to inmates of a minority race,

miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 23,786,629  
..... FTEs 379.75

Moneys are provided within this appropriation for one full-time substance abuse counselor for the Luster Heights facility, for the purpose of certification of a substance abuse program at that facility.

c. For the operation of the Oakdale correctional facility, including salaries, support, maintenance, employment of correctional officers, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 21,497,363  
..... FTEs 328.50

d. For the operation of the Newton correctional facility, including salaries, support, maintenance, employment of correctional officers, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 22,538,275  
..... FTEs 371.25

e. For the operation of the Mt. Pleasant correctional facility, including salaries, support, maintenance, employment of correctional officers and a full-time chaplain to provide religious counseling at the Oakdale and Mt. Pleasant correctional facilities, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 21,161,133  
..... FTEs 330.56

f. For the operation of the Rockwell City correctional facility, including salaries, support, maintenance, employment of correctional officers, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 7,268,049  
..... FTEs 110.00

g. For the operation of the Clarinda correctional facility, including salaries, support, maintenance, employment of correctional officers, miscellaneous purposes, and for not more than the following full-time equivalent positions:



..... \$ 18,326,306  
 ..... FTEs 291.76

Moneys received by the department of corrections as reimbursement for services provided to the Clarinda youth corporation are appropriated to the department and shall be used for the purpose of operating the Clarinda correctional facility.

h. For the operation of the Mitchellville correctional facility, including salaries, support, maintenance, employment of correctional officers, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 12,024,416  
 ..... FTEs 215.50

i. For the operation of the Fort Dodge correctional facility, including salaries, support, maintenance, employment of correctional officers, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 24,379,674  
 ..... FTEs 395.00

j. For reimbursement of counties for temporary confinement of work release and parole violators, as provided in sections 901.7, 904.908, and 906.17 and for offenders confined pursuant to section 904.513:

..... \$ 674,954

k. For federal prison reimbursement, reimbursements for out-of-state placements, and miscellaneous contracts:

..... \$ 241,293

The department of corrections shall use funds appropriated in this subsection to continue to contract for the services of a Muslim imam.

2. a. If the inmate tort claim fund for inmate claims of less than \$100 is exhausted during the fiscal year, sufficient funds shall be transferred from the institutional budgets to pay approved tort claims for the balance of the fiscal year. The warden or superintendent of each institution or correctional facility shall designate an employee to receive, investigate, and recommend whether to pay any properly filed

inmate tort claim for less than the above amount. The designee's recommendation shall be approved or denied by the warden or superintendent and forwarded to the department of corrections for final approval and payment. The amounts appropriated to this fund pursuant to 1987 Iowa Acts, chapter 234, section 304, subsection 2, are not subject to reversion under section 8.33.

b. Tort claims denied at the institution shall be forwarded to the state appeal board for their consideration as if originally filed with that body. This procedure shall be used in lieu of chapter 669 for inmate tort claims of less than \$100.

3. It is the intent of the general assembly that the department of corrections shall timely fill correctional positions authorized for correctional facilities pursuant to this section.

Sec. 156. DEPARTMENT OF CORRECTIONS -- ADMINISTRATION. There is appropriated from the general fund of the state to the department of corrections for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For general administration, including salaries, support, maintenance, employment of an education director and clerk to administer a centralized education program for the correctional system, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 2,666,224  
 ..... FTEs 42.18

Notwithstanding section 904.108, for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the correctional training center need not be maintained at the Mount Pleasant correctional facility.

a. The department shall monitor the use of the classification model by the judicial district departments of correctional services and has the authority to override a district department's decision regarding classification of

community-based clients. The department shall notify a district department of the reasons for the override.

b. It is the intent of the general assembly that as a condition of receiving the appropriation provided in this subsection, the department of corrections shall not, except as otherwise provided in paragraph "c", enter into a new contract, unless the contract is a renewal of an existing contract, for the expenditure of moneys in excess of \$100,000 during the fiscal year beginning July 1, 2002, for the privatization of services performed by the department using state employees as of July 1, 2002, or for the privatization of new services by the department, without prior consultation with any applicable state employee organization affected by the proposed new contract and prior notification of the cochairpersons and ranking members of the joint appropriations subcommittee on the justice system.

c. It is the intent of the general assembly that each lease negotiated by the department of corrections with a private corporation for the purpose of providing private industry employment of inmates in a correctional institution shall prohibit the private corporation from utilizing inmate labor for partisan political purposes for any person seeking election to public office in this state and that a violation of this requirement shall result in a termination of the lease agreement.

d. It is the intent of the general assembly that as a condition of receiving the appropriation provided in this subsection, the department of corrections shall not enter into a lease or contractual agreement pursuant to section 904.809 with a private corporation for the use of building space for the purpose of providing inmate employment without providing that the terms of the lease or contract establish safeguards to restrict, to the greatest extent feasible, access by inmates working for the private corporation to personal identifying information of citizens.

e. It is the intent of the general assembly that as a condition of receiving the appropriation provided in this

subsection, the department of corrections shall not enter into any new agreement with a private for-profit agency or corporation for the purpose of transferring inmates under the custody of the department to a jail or correctional facility or institution in this state which is established, maintained, or operated by a private for-profit agency or corporation without prior approval by the general assembly.

2. For educational programs for inmates at state penal institutions:

..... \$ 100,000

It is the intent of the general assembly that moneys appropriated in this subsection shall be used solely for the purpose indicated and that the moneys shall not be transferred for any other purpose. In addition, it is the intent of the general assembly that the department shall consult with the community colleges in the areas in which the institutions are located to utilize moneys appropriated in this subsection to fund the high school completion, high school equivalency diploma, adult literacy, and adult basic education programs in a manner so as to maintain these programs at the institutions.

To maximize the funding for educational programs, the department shall establish guidelines and procedures to prioritize the availability of educational and vocational training for inmates based upon the goal of facilitating an inmate's successful release from the correctional institution.

The director of the department of corrections may transfer moneys from Iowa prison industries for use in educational programs for inmates.

Notwithstanding section 8.33, moneys appropriated in this subsection that remain unobligated or unexpended at the close of the fiscal year shall not revert but shall remain available for expenditure only for the purpose designated in this subsection until the close of the succeeding fiscal year.

3. For the development of the Iowa corrections offender network (ICON) data system:

..... \$ 427,700

4. The department of corrections shall submit a report to the cochairpersons and ranking members of the joint appropriations subcommittee on the justice system and the legislative fiscal bureau, on or before January 15, 2003, concerning the development and implementation of the Iowa corrections offender network (ICON) data system. The report shall include a description of the system and functions, a plan for implementation of the system, including a timeline, resource and staffing requirements for the system, and a current status and progress report concerning the implementation of the system. In addition, the report shall specifically address the ability of the system to receive and transmit data between prisons, community-based corrections district departments, the judicial branch, board of parole, the criminal and juvenile justice planning division of the department of human rights, the department of public safety, and other applicable governmental agencies. The report should include a detailed discussion of the cooperation with other state agencies and the judicial branch in the development and implementation of the system.

5. It is the intent of the general assembly that the department of corrections shall continue to operate the correctional farms under the control of the department at the same or greater level of participation and involvement as existed as of January 1, 2002, shall not enter into any rental agreement or contract concerning any farmland under the control of the department that is not subject to a rental agreement or contract as of January 1, 2002, without prior legislative approval, and shall further attempt to provide job opportunities at the farms for inmates. The department shall attempt to provide job opportunities at the farms for inmates by encouraging labor-intensive farming or gardening where appropriate, using inmates to grow produce and meat for institutional consumption, researching the possibility of instituting food canning and cook-and-chill operations, and exploring opportunities for organic farming and gardening, livestock ventures, horticulture, and specialized crops.

6. The department of corrections shall submit a report to the general assembly by January 1, 2003, concerning moneys recouped from inmate earnings for the reimbursement of operational expenses of the applicable facility during the fiscal year beginning July 1, 2001, for each correctional institution and judicial district department of correctional services. In addition, each correctional institution and judicial district department of correctional services shall continue to submit a report to the legislative fiscal bureau on a monthly basis concerning moneys recouped from inmate earnings pursuant to sections 904.702, 904.809, and 905.14.

Sec. 157. JUDICIAL DISTRICT DEPARTMENTS OF CORRECTIONAL SERVICES.

1. There is appropriated from the general fund of the state to the department of corrections for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be allocated as follows:

- a. For the first judicial district department of correctional services, including the treatment and supervision of probation and parole violators who have been released from the department of corrections violator program, the following amount, or so much thereof as is necessary:  
..... \$ 8,953,795
- b. For the second judicial district department of correctional services, including the treatment and supervision of probation and parole violators who have been released from the department of corrections violator program, the following amount, or so much thereof as is necessary:  
..... \$ 6,992,061
- c. For the third judicial district department of correctional services, including the treatment and supervision of probation and parole violators who have been released from the department of corrections violator program, the following amount, or so much thereof as is necessary:  
..... \$ 4,073,638

d. For the fourth judicial district department of correctional services, including the treatment and supervision of probation and parole violators who have been released from the department of corrections violator program, the following amount, or so much thereof as is necessary:

..... \$ 3,854,236

e. For the fifth judicial district department of correctional services, including the treatment and supervision of probation and parole violators who have been released from the department of corrections violator program, the following amount, or so much thereof as is necessary:

..... \$ 11,702,787

f. For the sixth judicial district department of correctional services, including the treatment and supervision of probation and parole violators who have been released from the department of corrections violator program, the following amount, or so much thereof as is necessary:

..... \$ 8,965,564

g. For the seventh judicial district department of correctional services, including the treatment and supervision of probation and parole violators who have been released from the department of corrections violator program, the following amount, or so much thereof as is necessary:

..... \$ 5,125,593

h. For the eighth judicial district department of correctional services, including the treatment and supervision of probation and parole violators who have been released from the department of corrections violator program, the following amount, or so much thereof as is necessary:

..... \$ 5,097,521

2. Each judicial district department of correctional services shall continue programs and plans established within that district to provide for intensive supervision, sex offender treatment, diversion of low-risk offenders to the least restrictive sanction available, job development, and expanded use of intermediate criminal sanctions.

