

Kramer  
Lamberti  
Hammond

SSB-1271  
Appropriations  
ed By  
HF 537

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
APPROPRIATIONS BILL BY  
CHAIRPERSON LAMBERTI)

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

**A BILL FOR**

1 An Act relating to and making appropriations from the tobacco  
2 settlement endowment fund and the healthy Iowans tobacco  
3 trust, establishing certain uses for the appropriations, and  
4 providing an effective date.

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

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1 Section 1. HEALTHY IOWANS TOBACCO TRUST -- APPROPRIATIONS  
2 TO DEPARTMENTS. There is appropriated from the healthy Iowans  
3 tobacco trust created in section 12.65 to the following  
4 departments for the fiscal year beginning July 1, 2001, and  
5 ending June 30, 2002, the following amounts, or so much  
6 thereof as is necessary, to be used for the purposes  
7 designated:

8 1. To the department of human services:

9 a. To maintain the reimbursement rate for all  
10 noninstitutional medical assistance providers, with the  
11 exception of anesthesia and dental services, at the rate  
12 provided under the federal Medicare program for such providers  
13 during the fiscal year beginning July 1, 2000, and ending June  
14 30, 2001, as specified in 2000 Iowa Acts, chapter 1221,  
15 section 1, subsection 1, paragraph "a", for the fiscal year  
16 July 1, 2001, through June 30, 2002, and to continue the  
17 resource-based relative value system of reimbursement under  
18 the medical assistance program:

19 ..... \$ 11,595,718

20 b. To maintain the reimbursement rate at the usual and  
21 customary rate as established in 2000 Iowa Acts, chapter 1221,  
22 section 1, subsection 1, paragraph "b", for the fiscal year  
23 July 1, 2001, through June 30, 2002, for dental services under  
24 the medical assistance program:

25 ..... \$ 3,814,973

26 c. To maintain the cost-of-living adjustment as  
27 established in 2000 Iowa Acts, chapter 1221, section 1,  
28 subsection 1, paragraph "c", for the fiscal year July 1, 2001,  
29 through June 30, 2002, for rehabilitative treatment and  
30 support services providers under the medical assistance  
31 program:

32 ..... \$ 3,243,026

33 d. To maintain the cost-of-living adjustment as  
34 established in 2000 Iowa Acts, chapter 1221, section 1,  
35 subsection 1, paragraph "d", for the fiscal year July 1, 2001,

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1 through June 30, 2002, for adoption, independent living,  
2 shelter care, and home studies services providers:

3 ..... \$ 468,967

4 e. To maintain the reimbursement rate as established in  
5 2000 Iowa Acts, chapter 1221, section 1, subsection 1,  
6 paragraph "e", for the fiscal year July 1, 2001, through June  
7 30, 2002, for hospitals under the medical assistance program:

8 ..... \$ 3,035,278

9 f. To maintain the reimbursement rate as established in  
10 2000 Iowa Acts, chapter 1221, section 1, subsection 1,  
11 paragraph "f", for the fiscal year July 1, 2001, through June  
12 30, 2002, for home health care services under the medical  
13 assistance program:

14 ..... \$ 2,108,279

15 g. To maintain the reimbursement rate as established in  
16 2000 Iowa Acts, chapter 1221, section 1, subsection 1,  
17 paragraph "g", for the fiscal year July 1, 2001, through June  
18 30, 2002, for critical access hospitals under the medical  
19 assistance program:

20 ..... \$ 250,000

21 h. To maintain the expansion of home health care services  
22 and habilitative day care as established in 2000 Iowa Acts,  
23 chapter 1221, section 1, subsection 1, paragraph "h", under  
24 the medical assistance program for children with special  
25 needs:

26 ..... \$ 1,975,496

27 i. To maintain the expansion of respite care services  
28 provided through home and community-based waivers as  
29 established in 2000 Iowa Acts, chapter 1221, section 1,  
30 subsection 1, paragraph "i", under the medical assistance  
31 program:

32 ..... \$ 1,137,309

33 j. To maintain the reimbursement rate as established in  
34 2000 Iowa Acts, chapter 1221, section 1, subsection 1,  
35 paragraph "j", for the fiscal year July 1, 2001, through June