3. The department of corrections shall continue to contract with a judicial district department of correctional services to provide for the rental of electronic monitoring equipment which shall be available statewide.

4. Each judicial district department of correctional services and the department of corrections shall continue the treatment alternatives to street crime programs established in 1989 Iowa Acts, chapter 225, section 9.

5. The governor's office of drug control policy shall consider federal grants made to the department of corrections for the benefit of each of the eight judicial district departments of correctional services as local government grants, as defined pursuant to federal regulations.

6. The department of corrections and the eight judicial district departments of correctional services shall submit a combined comprehensive report on the violator program and the violator aftercare program to the cochairpersons and ranking members of the joint appropriations subcommittee on the justice system and to the legislative fiscal bureau by December 1, 2002.

7. In addition to the requirements of section 8.39, the department of corrections shall not make an intradepartmental transfer of moneys appropriated to the department, unless notice of the intradepartmental transfer is given prior to its effective date to the legislative fiscal bureau. The notice shall include information on the department's rationale for making the transfer and details concerning the work load and performance measures upon which the transfers are based.

8. The department of corrections and the eight judicial district departments of correctional services shall submit a combined comprehensive report on the use of intermediate criminal sanctions program pursuant to chapter 901B to the cochairpersons and ranking members of the joint appropriations subcommittee on the justice system, and to the legislative fiscal bureau by January 15, 2003. The report shall include a description of the program at each intermediate sanction level or sublevel of the corrections continuum within each district

plan, and the number of offenders placed at each intermediate sanction level or sublevel in each district for the previous fiscal year, and the current fiscal year as of March 1. The report shall also include the personal characteristics of each offender, including the offender's race, gender, and age, and the offender's placement on the corrections continuum. The number of FTEs working in positions related to the corrections continuum shall also be included in the report.

9. The department of corrections in cooperation with the second, third, fourth, and fifth judicial district departments of correctional services, shall implement procedures to provide continuing evaluation of the drug courts. The evaluation shall include a description of the two models currently being used by the judicial districts, a description of the program, criteria for admission, program capacity, number of offenders in the program by offense class, program expenditures, and quantitative outcome measures including successful completion and recidivism rates.

**Sec. 158. CORRECTIONAL INSTITUTIONS -- VOCATIONAL TRAINING.**

1. The state prison industries board and the department of corrections shall continue the implementation of a plan to enhance vocational training opportunities within the correctional institutions listed in section 904.102, as provided in 1993 Iowa Acts, chapter 171, section 12. The plan shall provide for increased vocational training opportunities within the correctional institutions, including the possibility of approving community college credit for inmates working in prison industries. The department of corrections shall provide a report concerning the implementation of the plan to the cochairpersons and ranking members of the joint appropriations subcommittee on the justice system and the legislative fiscal bureau, on or before January 15, 2003.

2. It is the intent of the general assembly that each correctional facility make all reasonable efforts to maintain vocational education programs for inmates and to identify available funding sources to continue these programs. The

department of corrections shall submit a report to the general assembly by January 1, 2003, concerning the efforts made by each correctional facility in maintaining vocational education programs for inmates.

3. The department of corrections shall submit a report on inmate labor to the general assembly, the cochairpersons, and the ranking members of the joint appropriations subcommittee on the justice system, and to the legislative fiscal bureau by January 15, 2003. The report shall specifically address the progress the department has made in implementing the requirements of section 904.701, inmate labor on capital improvement projects, community work crews, and private-sector employment.

4. Each month the department shall provide a status report regarding private-sector employment to the legislative fiscal bureau beginning on July 1, 2002. The report shall include the number of offenders employed in the private sector, the combined number of hours worked by the offenders, and the total amount of allowances, and the distribution of allowances pursuant to section 904.702, including any moneys deposited in the general fund of the state.

**Sec. 159. STATE AGENCY PURCHASES FROM PRISON INDUSTRIES.**

1. As used in this section, unless the context otherwise requires, "state agency" means the government of the state of Iowa, including but not limited to all executive branch departments, agencies, boards, bureaus, and commissions, the judicial branch, the general assembly and all legislative agencies, institutions within the purview of the state board of regents, and any corporation whose primary function is to act as an instrumentality of the state.

2. State agencies are hereby encouraged to purchase products from Iowa state industries, as defined in section 904.802, when purchases are required and the products are available from Iowa state industries.

3. State agencies shall submit to the legislative fiscal bureau by January 15, 2003, a report of the dollar value of products and services purchased from Iowa state industries by

the state agency during the fiscal year beginning July 1, 2001, and ending June 30, 2002.

Sec. 160. STATE PUBLIC DEFENDER. There is appropriated from the general fund of the state to the office of the state public defender of the department of inspections and appeals for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, for the purposes designated:

..... \$ 33,908,325

The funds appropriated and full-time equivalent positions authorized in this section are allocated as follows:

1. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 15,770,739

..... FTEs 202.00

2. For the fees of court-appointed attorneys for indigent adults and juveniles, in accordance with section 232.141 and chapter 815:

..... \$ 18,137,586

Sec. 161. IOWA LAW ENFORCEMENT ACADEMY. There is appropriated from the general fund of the state to the Iowa law enforcement academy for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

1. For salaries, support, maintenance, miscellaneous purposes, including jailer training and technical assistance, and for not more than the following full-time equivalent positions:

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

..... FTEs 29.05

It is the intent of the general assembly that the Iowa law enforcement academy may provide training of state and local law enforcement personnel concerning the recognition of and response to persons with Alzheimer's disease.

2. The Iowa law enforcement academy may select at least five automobiles of the department of public safety, division of the Iowa state patrol, prior to turning over the automobiles to the state fleet administrator to be disposed of by public auction and the Iowa law enforcement academy may exchange any automobile owned by the academy for each automobile selected if the selected automobile is used in training law enforcement officers at the academy. However, any automobile exchanged by the academy shall be substituted for the selected vehicle of the department of public safety and sold by public auction with the receipts being deposited in the depreciation fund to the credit of the department of public safety, division of the Iowa state patrol.

Sec. 162. BOARD OF PAROLE. There is appropriated from the general fund of the state to the board of parole for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 986,636

..... FTEs 16.00

Sec. 163. DEPARTMENT OF PUBLIC DEFENSE. There is appropriated from the general fund of the state to the department of public defense for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. MILITARY DIVISION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 5,115,428

..... FTEs 285.89

If there is a surplus in the general fund of the state for the fiscal year ending June 30, 2003, within 60 days after the

close of the fiscal year, the military division may incur up to an additional \$500,000 in expenditures from the surplus prior to transfer of the surplus pursuant to section 8.57.

2. EMERGENCY MANAGEMENT DIVISION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 1,077,354
..... FTEs 25.25

Sec. 164. IOWA COMMUNICATIONS NETWORK OPERATIONS.

1. There is appropriated from the general fund of the state to the Iowa telecommunications and technology commission for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated in this subsection:

For operations of the network consistent with chapter 8D and for the following full-time equivalent positions:

..... \$ 1,027,503
..... FTEs 105.00

2. Notwithstanding section 8.33 or 8.39, moneys appropriated in this section which remain unobligated or unexpended at the close of the fiscal year shall not revert but shall remain available for the purposes designated in the succeeding fiscal year, and shall not be transferred to any other program.

3. It is the intent of the general assembly that the Iowa telecommunications and technology commission annually review the hourly rates established, as provided in section 8D.3, subsection 3, paragraph "i". Such rates shall be established in a manner to minimize any subsidy provided through state general fund appropriations.

Sec. 165. DEPARTMENT OF PUBLIC SAFETY. There is appropriated from the general fund of the state to the department of public safety for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the department's administrative functions, including the criminal justice information system, and for not more than the following full-time equivalent positions:

..... \$ 2,379,176
..... FTEs 38.50

2. For the division of criminal investigation and bureau of identification including the state's contribution to the peace officers' retirement, accident, and disability system provided in chapter 97A in the amount of 17 percent of the salaries for which the funds are appropriated, to meet federal fund matching requirements, and for not more than the following full-time equivalent positions:

..... \$ 12,050,565
..... FTEs 231.50

Riverboat enforcement costs shall be billed in accordance with section 99F.10, subsection 4, and section 99F.10A. The costs shall be not more than the department's estimated expenditures, including salary adjustment, for riverboat enforcement for the fiscal year. The costs billed to the riverboats shall not be more than \$1,280,000 in excess of the amount billed to the riverboats in the fiscal year beginning July 1, 2001. Racetrack enforcement costs shall be billed in accordance with section 99D.14, subsection 7, and section 99D.14A. The costs shall be not more than the department's estimated expenditures, including salary adjustment, for racetrack enforcement for the fiscal year. The costs billed to the racetracks shall not be more than \$420,000 in excess of the amount billed to the racetracks in the fiscal year beginning July 1, 2001.

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The department of public safety, with the approval of the department of management, may employ no more than two special agents and four gaming enforcement officers for each additional riverboat regulated after July 1, 2002, and one special agent for each racing facility which becomes operational during the fiscal year which begins July 1, 2002. One additional gaming enforcement officer, up to a total of four per boat, may be employed for each riverboat that has

extended operations to 24 hours and has not previously operated with a 24-hour schedule. Positions authorized in this paragraph are in addition to the full-time equivalent positions otherwise authorized in this subsection.

3. a. For the division of narcotics enforcement, including the state's contribution to the peace officers' retirement, accident, and disability system provided in chapter 97A in the amount of 17 percent of the salaries for which the funds are appropriated, to meet federal fund matching requirements, and for not more than the following full-time equivalent positions:  
..... \$ 3,392,889  
..... FTEs 58.00

b. For the division of narcotics enforcement for undercover purchases:  
..... \$ 123,343

4. a. For the state fire marshal's office, including the state's contribution to the peace officers' retirement, accident, and disability system provided in chapter 97A in the amount of 17 percent of the salaries for which the funds are appropriated, and for not more than the following full-time equivalent positions:  
..... \$ 1,777,630  
..... FTEs 38.80

b. For the state fire marshal's office, for fire protection services as provided through the state fire service and emergency response council as created in the department, and for not more than the following full-time equivalent positions:  
..... \$ 572,150  
..... FTEs 12.00

5. a. For the division of the Iowa state patrol of the department of public safety, for salaries, support, maintenance, workers' compensation costs, and miscellaneous purposes, including the state's contribution to the peace officers' retirement, accident, and disability system provided in chapter 97A in the amount of 17 percent of the salaries for

which the funds are appropriated, and for not more than the following full-time equivalent positions:

..... \$ 37,019,624  
..... FTEs 545.00

b. District 16, including the state's contribution to the peace officers' retirement, accident, and disability system provided in chapter 97A in the amount of 17 percent of the salaries for which the funds are appropriated and for not more than the following full-time equivalent positions:

..... \$ 1,240,381  
..... FTEs 26.00

6. For deposit in the public safety law enforcement sick leave benefits fund established under section 80.42, for all departmental employees eligible to receive benefits for accrued sick leave under the collective bargaining agreement:  
..... \$ 272,421

7. An employee of the department of public safety who retires after July 1, 2002, but prior to June 30, 2003, is eligible for payment of life or health insurance premiums as provided for in the collective bargaining agreement covering the public safety bargaining unit at the time of retirement if that employee previously served in a position which would have been covered by the agreement. The employee shall be given credit for the service in that prior position as though it were covered by that agreement. The provisions of this subsection shall not operate to reduce any retirement benefits an employee may have earned under other collective bargaining agreements or retirement programs.

8. For costs associated with the training and equipment needs of volunteer fire fighters and for not more than the following full-time equivalent position:  
..... \$ 544,826  
..... FTEs 1.00

Notwithstanding section 8.33, moneys appropriated in this subsection that remain unobligated or unexpended at the close of the fiscal year shall not revert but shall remain available for expenditure only for the purpose designated in this subsection until the close of the succeeding fiscal year.



Sec. 166. POSTING OF REPORTS IN ELECTRONIC FORMAT -- LEGISLATIVE FISCAL BUREAU. All reports or copies of reports required to be provided to the legislative fiscal bureau in this division for the fiscal year beginning July 1, 2002, shall be provided in an electronic format. The legislative fiscal bureau shall post the reports on its internet site and shall notify by electronic means all the members of the joint appropriations subcommittee on the justice system when a report is posted. Upon request, copies of the reports may be mailed to members of the joint appropriations subcommittee on the justice system.

Sec. 167. NEW SECTION. 99D.14A PAYMENT OF THE DIVISION OF CRIMINAL INVESTIGATION COSTS.

A licensee shall pay a fee in an amount representing twenty percent of the salary costs of the division of criminal investigation of the department of public safety plus any amount over thirty thousand dollars in direct and indirect support costs, in addition to that assessed under section 99D.14, subsection 7, for enforcement of this chapter. The fees assessed in this section shall be deposited in the general fund of the state.

Sec. 168. Section 99F.4A, subsection 8, Code 2001, is amended to read as follows:

8. A licensee shall pay a fee in an amount representing eighty one hundred percent of the salary and other related costs of the division of criminal investigation of the department of public safety for enforcement of this chapter.

Sec. 169. NEW SECTION. 99F.10A PAYMENT OF THE DIVISION OF CRIMINAL INVESTIGATION COSTS.

A licensee shall pay twenty percent of the division's salary costs for special agents and twenty percent of the division's salary costs for gaming enforcement plus any amount over one hundred twenty-five thousand dollars in direct and indirect support costs, in addition to that assessed under section 99F.10, subsection 4. The costs assessed in this section shall be deposited in the general fund of the state.

Sec. 170. 1998 Iowa Acts, chapter 1101, section 15, subsection 2, as amended by 1999 Iowa Acts, chapter 202, section 25, as amended by 2000 Iowa Acts, chapter 1229, section 25, and as amended by 2001 Iowa Acts, chapter 186, section 21, is amended to read as follows:

2. a. There is appropriated from surcharge moneys received by the E911 administrator and deposited into the wireless E911 emergency communications fund, for each fiscal year in the fiscal period beginning July 1, 1998, and ending June 30, ~~2002~~ 2003, an amount not to exceed two hundred thousand dollars to be used for the implementation, support, and maintenance of the functions of the E911 administrator. The amount appropriated in this paragraph includes any amounts necessary to reimburse the division of emergency management of the department of public defense pursuant to paragraph "b".

b. Notwithstanding the distribution formula in section 34A.7A, as enacted in this Act, and prior to any such distribution, of the initial surcharge moneys received by the E911 administrator and deposited into the wireless E911 emergency communications fund, for each fiscal year in the fiscal period beginning July 1, 1998, and ending June 30, ~~2002~~ 2003, an amount is appropriated to the division of emergency management of the department of public defense as necessary to reimburse the division for amounts expended for the implementation, support, and maintenance of the E911 administrator, including the E911 administrator's salary.

Sec. 171. 2001 Iowa Acts, chapter 186, section 6, subsection 6, is amended by striking the subsection.

Sec. 172. EFFECTIVE DATES.

1. Except as otherwise provided by this section, this division of this Act takes effect July 1, 2002.

2. The section of this division of this Act striking 2001 Iowa Acts, chapter 186, section 6, subsection 6, being deemed of immediate importance, takes effect upon enactment.

3. The section of this Act amending 1998 Iowa Acts, chapter 1101, section 15, as amended, being deemed of immediate importance, takes effect upon enactment.

DIVISION VIII  
JUDICIAL BRANCH

Sec. 173. JUDICIAL BRANCH. There is appropriated from the general fund of the state to the judicial branch for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries of supreme court justices, appellate court judges, district court judges, district associate judges, judicial magistrates and staff, state court administrator, clerk of the supreme court, district court administrators, clerks of the district court, juvenile court officers, board of law examiners and board of examiners of shorthand reporters and judicial qualifications commission, receipt and disbursement of child support payments, reimbursement of the auditor of state for expenses incurred in completing audits of the offices of the clerks of the district court during the fiscal year beginning July 1, 2002, and maintenance, equipment, and miscellaneous purposes:

..... \$111,356,002

1. The judicial branch, except for purposes of internal processing, shall use the current state budget system, the state payroll system, and the Iowa finance and accounting system in administration of programs and payments for services, and shall not duplicate the state payroll, accounting, and budgeting systems.

2. The judicial branch shall submit monthly financial statements to the legislative fiscal bureau and the department of management containing all appropriated accounts in the same manner as provided in the monthly financial status reports and personal services usage reports of the department of revenue and finance. The monthly financial statements shall include a comparison of the dollars and percentage spent of budgeted versus actual revenues and expenditures on a cumulative basis for full-time equivalent positions and dollars.

3. The judicial branch shall continue to assist in the development and implementation of a justice data warehouse

which shall include in the Iowa court information system, starting with appointments of counsel made on or after July 1, 1999, the means to identify any case where the court has determined indigence, and whether the case is handled by a public defender or other court-appointed counsel.

4. Of the funds appropriated in this section, not more than \$1,897,728 may be transferred into the revolving fund established pursuant to section 602.1302, subsection 3, to be used for the payment of jury and witness fees and mileage.

5. The judicial branch shall focus efforts upon the collection of delinquent fines, penalties, court costs, fees, surcharges, or similar amounts.

6. It is the intent of the general assembly that the offices of the clerks of the district court operate in all ninety-nine counties and be accessible to the public as much as is reasonably possible in order to address the relative needs of the citizens of each county.

7. In addition to the requirements for transfers under section 8.39, the judicial branch shall not change the appropriations from the amounts appropriated to the branch in this Act, unless notice of the revisions is given prior to their effective date to the legislative fiscal bureau. The notice shall include information on the branch's rationale for making the changes and details concerning the work load and performance measures upon which the changes are based.

8. The judicial branch shall provide to the legislative fiscal bureau by January 15, 2003, an annual report concerning the operation and use of the Iowa court information system and any recommendations to improve the utilization of the system. The annual report shall include information specifying the amounts of fines, surcharges, and court costs collected using the system and how the system is used to improve the collection process. In addition, the judicial branch shall submit a semiannual update to the legislative fiscal bureau specifying the amounts of fines, surcharges, and court costs collected using the Iowa court information system since the last report. The judicial branch shall continue to facilitate

the sharing of vital sentencing and other information with other state departments and governmental agencies involved in the criminal justice system through the Iowa court information system.