1 30, 2002, to service providers under the purview of the  
2 department of human services:

3 ..... \$ 545,630

4 2. To the department of human services to continue the  
5 supplementation of the children's health insurance program  
6 appropriation:

7 ..... \$ 200,000

8 3. To the department of human services to continue the  
9 supplementation of the medical assistance appropriation:

10 ..... \$ 4,000,000

11 4. To the department of human services to provide coverage  
12 under the medical assistance program to women who require  
13 treatment for breast or cervical cancer as provided in section  
14 249A.3, subsection 2, paragraph aa:

15 ..... \$ 250,000

16 5. To the Iowa department of public health:

17 a. For the tobacco use prevention and control initiative,  
18 including efforts at the state and local levels, as provided  
19 in chapter 142A:

20 ..... \$ 9,345,394

21 (1) The director of public health shall dedicate  
22 sufficient resources to promote and ensure retailer compliance  
23 with tobacco laws and ordinances relating to persons under 18  
24 years of age, and shall prioritize the state's compliance in  
25 the allocation of available funds to comply with 42 U.S.C.  
26 300X-26.

27 (2) Of the full-time equivalent positions funded under  
28 this section, two full-time equivalent positions shall be  
29 utilized to provide for enforcement of tobacco laws,  
30 regulations, and ordinances under a chapter 28D agreement  
31 entered into between the Iowa department of public health and  
32 the alcoholic beverages division of the department of  
33 commerce.

34 (3) Of the funds appropriated in this paragraph "a", not  
35 more than \$525,759 shall be expended on administration and

1 management of the program.

2 b. For additional substance abuse treatment under the  
3 substance abuse treatment program:

4 ..... \$ 11,900,000

5 (1) The department shall use funds appropriated in this  
6 paragraph "b" to enhance the quality of and to expand the  
7 capacity to provide 24-hour substance abuse treatment  
8 programs.

9 (2) The department shall use funds appropriated in this  
10 paragraph to expand the length of individual client substance  
11 abuse treatment plans, as necessary to reduce program  
12 recidivism.

13 (3) The department shall use funds appropriated in this  
14 paragraph to share research-based best practices for treatment  
15 with substance abuse treatment facilities.

16 (4) The department shall use funds appropriated in this  
17 paragraph to develop a results-based funding approach for  
18 substance abuse treatment services.

19 (5) The department shall use funds appropriated in this  
20 paragraph to develop a program to encourage individuals who  
21 are successfully managing their substance abuse problems to  
22 serve as role models.

23 c. For the healthy Iowans 2010 plan within the Iowa  
24 department of public health:

25 ..... \$ 2,550,000

26 (1) Of the funds appropriated in this paragraph "c", not  
27 more than \$1,250,000 shall be used for core public health  
28 functions, including home health care and public health  
29 nursing services, contracted through a formula by local boards  
30 of health, to enhance disease and injury prevention services.

31 (2) Of the funds appropriated in this paragraph "c", not  
32 more than \$400,000 shall be used for the continuation and  
33 support of a coordinated system of delivery of trauma and  
34 emergency medical services.

35 (3) Of the funds appropriated in this paragraph "c", not

1 more than \$437,000 shall be used for the state poison control  
2 center.

3 (4) Of the funds appropriated in this paragraph "c", not  
4 more than \$300,000 shall be used for the development of  
5 scientific and medical expertise in environmental  
6 epidemiology.

7 (5) Of the funds appropriated in this paragraph "c", not  
8 more than \$81,500 shall be used to implement prevention  
9 strategies of healthy Iowans 2010 to address the leading  
10 causes of death in Iowa.

11 (6) Of the funds appropriated in this paragraph "c", not  
12 more than \$81,500 shall be used for the childhood lead  
13 poisoning prevention program.

14 6. To the department of corrections:

15 ..... \$ 610,000

16 a. Of the fund appropriated in this subsection, \$127,217  
17 is allocated to the second judicial district department of  
18 correctional services to replace expired federal funding for  
19 day programming.