9. The judicial branch shall provide a report to the general assembly by January 1, 2003, concerning the amounts received and expended from the enhanced court collections fund created in section 602.1304 and the court technology and modernization fund created in section 602.8108, subsection 5, during the fiscal year beginning July 1, 2001, and ending June 30, 2002, and the plans for expenditures from each fund during the fiscal year beginning July 1, 2002, and ending June 30, 2003. A copy of the report shall be provided to the legislative fiscal bureau.

10. The judicial branch shall continue to provide criminal justice data to the department of corrections for use by the Iowa corrections offender network (ICON) data system.

Sec. 174. JUDICIAL RETIREMENT FUND. There is appropriated from the general fund of the state to the judicial retirement fund for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

Notwithstanding section 602.9104, for the state's contribution to the judicial retirement fund in the amount of 9.9 percent of the basic salaries of the judges covered under chapter 602, article 9:  
..... \$ 2,039,664

Sec. 175. POSTING OF REPORTS IN ELECTRONIC FORMAT -- LEGISLATIVE FISCAL BUREAU. All reports or copies of reports required to be provided by the judicial branch for fiscal year 2002-2003 to the legislative fiscal bureau shall be provided in an electronic format. The legislative fiscal bureau shall post the reports on its internet site and shall notify by electronic means all the members of the joint appropriations subcommittee on the justice system when a report is posted. Upon request, copies of the reports may be mailed to members of the joint appropriations subcommittee on the justice system.

Sec. 176. CLERK OF COURT -- STUDY COMMITTEE. The supreme court shall establish a study committee for the purpose of providing findings and recommendations to the court in order for the court to submit a report to the general assembly by December 15, 2002, regarding the efficient operation and management of the clerks of courts offices in every county of the state. The study committee shall include representatives of key court stakeholder groups including but not limited to, members of the general public, legislators, county and city officials, court employees, clerks of court, judges, and attorneys representing both urban and rural areas of the state. The court shall include interested associations and public agencies who request the opportunity to have input into the work of the study committee. The committee shall issue a report to the court which includes the committee's findings and recommendations of how to improve the operation and management of clerk of court offices under the present statutory framework of one clerk of court office per county. The supreme court shall submit its report to the general assembly after consideration of the study committee's findings and recommendations.

Sec. 177. APPOINTMENT OF CLERK OF COURT. Up until such time the supreme court submits its clerk of court study committee report to the general assembly and notwithstanding section 602.1215, the appointment of a clerk of the district court shall not occur unless the state court administrator approves the appointment.

Sec. 178. EFFECTIVE DATE. This division of this Act takes effect July 1, 2002.

DIVISION IX

STANDING APPROPRIATIONS -- REDUCTIONS

Sec. 179. 2002 Iowa Acts, Senate File 2326, section 168, is amended to read as follows:

SEC. 168. GENERAL ASSEMBLY. The appropriations made pursuant to section 2.12 for the expenses of the general assembly and legislative agencies for the fiscal year beginning July 1, 2002, and ending June 30, 2003, are reduced by the following amount:

..... \$ 744,947  
1,828,845

Sec. 180. 2002 Iowa Acts, Senate File 2326, section 169, is amended to read as follows:

SEC. 169. STATE APPEAL BOARD CLAIMS. Notwithstanding the standing appropriations in section 25.2, subsection 3, the amount appropriated from the general fund of the state under section 25.2, subsection 3, to the state appeal board to pay claims against the state for the fiscal year beginning July 1, 2002, and ending June 30, 2003, is reduced by the following amount:

..... \$ 2,500,000  
3,000,000

STANDING APPROPRIATIONS -- LIMITATIONS

Sec. 181. 2002 Iowa Acts, Senate File 2326, section 175, subsections 6, 7, 9, 10, and 11, are amended to read as follows:

6. For the personal property tax replacement program under section 405A.8:

..... \$ 52,251,176  
51,101,650

7. For the payment of franchise tax allocations to cities and counties under section 405A.10:

..... \$ 8,160,952  
7,989,235

9. For payment of livestock production credit refunds under section 422.121:

..... \$ 1,856,500  
1,815,735

10. For reimbursement for the homestead property tax credit under section 425.1:

..... \$ 97,960,127  
105,585,004

11. For reimbursement for the agricultural land and family farm tax credits under section 426.1:

..... \$ 36,296,139  
35,497,624

Sec. 182. 2002 Iowa Acts, Senate File 2326, section 176, is amended to read as follows:

SEC. 176. ELDERLY AND DISABLED CREDIT. Notwithstanding the standing appropriation in section 425.39, the amount appropriated from the general fund of the state under section 425.39, for the fiscal year beginning July 1, 2002, and ending June 30, 2003, for purposes of implementing the elderly and disabled credit and reimbursement portion of the extraordinary property tax and reimbursement division of chapter 425, shall not exceed \$16,152,246 15,796,897. The director shall pay, in full, all claims to be paid during the fiscal year beginning July 1, 2002, for reimbursement of rent constituting property taxes paid. If the amount of claims for credit for property taxes due to be paid during the fiscal year beginning July 1, 2002, exceeds the amount remaining after payment to renters, the director of revenue and finance shall prorate the payments to the counties for the property tax credit. In order for the director to carry out the requirements of this section, notwithstanding any provision to the contrary in sections 425.16 through 425.39, claims for reimbursement for rent constituting property taxes paid filed before May 1, 2003, shall be eligible to be paid in full during the fiscal year ending June 30, 2003, and those claims filed on or after May 1, 2003, shall be eligible to be paid during the fiscal year beginning July 1, 2003, and the director is not required to make payments to counties for the property tax credit before June 15, 2003.

Sec. 183. PUBLIC TRANSIT ASSISTANCE APPROPRIATION. 2002 Iowa Acts, Senate File 2326, section 175, subsection 14, is amended by striking the subsection.

Sec. 184. PUBLIC TRANSIT ASSISTANCE APPROPRIATION. Notwithstanding section 312.2, subsection 14, the amount appropriated from the general fund of the state under section 312.2, subsection 14, to the state department of transportation for public transit assistance under chapter 324A for the fiscal year beginning July 1, 2002, and ending June 30, 2003, is reduced by the following amount:

..... \$ 1,298,675

REVENUE ADJUSTMENTS -- TRANSFERS

Sec. 185. DEPRECIATION FUND. Notwithstanding section 18.120, there is transferred from the depreciation fund created in section 18.120 for the purchase of replacement motor vehicles and additions to the fleet, to the general fund of the state for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount:

..... \$ 2,200,000

Sec. 186. GROUNDWATER PROTECTION FUND -- AGRICULTURE MANAGEMENT ACCOUNT. Notwithstanding section 455E.11, subsection 2, paragraph "b", there is transferred from the agriculture management account of the groundwater protection fund created pursuant to section 455E.11, subsection 2, paragraph "b", to the general fund of the state during the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount from those moneys appropriated for the Leopold center for sustainable agriculture:

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

Sec. 187. JURY AND WITNESS FEES FUND. Notwithstanding section 602.1302, there is transferred from the revolving fund created in section 602.1302, for the purpose of paying jury and witness fees and mileage by the judicial branch, to the general fund of the state for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount:

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

Sec. 188. REBUILD IOWA INFRASTRUCTURE FUND. Notwithstanding section 8.57, subsection 5, paragraph "e", there is transferred from wagering tax revenues, in excess of the moneys to be deposited in the general fund of the state, the vision Iowa fund, and the school infrastructure fund as provided in section 8.57, subsection 5, paragraph "e", to the general fund of the state for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount:

..... \$ 15,496,600

Sec. 189. ENVIRONMENT FIRST FUND. Notwithstanding section 8.57A, subsection 3, there is transferred from the environment

first fund created in section 8.57A to the general fund of the state for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount:

..... \$ 18,445,000

Sec. 190. ENDOWMENT FOR IOWA'S HEALTH ACCOUNT. Notwithstanding 2001 Iowa Acts, chapter 174, section 1, there is transferred from the endowment for Iowa's health account of the tobacco settlement trust fund created in section 12E.12 to the general fund of the state for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount:

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

Sec. 191. 2002 Iowa Acts, House File 2613, section 2, subsection 1, is amended to read as follows:

1. To supplement the medical assistance appropriation and to provide reimbursement for health care services and rent expenses to eligible persons through the home and community-based services waiver and the state supplementary assistance program, including program administration and data system costs associated with implementation, salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

..... \$ ~~21,733,406~~

37,733,406

..... FTEs 5.00

Sec. 192. EFFECTIVE DATE. This division of this Act takes effect July 1, 2002.

DIVISION X

CAPITALS AND INFRASTRUCTURE

SCHOOL INFRASTRUCTURE FUND -- SALES AND SERVICES TAX FUND

Sec. 193. SCHOOL INFRASTRUCTURE FUND.

1. Notwithstanding section 12.82, subsection 1, and section 292.2, there is appropriated from the school infrastructure fund created in section 12.82 to the director of revenue and finance for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount to be used for the purpose designated:

For deposit by the director into the school district accounts in the local sales and services tax fund, as created in section 422B.10, subsection 1, of those counties that have imposed a local sales and services tax for school infrastructure purposes under chapter 422E:

..... \$ 22,000,000

2. The portion of the amount appropriated in subsection 1 that shall be deposited into each school district account equals the ratio that the amount of local sales and services tax for school infrastructure purposes revenue deposited into that account during the fiscal year beginning July 1, 2001, and ending June 30, 2002, bears to the total amount of local sales and services tax for school infrastructure purposes revenue deposited into all accounts during the fiscal year beginning July 1, 2001, and ending June 30, 2002.