20 b. Of the funds appropriated in this subsection \$35,359 is  
21 allocated to the third judicial district department of  
22 correctional services to replace expired federal funding for  
23 the drug court program.

24 c. Of the funds appropriated in this subsection, \$191,731  
25 is allocated to the fourth judicial district department of  
26 correctional services for a drug court program.

27 d. Of the funds appropriated in this subsection, \$255,692  
28 is allocated to the fifth judicial district department of  
29 correctional services to replace expired funding for the drug  
30 court program.

31 Sec. 2. PURCHASE OF SERVICE CONTRACT PROVIDERS --  
32 REIMBURSEMENT INCREASE. There is appropriated from the  
33 healthy Iowans tobacco trust created in section 12.65 to the  
34 property tax relief fund created in section 426B.1 for the  
35 fiscal year beginning July 1, 2001, and ending June 30, 2002,

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

3 For assistance to the counties with limited county mental  
4 health, mental retardation, and developmental disabilities  
5 services fund balances which were selected in accordance with  
6 2000 Iowa Acts, chapter 1221, section 3 to receive such  
7 assistance in the same amount provided during the fiscal year  
8 beginning July 1, 2000, and ending June 30, 2001, to pay  
9 reimbursement increases in accordance with 2000 Iowa Acts,  
10 chapter 1221, section 3:

11 ..... \$ 146,750

12 Sec. 3. SAVINGS ACCOUNT FOR HEALTHY IOWANS --

13 APPROPRIATIONS. There is appropriated from the savings  
14 account for healthy Iowans created within the tobacco  
15 settlement endowment fund created in section 12.65, Code 2001,  
16 to the following funds and entities for the fiscal year  
17 beginning July 1, 2001, and ending June 30, 2002, the  
18 following amounts, or so much thereof as is necessary, to be  
19 used for the purposes designated:

20 1. To the Iowa empowerment fund created in section 28.9  
21 for deposit in the school ready children grants account and  
22 for distribution as provided in this subsection:

23 ..... \$ 1,153,250

24 The moneys appropriated in this subsection shall be used  
25 along with other appropriations made to the Iowa empowerment  
26 fund and shall be distributed for the fiscal year beginning  
27 July 1, 2001, in the same proportion that the annualized grant  
28 amount for each designated community empowerment area in the  
29 previous fiscal year bears to the adjusted total amount  
30 distributed for school ready children grants in the previous  
31 fiscal year. The adjusted total amount distributed shall be  
32 calculated by reflecting an annualized grant amount for each  
33 community empowerment area that received a grant in that  
34 fiscal year.

35 2. To the Iowa department of public health to be used for

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

3 For establishing and operating the substance abuse  
4 treatment facility for persons on probation as created in  
5 section 135.130 and providing staffing for the facility to be  
6 used exclusively to provide substance abuse treatment for  
7 persons on probation and under the supervision of the judicial  
8 district department of correctional services:

9 .....	\$	2,000,000
10 .....	FTEs	60.00

11 3. Any moneys remaining in the savings account for healthy  
12 Iowans created within the tobacco settlement endowment fund  
13 created in section 12.65, Code 2001, on June 30, 2001, shall  
14 be transferred to the healthy Iowans tobacco trust created in  
15 section 12.65, as amended in this Act, to be used for the  
16 purposes specified in that section.

17 Sec. 4. PRIOR YEAR NONREVERSION. Notwithstanding 2000  
18 Iowa Acts, chapter 1221, section 5, moneys appropriated under  
19 2000 Iowa Acts, chapter 1221, section 3, for purchase of  
20 service contract providers which is unexpended or unencumbered  
21 at the end of the fiscal year beginning July 1, 2000, and  
22 ending June 30, 2001, shall be deposited in the healthy Iowans  
23 tobacco trust created in section 12.65, as amended in this  
24 Act, to be used for the purposes specified in that section.

25 Sec. 5. Section 12.65, Code 2001, is amended to read as  
26 follows:

27 12.65 HEALTHY IOWANS TOBACCO SETTLEMENT-ENDOWMENT-FUND  
28 TRUST.

29 1. A healthy Iowans tobacco settlement-endowment-fund  
30 trust is created in the office of the treasurer of state.  
31 ~~After-payment-of-litigation-costs, all moneys paid to the~~  
32 ~~state pursuant to the master settlement agreement, as defined~~  
33 in section 453E-17 Moneys appropriated to the healthy Iowans  
34 tobacco trust from the endowment for Iowa's health account of  
35 the tobacco settlement trust fund established in section



1 12E.12 and from any other source shall be deposited in the  
2 fund healthy Iowans tobacco trust.

3 ~~2--Any-moneys-paid-to-the-state-by-the-tobacco-settlement~~  
4 ~~authority-pursuant-to-chapter-12E-shall-be-deposited-in-the~~  
5 ~~fund--Additionally, the state's share of the moneys which are~~  
6 ~~not sold to the tobacco settlement authority pursuant to~~  
7 ~~chapter-12E-shall-be-deposited-in-the-fund.~~

8 3- 2. Moneys deposited in the fund healthy Iowans tobacco  
9 trust shall be used only in accordance with appropriations  
10 from the fund healthy Iowans tobacco trust for purposes  
11 related to health care, substance abuse treatment and  
12 enforcement, tobacco use prevention and control, and other  
13 purposes related to the needs of children, adults, and  
14 families in the state.

15 ~~4--A-savings-account-for-healthy-Iowans-is-created-within~~  
16 ~~the-tobacco-settlement-endowment-fund--Moneys, appropriated~~  
17 ~~annually, shall be deposited in the account and shall be~~  
18 ~~invested to provide an ongoing source of investment earnings.~~

19 5- 3. Notwithstanding section 8.33, any unexpended balance  
20 in the fund healthy Iowans tobacco trust at the end of the  
21 fiscal year shall be retained in the fund trust.

22 Notwithstanding section 12C.7, subsection 2, interest or  
23 earnings on investments or time deposits of the moneys in the  
24 healthy Iowans tobacco settlement-endowment-fund, in the  
25 savings-account-for-healthy-Iowans, and in any other account  
26 established within the fund trust shall be credited to the  
27 healthy Iowans tobacco settlement-endowment-fund, to the  
28 savings-account-for-healthy-Iowans, or to any other account  
29 established, respectively trust.

30 ~~6--For-the-purposes-of-this-section, "litigation costs"~~  
31 ~~are those costs itemized by the attorney general and submitted~~  
32 ~~to and approved by the attorney general.~~

33 7- 4. Moneys in the fund healthy Iowans tobacco trust  
34 shall be considered part of the general fund of the state for  
35 cash flow purposes only, provided any moneys used for cash

1 flow purposes are returned to the fund trust by the close of  
2 each fiscal year.

3 Sec. 6. Section 135.11, Code 2001, is amended by adding  
4 the following new subsection:

5 NEW SUBSECTION. 26. Establish and administer a substance  
6 abuse treatment facility pursuant to section 135.130.

7 DIVISION XIII

8 Sec. 7. NEW SECTION. 135.130 SUBSTANCE ABUSE TREATMENT  
9 FACILITY FOR PERSONS ON PROBATION.

10 1. The director shall establish and operate a facility for  
11 the purpose of providing a structured treatment program for  
12 persons with a substance abuse problem who are on probation  
13 and under the supervision of a judicial district department of  
14 correctional services. The department shall enter into an  
15 agreement pursuant to chapter 28E with the department of  
16 corrections for assistance in establishing security for the  
17 facility. The department, in consultation with the department  
18 of corrections, shall adopt rules pursuant to chapter 17A to  
19 administer this section. The rules adopted shall include  
20 rules related to the treatment requirements of the program.

21 2. A substance abuse treatment facility advisory council  
22 is established within the department to advise and make  
23 recommendations to the director regarding the establishment  
24 and operation of a facility for persons with a substance abuse  
25 problem who are on probation and to assist with the  
26 implementation of treatment programs that are proven to be  
27 effective for offenders. The substance abuse treatment  
28 facility advisory council shall consist of the directors of  
29 the eight judicial district departments of correctional  
30 services and one representative each from the judicial branch,  
31 the Iowa department of public health, the department of  
32 corrections, and the governor's office of drug control policy.