Sec. 194. COUNTY SALES AND SERVICES TAX FUND.

1. Notwithstanding section 422E.1, there is transferred to the general fund of the state from the school district accounts in the county sales and services tax fund, as created in section 422B.10, subsection 1, of those counties that have imposed a local sales and services tax for school infrastructure purposes under chapter 422E, for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount:

..... \$ 22,000,000

2. The portion of the amount transferred in subsection 1 that shall be transferred from each school district account equals the ratio that the amount of local sales and services tax for school infrastructure purposes revenue deposited into that account during the fiscal year beginning July 1, 2001, and ending June 30, 2002, bears to the total amount of local sales and services tax for school infrastructure purposes revenue deposited in all accounts during the fiscal year beginning July 1, 2001, and ending June 30, 2002.

REBUILD IOWA INFRASTRUCTURE FUND

Sec. 195. 2002 Iowa Acts, House File 2614, section 10, subsection 1, unnumbered paragraph 1, is amended to read as follows:

For allocation to the university of northern Iowa for developing a 21st century learning initiative, notwithstanding section 8.57, subsection 5, paragraph "c":

..... \$ 800,000

0

Sec. 196. 2002 Iowa Acts, House File 2614, section 10, subsection 3, paragraph a, unnumbered paragraph 1, is amended to read as follows:

For historical site preservation grants, to be used for the restoration, preservation, and development of historical sites:

..... \$ 800,000

0

Sec. 197. 2002 Iowa Acts, House File 2614, section 10, subsection 3, paragraph b, is amended to read as follows:

b. For continuation of the project recommended by the Iowa battle flag advisory committee to stabilize the condition of the battle flag collection, notwithstanding section 8.57, subsection 5, paragraph "c":

..... \$ 150,000

100,000

Sec. 198. 2002 Iowa Acts, House File 2614, section 10, subsection 4, paragraphs a and b, are amended to read as follows:

a. For deposit in the local housing assistance program fund created in section 15.354, notwithstanding section 8.57, subsection 5, paragraph "c":

..... \$ 800,000

0

b. For deposit in the rural enterprise fund to be used for the dry fire hydrant and rural water supply education and demonstration project, notwithstanding section 8.57, subsection 5, paragraph "c":

..... \$ 100,000

0

Sec. 199. 2002 Iowa Acts, House File 2614, section 10, subsection 5, paragraphs a and b, are amended to read as follows:

*Ver*

a. To provide resources for structural and technological improvements to local libraries, notwithstanding section 8.57, subsection 5, paragraph "c":

..... \$ 600,000

VETO

b. For the community college vocational-technical technology improvement program authorized in chapter 260A, notwithstanding section 8.57, subsection 5, paragraph "c":

..... \$ 3,700,000

Sec. 200. 2002 Iowa Acts, House File 2614, section 10, subsection 5, paragraph c, unnumbered paragraph 1, is amended to read as follows:

For school improvement technology block grants, notwithstanding section 8.57, subsection 5, paragraph "c", and notwithstanding section 256D.5, subsection 2, Code 2001:

..... \$ 5,770,600

Sec. 201. 2002 Iowa Acts, House File 2614, section 10, subsection 5, paragraph d, is amended to read as follows:

d. For completion of the electronic data interchange project known as project EASIER, notwithstanding section 8.57, subsection 5, paragraph "c":

..... \$ 150,000

Sec. 202. 2002 Iowa Acts, House File 2614, section 10, subsection 6, paragraph a, unnumbered paragraph 1, is amended to read as follows:

For routine maintenance of state buildings and facilities under the purview of the department, notwithstanding section 8.57, subsection 5, paragraph "c":

..... \$ 2,700,000

Sec. 203. 2002 Iowa Acts, House File 2614, section 10, subsection 7, unnumbered paragraph 1, is amended to read as follows:

For automation of child abuse intake reports, notwithstanding section 8.57, subsection 5, paragraph "c":

..... \$ 154,267

Sec. 204. 2002 Iowa Acts, House File 2614, section 10, subsection 9, paragraph a, unnumbered paragraph 1, is amended to read as follows:

For data warehouse projects, notwithstanding section 8.57, subsection 5, paragraph "c":

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

624,000

Sec. 205. 2002 Iowa Acts, House File 2614, section 10, subsection 9, paragraph b, unnumbered paragraph 1, is amended to read as follows:

For additional technology projects, as determined by the department, notwithstanding section 8.57, subsection 5, paragraph "c":

..... \$ 545,733

Sec. 206. 2002 Iowa Acts, House File 2614, section 10, subsection 11, unnumbered paragraph 1, is amended to read as follows:

To replace the voter registration system, notwithstanding section 8.57, subsection 5, paragraph "c":

..... \$ 350,000

ENVIRONMENT FIRST FUND

Sec. 207. 2002 Iowa Acts, House File 2614, section 20, subsection 1, paragraphs c and d, are amended to read as follows:

c. For continuation of a statewide voluntary farm management demonstration program to demonstrate the effectiveness and adaptability of emerging practices in agronomy that protect water resources and provide other environmental benefits emphasizing nitrogen, phosphorus, and manure management:

..... \$ 850,000

500,000

d. For deposit in the alternative drainage system assistance fund created in section 159.29A to be used for purposes of supporting the alternative drainage system assistance program as provided in section 159.29B:  
 ..... \$ 1,750,000  
0

Sec. 208. 2002 Iowa Acts, House File 2614, section 20, subsection 1, paragraph e, unnumbered paragraph 1, is amended to read as follows:  
 To provide financial assistance for the establishment of permanent soil and water conservation practices:  
 ..... \$ 7,500,000  
3,500,000

Sec. 209. 2002 Iowa Acts, House File 2614, section 20, subsection 1, paragraphs f, g, and h, are amended to read as follows:  
 f. To encourage and assist farmers in enrolling in the continuous sign-up federal conservation reserve program and work with them to enhance their revegetation efforts to improve water quality and habitat:  
 ..... \$ 1,500,000  
0

g. For deposit in the loess hills development and conservation fund created in section 161D.2:  
 ..... \$ 750,000  
0

~~Of the amount appropriated to the loess hills development and conservation fund in this paragraph "g", \$650,000 shall be allocated to the hungry canyons account, and \$100,000 shall be allocated to the loess hills alliance account.~~

h. For allocation to the southern Iowa development and conservation authority for protection of road structures:  
 ..... \$ 250,000  
0

Sec. 210. 2002 Iowa Acts, House File 2614, section 20, subsection 2, unnumbered paragraph 1, is amended to read as follows:

For deposit in the brownfield redevelopment fund created in section 15.293 to provide assistance under the brownfield redevelopment program:  
 ..... \$ 1,000,000  
0

Sec. 211. 2002 Iowa Acts, House File 2614, section 20, subsection 3, paragraphs a and d, are amended to read as follows:  
 a. To provide local watershed managers with geographic information system data for their use in developing, monitoring, and displaying results of their watershed work:  
 ..... \$ 195,000  
0

d. For the dredging of lakes, including necessary preparation for dredging, in accordance with the department's classification of Iowa lakes restoration report:  
 ..... \$ 1,250,000  
350,000

It is the intent of the general assembly that the department shall consider the following criteria for funding lake dredging projects as provided in this paragraph "d", and shall prioritize projects based on the following:

- (1) Documented efforts to address watershed protection, considering testing, conservation efforts, and amount of time devoted to watershed protection.
- (2) Protection of a natural resource and natural habitat.
- (3) Percentage of public access and undeveloped lakefront property.
- (4) Continuation of current projects partially funded by state resources to achieve department recommendations.

Sec. 212. 2002 Iowa Acts, House File 2614, section 21, is amended to read as follows:

SEC. 21. Notwithstanding the amount of the standing appropriation from the general fund of the state under section 455A.18, subsection 3, there is appropriated from the environment first fund to the Iowa resources enhancement and protection fund, in lieu of the appropriation made in section



455A.18, for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, to be allocated-as provided-in used for the purposes designated, notwithstanding section 455A.19:

For reimbursement of political subdivisions of the state for property tax dollars lost to open space acquisitions based on the reimbursement formula provided in section 465A.4, for contractual obligations for capital projects relating to natural resource areas, and for maintenance of state lands owned by the department of natural resources:

..... \$ 10,000,000  
2,000,000

~~The funds allocated to the land management and open spaces accounts from the appropriation in this section may be used for park operation purposes:~~

Sec. 213. EFFECTIVE DATES.

1. Except as otherwise provided in subsection 2, this division of this Act takes effect July 1, 2002.
2. The sections of this division of this Act appropriating moneys from the school infrastructure fund and transferring moneys from the county sales and services tax fund shall take effect on July 31, 2002, only if the treasurer of state determines that the appropriation from the school infrastructure fund of this division of this Act will not adversely affect the tax-exempt status of any outstanding bonds issued for purposes of the school infrastructure program established in section 292.2. The treasurer of state shall notify the Code editor of the treasurer's determination under this subsection by July 31, 2002.

DIVISION XI

STATE EMPLOYEES -- PRINTED DOCUMENTS AND PROGRAM  
ELIMINATION -- FURLOUGHS -- MISCELLANEOUS

Sec. 214. VACANT POSITIONS. Effective July 1, 2002, any full-time equivalent position that is authorized in an executive branch table of organization and has been vacant for 12 months or more shall be eliminated from the table of organization.

VETO

Sec. 215. EDUCATIONAL ASSISTANCE. For the fiscal year beginning July 1, 2002, and ending June 30, 2003, unless specifically authorized by a collective bargaining agreement, an executive or judicial branch agency shall not provide an employee with a subsidy or reimbursement for a class or other course of study leading to an advanced degree.

Sec. 216. PRINTED DOCUMENTS. Notwithstanding any provision of law or rule to the contrary, as a cost savings measure, for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the requirements in law or rule for the executive and judicial branches to issue reports, minutes, and other documents of an informational nature in printed form shall be suspended.

Such documents shall be provided in printed form only in response to an individual request and, to the extent possible, shall be made available by internet posting, electronic mail, or other electronic means in lieu of availability in printed form.

VETO

Sec. 217. PROGRAM ELIMINATION COMMISSION.

1. A program elimination commission is established to review all programs and other functions funded in whole or part with state or local government revenues, including but not limited to general taxes and fees and special revenues such as gaming and road use tax revenues. The commission shall operate with the goal of identifying a 2 percent savings for the general fund of the state. The commission's duties shall include the following:

- a. Review of state and local government programs and other functions.
- b. Consideration of sale of public assets or providing for performance of public functions on behalf of government by nongovernmental entities. The assets and functions considered shall include the state nursery, department of general services vehicle fleet, state medical library, prison farms, and alcoholic beverage warehouse.
- c. Identification of programs or functions recommended for elimination or for performance by a nongovernmental entity.
- d. Identification of public assets for sale.

e. Other duties assigned by the legislative council.

2. The program elimination commission shall consist of the following members:

a. The auditor of state as a voting member.

b. Four voting members who have expertise with profit or nonprofit enterprise in evaluating projects and determining which projects should be continued or eliminated. Each of the following shall appoint one of the four voting members: the majority leader of the senate, the minority leader of the senate, the speaker of the house of representatives, and the minority leader of the house of representatives.

c. One nonvoting member representing the executive branch appointed by the governor.

d. One nonvoting member representing the judicial branch appointed by the chief justice of the supreme court.

e. One nonvoting member representing the legislative branch appointed by the legislative council.

3. Staff support to the commission shall be provided by the research staffs of the senate and house of representatives, the legislative fiscal bureau, and the legislative service bureau. In addition, the commission may utilize other staff support made available to the commission.

4. The program elimination commission shall issue a report on or before December 31, 2002, to the governor, supreme court, and general assembly containing findings and recommendations fulfilling the commission's duties. The recommendations made by the commission shall be prepared in the form of a bill by the legislative service bureau. It is the intent of this section that the bill be referred to the committees on state government of the senate and the house of representatives. It is further the intent of this section that the general assembly shall bring the bill to a vote under a procedure or rule permitting no amendments except those of a purely corrective nature recommended by a committee on state government.

5. Unless otherwise continued by the legislative council or by law, the program elimination commission shall be dissolved on December 31, 2002.

Sec. 218. JUDICIAL BRANCH -- FURLOUGHS.

1. The appropriations from the general fund of the state to the judicial branch for operational costs for the fiscal year beginning July 1, 2002, and ending June 30, 2003, are reduced by the following amount:

..... \$ 2,201,399

2. In order to implement the reduction made in subsection 1, the judicial branch shall implement furloughs of judicial branch employees other than justices, judges, and magistrates or other cost reductions in a manner so as to produce cost savings equivalent to a furlough of one-half day per employee per calendar month.

3. As part of implementing the reduction made in subsection 1, notwithstanding the annual salary rates authorized for justices, judges, and magistrates in 2001 Iowa Acts, chapter 190, section 1, and 2002 Iowa Acts, House File 2623, section 4, for the fiscal year beginning July 1, 2002, those salary rates shall be reduced by applying a 2.5 percent reduction to the portion of annual salary attributable to the period beginning on June 21, 2002, through June 19, 2003. Subsection 2 does not apply to justices, judges, and magistrates subject to this subsection.

4. Notwithstanding the uses listed in section 602.1304, subsection 2, paragraph "c", the judicial branch may use not more than \$1,000,000 of the moneys available to the judicial branch in the enhanced court collections fund for the fiscal year beginning July 1, 2002, to supplant the reduction made in subsection 1 and thereby decrease the application of subsections 2 and 3. Any such decrease involving employee furloughs and salary reductions shall be applied proportionately between subsections 2 and 3.

LEGISLATIVE BRANCH -- FURLOUGHS

Sec. 219. APPROPRIATIONS REDUCTION.

1. The appropriations made from the general fund of the state in section 2.12 to the general assembly for operational costs for the fiscal year beginning July 1, 2002, and ending June 30, 2003, shall be reduced by \$392,858. The reduction in

this subsection shall be in addition to the reduction made in 2002 Iowa Acts, Senate File 2326, section 168, as amended in division IX of this Act.

2. In order to implement the reduction made in subsection 1, the legislative branch shall implement furloughs of legislative branch employees other than members of the general assembly or other cost reductions in a manner so as to produce cost savings equivalent to a furlough of one-half day per employee per calendar month.

3. As part of implementing the reduction made in subsection 1, notwithstanding the annual salary rates authorized for members of the general assembly in section 2.10, the salary rates for such members shall be reduced by applying a 2.5 percent reduction to the portion of annual salary attributable to the period beginning June 21, 2002, through June 19, 2003, as if the members were all paid a salary under section 2.10, subsection 4, paragraph "a". Subsection 2 does not apply to members of the general assembly.

4. As part of the reduction made in subsection 1, it is the intent of the general assembly to suspend the issuance of documents of an informational nature in printed form and the provision of a subsidy or reimbursement to an employee for a class or other course of study leading to an advanced degree.

EXECUTIVE BRANCH -- FURLOUGHS

Sec. 220. EXECUTIVE BRANCH. The appropriations made from the general fund of the state to the departments and establishments of the executive branch, as defined in section 8.2, including but not limited to the appropriations to the state board of regents, for operational costs for the fiscal year beginning July 1, 2002, and ending June 30, 2003, are reduced by the following amount:

..... \$ 30,862,939

1. The department of management shall apply the reduction made in accordance with this section in a manner so that the portion of an appropriation for operational costs is reduced in proportion to the amount that such costs in that

appropriation bear to the total amount of all such costs in all appropriations from the general fund of the state to executive branch departments and establishments.

2. In order to implement the reduction made in this section, the departments and establishments shall implement furloughs for those employees whose compensation is paid from the general fund of the state or other cost reductions, in a manner to produce cost savings equivalent to a furlough of one-half day per employee per calendar month.

3. Notwithstanding the annual salary rates authorized for elective executive branch officials in 2000 Iowa Acts, chapter 1219, section 3, as part of implementing the reduction made in this section, for the fiscal year beginning July 1, 2002, the salary rates for such officials shall be reduced by applying a 2.5 percent reduction to the portion of annual salary attributable to the period beginning June 21, 2002, through June 19, 2003. Subsection 2 does not apply to elective executive branch officials subject to this subsection.

4. Notwithstanding the annual salaries established under 2001 Iowa Acts, chapter 190, section 3, as part of implementing the reduction made in this section, for the fiscal year beginning July 1, 2002, each of those salaries shall be reduced by applying a 2.5 percent reduction to the portion of the salary attributable to the period beginning June 21, 2002, through June 19, 2003. Subsection 2 does not apply to appointed executive branch officers subject to this subsection.

Sec. 221. IMPLEMENTATION OF FURLOUGHS. Furloughs implemented pursuant to this division shall not be implemented in a manner which results in more than 25 percent of the workforce within an agency division being on furlough at the same time.

Sec. 222. 2001 Iowa Acts, chapter 176, section 20, unnumbered paragraph 2, is amended to read as follows:

For allocation by the state board of regents to the state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa to finance or

pay debt service to pay debt to finance the cost of providing academic and administrative buildings and facilities at the institutions:

..... \$ 600,330  
600,860

Sec. 223. 2001 Iowa Acts, chapter 176, section 21, unnumbered paragraph 2, is amended to read as follows:

For debt service for the Iowa communications network:

..... \$ 9,939,165  
9,940,000

Sec. 224. 2001 Iowa Acts, chapter 176, section 22, unnumbered paragraph 2, is amended to read as follows:

For debt service for the Iowa communications network:

..... \$ 1,465,835  
1,465,443

Sec. 225. 2001 Iowa Acts, chapter 176, section 24, unnumbered paragraph 2, is amended to read as follows:

For repayment of prison infrastructure bonds under section 16.177:

..... \$ 5,182,272  
5,182,089

Sec. 226. 2002 Iowa Acts, House File 2614, section 2, unnumbered paragraph 2, is amended to read as follows:

For allocation by the state board of regents to the state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa to reimburse the institutions for deficiencies in their operating funds resulting from the pledging of tuitions, student fees and charges, and institutional income to finance the cost of providing academic and administrative buildings and facilities and utility services at the institutions, notwithstanding section 12E.12, subsection 1, paragraph "b", subparagraph (1):

..... \$ 9,151,609  
9,127,635

Sec. 227. 2002 Iowa Acts, House File 2614, section 3, unnumbered paragraph 2, is amended to read as follows:

For debt service for the Iowa communications network, notwithstanding section 12E.12, subsection 1, paragraph "b", subparagraph (1):

..... \$ 12,855,000  
13,044,784

Sec. 228. 2002 Iowa Acts, House File 2614, section 4, unnumbered paragraph 2, is amended to read as follows:

For repayment of prison infrastructure bonds under section 16.177, notwithstanding section 12E.12, subsection 1, paragraph "b", subparagraph (1):

..... \$ 5,185,576  
5,417,250

Sec. 229. Section 12E.12, Code Supplement 2001, is amended by adding the following new subsection:

NEW SUBSECTION. 8. With respect to the payment of certain debt service, the debt service to be paid shall be those installments of debt service on bonds selected by the treasurer of state and identified in the authority's tax certificate delivered at the time of the issuance of the bonds issued pursuant to this chapter, or as otherwise selected by the treasurer of state. Once the bonds and the installments of debt service thereon are so selected, that debt service and bonds shall not be paid, or provided to be paid, from any other source including the state or any of its departments or agencies.