33 3. The department, in consultation with the department of  
34 corrections and the advisory council, shall adopt rules  
35 pursuant to chapter 17A to establish and operate the facility.

1 Sec. 8. Section 136.3, subsection 7, Code 2001, is amended  
2 to read as follows:

3 7. Adopt, promulgate, amend, and repeal rules and  
4 regulations consistent with law for the protection of the  
5 public health and prevention of substance abuse, and for the  
6 guidance of the department. All rules which have been or are  
7 hereafter adopted by the department shall be subject to  
8 approval by the board. However, rules adopted by the  
9 commission on substance abuse for section 125.7, subsections 1  
10 and 7, and rules adopted by the department pursuant to section  
11 135.130 are not subject to approval by the board of health.

12 Sec. 9. Section 249A.3, subsection 2, Code 2001, is  
13 amended by adding the following new paragraph after paragraph  
14 a, and renumbering the subsequent paragraph:

15 NEW PARAGRAPH. aa. As provided under the federal Breast  
16 and Cervical Cancer Prevention and Treatment Act of 2000, Pub.  
17 L. No. 106-354, women who meet all of the following criteria:

- 18 (1) Are not described in 42 U.S.C. § 1396a(a)(10)(A)(i).
- 19 (2) Have not attained age sixty-five.
- 20 (3) Have been screened for breast and cervical cancer  
21 under the United States centers for disease control and  
22 prevention breast and cervical cancer early detection program  
23 established under 42 U.S.C. § 300k et seq., in accordance with  
24 the requirements of 42 U.S.C. § 300n, and need treatment for  
25 breast or cervical cancer. A woman is considered screened for  
26 breast and cervical cancer under this subparagraph if the  
27 woman is screened by any provider or entity, and the state  
28 grantee of the United States centers for disease control and  
29 prevention funds under Title XV of the federal Public Health  
30 Services Act has elected to include screening activities by  
31 that provider or entity as screening activities pursuant to  
32 Title XV of the federal Public Health Services Act. This  
33 screening includes breast or cervical cancer screenings or  
34 diagnostic services provided by family planning or community  
35 health centers.

1 (4) Are not otherwise covered under creditable coverage as  
2 defined in 42 U.S.C. § 300gg(c).

3 A woman who meets the criteria of this paragraph shall be  
4 presumptively eligible for medical assistance.

5 Sec. 10. Section 901B.1, subsection 1, paragraph c, Code  
6 2001, is amended by adding the following new subparagraph:

7 NEW SUBPARAGRAPH. (5) A substance abuse treatment  
8 facility as established and operated by the Iowa department of  
9 public health.

10 Sec. 11. Section 901B.1, subsection 4, paragraph a, Code  
11 2001, is amended to read as follows:

12 a. The district department of correctional services shall  
13 place an individual committed to it under section 907.3 to the  
14 sanction and level of supervision which is appropriate to the  
15 individual based upon a current risk assessment evaluation.  
16 Placements may be to levels two and three of the corrections  
17 continuum. The district department may, with the approval of  
18 the Iowa department of public health and the department of  
19 corrections, place an individual in a level three substance  
20 abuse treatment facility established pursuant to section  
21 135.130, to assist the individual in complying with a  
22 condition of probation. The district department may, with the  
23 approval of the department of corrections, place an individual  
24 in a level four violator facility established pursuant to  
25 section 904.207 only as a penalty for a violation of a  
26 condition imposed under this section.

27 Sec. 12. REVERSION. Any moneys appropriated under this  
28 Act that are unexpended or unencumbered at the end of the  
29 fiscal year beginning July 1, 2001, and ending June 30, 2002,  
30 shall revert to the healthy Iowans tobacco trust.