Sec. 230. Section 260G.4B, subsection 1, Code Supplement 2001, as amended by 2002 Iowa Acts, House File 2623, section 30, is amended to read as follows:

1. The total amount of program job credits from all employers which shall be allocated for all accelerated career education programs in the state in any one fiscal year shall not exceed the sum of three million dollars in the fiscal year beginning July 1, 2000, three million dollars in the fiscal year beginning July 1, 2001, three four million two hundred thousand dollars in the fiscal year beginning July 1, 2002, and six million dollars in the fiscal year beginning July 1, 2003, and every fiscal year thereafter. Any increase in

*Use*

program job credits above the six-million-dollar limitation per fiscal year shall be developed, based on recommendations in a study which shall be conducted by the department of economic development of the needs and performance of approved programs in the fiscal years beginning July 1, 2000, and July 1, 2001. The study's findings and recommendations shall be submitted to the general assembly by the department by December 31, 2002. The study shall include but not be limited to an examination of the quality of the programs, the number of program participant placements, the wages and benefits in program jobs, the level of employer contributions, the size of participating employers, and employer locations. A community college shall file a copy of each agreement with the department of economic development. The department shall maintain an annual record of the proposed program job credits under each agreement for each fiscal year. Upon receiving a copy of an agreement, the department shall allocate any available amount of program job credits to the community college according to the agreement sufficient for the fiscal year and for the term of the agreement. When the total available program job credits are allocated for a fiscal year, the department shall notify all community colleges that the maximum amount has been allocated and that further program job credits will not be available for the remainder of the fiscal year. Once program job credits have been allocated to a community college, the full allocation shall be received by the community college throughout the fiscal year and for the term of the agreement even if the statewide program job credit maximum amount is subsequently allocated and used.

Sec. 231. Section 422.11A, Code 2001, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The new jobs tax credit authorized in this section shall only apply to an agreement authorized under chapter 260E which was finalized prior to July 1, 2002.

Sec. 232. Section 422.33, subsection 6, Code Supplement 2001, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The new jobs tax credit authorized in this subsection shall only apply to an agreement authorized under chapter 260E which was finalized prior to July 1, 2002.

Sec. 233. EFFECTIVE DATE.

1. Except as provided in subsection 2, this division of this Act takes effect July 1, 2002.

2. a. The sections of this division of this Act providing for salary reductions in appropriations to the judicial, legislative, and executive branches take effect June 21, 2002.

b. The sections of this division of this Act amending 2001 Iowa Acts, chapter 176, being deemed of immediate importance, take effect upon enactment.

DIVISION XII  
CORRECTIVE AMENDMENTS  
GENERAL PROVISIONS

Sec. 234. Section 16.131, subsection 1, Code 2001, is amended to read as follows:

1. The authority shall cooperate with the department of natural resources in the creation, administration, and financing of the Iowa sewage-treatment water pollution control and drinking water facilities financing program established in sections 455B.291 through 455B.299.

Sec. 235. Section 16.132, subsection 1, paragraph d, Code 2001, is amended to read as follows:

d. The amounts payable to the department by municipalities or-water-systems eligible entities pursuant to loan agreements with municipalities-or-water-systems eligible entities.

Sec. 236. Section 124.401A, Code 2001, as amended by 2002 Iowa Acts, House File 2623, section 25, is affirmed and reenacted.

Sec. 237. Section 124.409, Code 2001, as amended by 2002 Iowa Acts, House File 2623, section 26, is affirmed and reenacted.

Sec. 238. Section 225C.5, subsection 1, paragraph d, Code 2001, as amended by 2002 Iowa Acts, House File 2430, section 1, is amended to read as follows:

Veto

VETO

VETO

VETO

d. One member shall be either an active board member of an agency serving persons with a developmental disability selected from nominees submitted by the Iowa association of community providers.

Sec. 239. Section 237.16, subsection 3, Code 2001, is amended to read as follows:

3. An employee of the department or of the department of inspections and appeals, an employee of a child-placing agency, an employee of an agency with which the department contracts for services for children under foster care, a foster parent providing foster care, or an employee of the district court is not eligible to serve on the state board. However, the judicial branch employee or judicial officer appointed from nominees submitted by the judicial branch in accordance with subsection 1 shall be eligible to serve on the state board.

Sec. 240. Section 321J.22, subsection 2, paragraph d, Code 2001, as amended by 2002 Iowa Acts, House File 2515, section 37, is amended to read as follows:

d. The department of education shall establish reasonable fees to defray the expense of obtaining classroom space, instructor salaries, and class materials for courses offered both by community colleges and by substance abuse treatment programs licensed under chapter 125, and for administrative expenses incurred by the department of education in implementing subsection 5.

Sec. 241. Section 455B.133, subsection 10, as enacted by 2002 Iowa Acts, Senate File 2325, section 45, is amended to read as follows:

10. Adopt rules allowing a city to conduct a controlled burn of a demolished building subject to the same restrictions as are in effect for fire fighting training fires. The rules shall include a provision that a city may undertake no more than three controlled burns in every overlapping six-tenths-of-a-mile-radius circle every three years. The rules shall prohibit a controlled burn of a demolished building in Cedar Rapids, Marion, Hiawatha, Council Bluffs, Carter Lake, Des

Moines, West Des Moines, Clive, Windsor Heights, Urbandale, Pleasant Hill, Buffalo, Davenport, Mason City or any other area where area-specific state implementation plans require the control of particulate matter.

Sec. 242. Section 456A.17, unnumbered paragraph 7, Code 2001, is amended to read as follows:

The department may apply for a loan for the construction of facilities for the collection and treatment of waste water under the state sewage-treatment-works water pollution control and drinking water facilities financing program as established in sections 455B.291 through 455B.299. In order to provide for the repayment of a loan granted under the financing program, the commission may impose a lien on not more than ten percent of the annual revenues from user fees and related revenue derived from park and recreation areas under chapter 461A which are deposited in the state conservation fund. If a lien is established as provided in this paragraph, repayment of the loan is the first priority on the revenues received and dedicated for the loan repayment each year.

Sec. 243. Section 724.26, Code 2001, as amended by 2002 Iowa Acts, House File 2363, section 4, and as amended by 2002 Iowa Acts, House File 2623, section 94, is affirmed and reenacted.

Sec. 244. 2002 Iowa Acts, House File 2615, section 4, unnumbered paragraph 3, is amended to read as follows:

Notwithstanding section 8.33, moneys appropriated under this section that are unobligated or unencumbered at the end of the fiscal year beginning ~~June-30~~ July 1, 2002, and ending June 30, 2003, shall not revert, but shall remain available for the specific purposes designated in this section until June 30, 2004.

Sec. 245. 2002 Iowa Acts, House File 2623, section 72, is amended to read as follows:

SEC. 72. EFFECTIVE DATE. The provision of this division of this Act amending 2001 Iowa Acts, chapter 191, section 14, relating to the department of human services exceeding its budget target for group foster care by up to twenty percent in

fiscal year 2001-2002, being deemed of immediate importance, takes effect upon enactment.

Sec. 246. 2002 Iowa Acts, Senate File 2275, sections 13 and 182, are repealed.

ANIMAL FEEDING OPERATIONS

Sec. 247. Section 455B.127, subsection 3, as enacted by 2002 Iowa Acts, Senate File 2293, section 6, subsection 3, is amended to read as follows:

3. Moneys in the compliance fund are appropriated to the department exclusively to pay the expenses of the department in administering and enforcing the provisions of division II, part 2, and division III, part 1, subpart A B, as necessary to ensure that animal feeding operations comply with all applicable requirements of those provisions, including rules adopted or orders issued by the department pursuant to those provisions. The moneys shall not be transferred, used, obligated, appropriated, or otherwise encumbered except as provided in this subsection. The department shall not transfer moneys from the compliance fund's assessment account to another fund or account, including but not limited to the fund's general account.

Sec. 248. Section 455B.161, subsection 22, Code 2001, is amended by striking the subsection.

Sec. 249. Section 455B.171, subsection 13, Code 2001, is amended by striking the subsection.

Sec. 250. Section 455B.200, subsection 3, as enacted by 2002 Iowa Acts, Senate File 2293, section 27, is amended to read as follows:

3. The department and the attorney general shall enforce the provisions of this chapter in the same manner as provided in division I, unless otherwise provided in this section chapter.

Sec. 251. Section 455B.200A, subsection 1, unnumbered paragraph 1, as enacted by 2002 Iowa Acts, Senate File 2293, section 28, is amended to read as follows:

The department shall approve or disapprove applications for permits for the construction, including the expansion, of

confinement feeding operation structures, as provided by rules adopted pursuant to this chapter. The department's decision to approve or disapprove a permit for the construction of a confinement feeding operation structure shall be based on whether the application is submitted according to procedures required by the department and the application meets standards established by the department. A person shall not begin construction of a confinement feeding operation structure requiring a permit under this section, unless the department first approves the person's application and issues to the person a construction permit. The department shall provide conditions for requiring when a person must obtain a construction permit.

Sec. 252. Section 455B.200B, subsection 5, paragraph a, as enacted by 2002 Iowa Acts, Senate File 2293, section 32, is amended to read as follows:

a. The department shall designate by rule each one hundred year floodplain in this state according to the location of the one hundred year floodplain. A person shall not be prohibited from constructing a confinement feeding operation structure on a one hundred year floodplain unless the one hundred year floodplain is designated by rule in accordance with this subsection.

Sec. 253. Section 455B.200B, subsection 5, paragraph b, subparagraphs (2) and (3), as enacted by 2002 Iowa Acts, Senate File 2293, section 32, are amended to read as follows:

(2) The department shall provide in its declaratory order or its approval or disapproval of a construction permit application a determination regarding whether the confinement feeding operation structure is to be located on a one hundred year floodplain, whether the confinement feeding operation structure may be constructed at the location, and any conditions for the construction.

(3) This paragraph "b" is repealed on the effective date that rules are adopted by the department pursuant to paragraph "a". The department shall provide a caption on the adopted rule as published in the Iowa administrative bulletin as

provided in section 17A.4, stating that this paragraph is repealed as provided in this subparagraph subdivision. The director of the department shall deliver a copy of the adopted rule to the Iowa Code editor.

Sec. 254. Section 455B.200C, subsection 2, paragraph c, as enacted by 2002 Iowa Acts, Senate File 2293, section 33, is amended to read as follows:

c. If a construction permit is required pursuant to section 455B.200A for the construction of three or more confinement feeding operation structures that include a formed manure storage structure, the contractor person responsible for constructing the formed manure storage structure must provide that the construction of the formed manure storage structure will not impede drainage through established drainage tile lines which cross property boundary lines unless measures are taken to reestablish the drainage prior to completion of construction.

Sec. 255. Section 455B.200E, subsection 3, paragraph b, as enacted by 2002 Iowa Acts, Senate File 2293, section 35, is amended to read as follows:

b. The board must conduct an evaluation of the application using the master matrix as provided in section 455B.200F. The board's recommendation may be based on the master matrix as provided or may be based on comments under this section regardless of the results of the master matrix.

Sec. 256. Section 455B.203, subsection 2B, paragraph b, as enacted by 2002 Iowa Acts, Senate File 2293, section 38, is amended to read as follows:

b. The department shall not file a construction design statement as provided in section 455B.200C, unless the owner of the confinement feeding operation structure submits an original manure management plan together with the construction design statement. The construction design statement and manure management plan may be submitted as part of an application for a construction permit as provided in section 455B.200A.

Sec. 257. Section 455B.203, subsection 3, paragraph a, subparagraph (2), unnumbered paragraph 1, as enacted by 2002 Iowa Acts, Senate File 2293, section 39, is amended to read as follows:

Subparagraph subdivisions (b) through (e) and this paragraph are repealed on the date that any person who has submitted an original manure management plan prior to April 1, 2002, is required to submit a manure management plan update which includes a phosphorus index as provided in subparagraph subdivision ~~(e)~~ (e), subparagraph subdivision part (i). The department shall publish a notice in the Iowa administrative bulletin published immediately prior to that date, and the director of the department shall deliver a copy of the notice to the Iowa Code editor.

Sec. 258. 2002 Iowa Acts, Senate File 2293, section 66, is amended to read as follows:

SEC. 66. INTERIM COUNTY PARTICIPATION AND CONTESTED DECISIONS REPEAL. The section of this Act providing for interim county participation in the approval of applications for construction permits for confinement feeding operation structures is repealed March 1, 2003, and including provisions relating to the rights of applicants<sup>4</sup> applicants and boards of supervisors to contest departmental decisions. However, the provisions of the section shall continue to apply to applications received by a county board of supervisors prior to March 1, 2003.

Sec. 259. 2002 Iowa Acts, Senate File 2293, section 68, subsection 1, paragraph c, is amended to read as follows:

c. Chapter 455B, division III, part 1, subpart A B, as enacted in this Act, with the exception of section 455B.200, as amended by this Act, and section 455B.207, as enacted by this Act, shall be transferred to new chapter 456D, as subchapter 3.

Sec. 260. 2002 Iowa Acts, Senate File 2293, section 68, is amended by adding the following new subsections:

NEW SUBSECTION. 3. The Code editor shall transfer Code chapter 460A to be part of Code chapter 455A or to be a new Code chapter.



NEW SUBSECTION. 4. When transferring and consolidating provisions as provided in this section, the Code editor may reorganize the provisions provided in this section in a manner other than that provided in this section in order to enhance their readability. The Code editor shall publish in the 2003 Code the provisions of 2002 Iowa Acts, Senate File 2293, designated for codification, regardless of the effective date of the provisions.

Sec. 261. 2002 Iowa Acts, Senate File 2293, section 70, subsection 1, paragraph b, is amended to read as follows:

b. The department has not received evidence that an applicant or person submitting or required to submit a manure management plan as provided in paragraph "a" of this subsection 2, has incurred commitments based on a reliance of the law as the law existed on March 31, 2002. The commitments must constitute a legal obligation for performance by the person to construct a confinement feeding operation structure. The applicant or other person required to submit the evidence to the department must submit such evidence not later than twenty-one days after the effective-date enactment of this Act.

Sec. 262. EFFECTIVE DATES.

1. Except as otherwise provided in subsection 2, this division of this Act takes effect July 1, 2002.

2. a. The section of this division of this Act amending 2002 Iowa Acts, House File 2623, section 72, being deemed of immediate importance, takes effect upon enactment.

b. The sections of this division of this Act amending sections 455B.127, 455B.161, 455B.171, 455B.200, 455B.200A, 455B.200B, and 455B.203, as enacted by 2002 Iowa Acts, Senate File 2293, and amending 2002 Iowa Acts, Senate File 2293, being deemed of immediate importance, take effect upon enactment.

c. The sections of this division of this Act amending sections 455B.200C and 455B.200E, as enacted by 2002 Iowa Acts, Senate File 2293, take effect on March 1, 2003.

DIVISION XIII

DRUG UTILIZATION REVIEW COMMISSION

Sec. 263. NEW SECTION. 249A.32 IOWA MEDICAL ASSISTANCE DRUG UTILIZATION REVIEW COMMISSION -- CREATED.

1. An Iowa medical assistance drug utilization review commission is created within the department. The commission membership, duties, and related provisions shall comply with 42 C.F.R. pt. 456, subpt. K.

2. In addition to any other duties prescribed, the commission shall make recommendations to the council on human services regarding strategies to reduce state expenditures for prescription drugs under the medical assistance program excluding provider reimbursement rates. The commission shall make initial recommendations to the council by October 1, 2002. Following approval of any recommendation by the council on human services, the department shall include the approved recommendation in a notice of intended action under chapter 17A and shall comply with chapter 17A in adopting any rules to implement the recommendation. The department shall seek any federal waiver necessary to implement any approved recommendation. The strategies to be considered for recommendation by the commission shall include at a minimum all of the following:

a. Development of a preferred drug formulary pursuant to 42 U.S.C. § 1396r-8.

b. Negotiation of supplemental rebates from manufacturers that are in addition to those required by Title XIX of the federal Social Security Act. For the purposes of this paragraph, "supplemental rebates" may include, at the department's discretion, cash rebates and other program benefits that offset a medical assistance expenditure. Pharmaceutical manufacturers agreeing to provide a supplemental rebate as provided in this paragraph shall have an opportunity to present evidence supporting inclusion of a product on any preferred drug formulary developed.

c. Disease management programs.

d. Drug product donation programs.

e. Drug utilization control programs.

f. Prescriber and beneficiary counseling and education.

- g. Fraud and abuse initiatives.
- h. Pharmaceutical case management.
- i. Services or administrative investments with guaranteed savings to the medical assistance program.
- j. Expansion of prior authorization for prescription drugs and pharmaceutical case management under the medical assistance program.
- k. Any other strategy that has been approved by the United States department of health and human services regarding prescription drugs under the medical assistance program.

Sec. 264. EMERGENCY RULES. 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 section 249A.32 as created in this division of this Act, and the rules shall become effective immediately upon filing or on a later effective date specified in the rules, unless the effective date is delayed by the administrative rules review committee. Any rules adopted in accordance with this section shall not take effect before the rules are reviewed by the administrative rules review committee. The delay authority provided to the administrative rules review committee under section 17A.4, subsection 5, and section 17A.8, subsection 9, shall be applicable to a delay imposed under this section, notwithstanding a provision in those sections making them inapplicable to section 17A.5, subsection 2, paragraph "b". Any rules adopted in accordance with this section shall also be published as notice of intended action as provided in section 17A.4.

Sec. 265. TRANSITION PROVISIONS. The department of human services shall continue to contract with the peer review organization, with which the department held a contract to carry out the duties of the Iowa Medicaid drug utilization review commission prior to the effective date of this division of this Act in order to carry out the duties of the commission after that date.

The Iowa Medicaid drug utilization review commission existing on the effective date of this division of this Act

shall act as the Iowa medical assistance drug utilization review commission as created in this division of this Act.

Sec. 266. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

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BRENT SIEGRIST  
Speaker of the House

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MARY E. KRAMER  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2627, Seventy-ninth General Assembly.

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MARGARET THOMSON  
Chief Clerk of the House

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THOMAS J. VILSACK  
Governor

*Item Vetoed*  
Approved 6/12, 2002