31 Sec. 13. REFERENCES. References in this Act to the  
32 tobacco settlement endowment fund and to the savings account  
33 for healthy Iowans of the tobacco settlement endowment fund  
34 are references to the fund and the account pursuant to section  
35 12.65, Code 2001, and, unless otherwise provided,

1 appropriations from the fund and the account are references to  
2 appropriations of moneys in the fund and the account on or  
3 before June 30, 2001, and such moneys shall remain available  
4 for appropriation for the fiscal year beginning July 1, 2001,  
5 and ending June 30, 2002, as provided in this Act.

6 Sec. 14. EFFECTIVE DATE. Section 4 of this Act, relating  
7 to nonreversion of funds remaining unencumbered or unobligated  
8 which were appropriated for the purchase of service contract  
9 providers, being deemed of immediate importance, takes effect  
10 upon enactment.

11 Sec. 15. CONTINGENT EFFECTIVE DATE. The section in this  
12 Act amending section 12.65 shall take effect only if 2001 Iowa  
13 Acts, Senate File 532 is enacted. If 2001 Iowa Acts, Senate  
14 File 532 is not enacted, the section in this Act amending  
15 section 12.65 shall not take effect and references in this Act  
16 to the healthy Iowans tobacco trust are references to the  
17 tobacco settlement endowment fund created in section 12.65,  
18 Code 2001. If 2001 Iowa Acts, Senate File 532 is not enacted,  
19 all moneys paid to the state pursuant to the master settlement  
20 agreement as defined in section 453C.1 shall be deposited in  
21 the tobacco settlement endowment fund created in section  
22 12.65, Code 2001.

23 EXPLANATION

24 This bill relates to and makes appropriations from the  
25 tobacco settlement endowment fund.

26 The bill makes the following appropriations to the  
27 department of human services:

28 1. To maintain the reimbursement rate for all  
29 noninstitutional providers at the rate paid under the federal  
30 Medicare program during FY 2000-2001, and for continuation of  
31 the resource-based relative value system, for the fiscal year  
32 beginning July 1, 2001, and ending June 30, 2002:  
33 \$11,595,718.

34 2. To maintain the reimbursement rate for dental services  
35 at the usual and customary rate as provided during FY 2000-

- 1 2001 for the fiscal year beginning July 1, 2001, and ending  
2 June 30, 2002: \$3,814,973.
- 3 3. To maintain the cost-of-living adjustment for  
4 rehabilitative treatment services providers as provided during  
5 FY 2000-2001, for the fiscal year beginning July 1, 2001, and  
6 ending June 30, 2002: \$3,243,026.
- 7 4. To maintain the cost-of-living adjustment for adoption,  
8 independent living, shelter care, and home studies services  
9 providers as provided during FY 2000-2001, for the fiscal year  
10 beginning July 1, 2001, and ending June 30, 2002: \$468,967.
- 11 5. To maintain the reimbursement rate for hospitals as  
12 provided during FY 2000-2001, for the fiscal year beginning  
13 July 1, 2001, and ending June 30, 2002: \$3,035,278.
- 14 6. To maintain the reimbursement rate for home health  
15 agencies at the rate provided to such agencies as provided  
16 during FY 2000-2001, for the fiscal year beginning July 1,  
17 2001, and ending June 30, 2002: \$2,108,279.
- 18 7. To maintain the reimbursement rate for critical access  
19 hospitals at the rate provided such hospitals under the  
20 federal Medicare program during FY 2000-2001, for the fiscal  
21 year beginning July 1, 2001, and ending June 30, 2002:  
22 \$250,000.
- 23 8. To maintain the expansion of home health care services  
24 and habilitative day care services under the medical  
25 assistance program for children with special needs:  
26 \$1,975,496.
- 27 9. To maintain the expansion of respite care services  
28 provided through home and community-based waiver services  
29 under the medical assistance program: \$1,137,309.
- 30 10. To maintain the reimbursement rate as provided during  
31 FY 2000-2001 for service providers under the purview of the  
32 department of human services: \$545,630.
- 33 The bill provides \$200,000 for supplementation of the  
34 appropriation for the children's health insurance program.
- 35 The bill provides \$4,000,000 for supplementation of the

1 medical assistance appropriation.

2 The bill appropriates \$250,000 to the department of human  
3 services to provide coverage under the medical assistance  
4 program to certain women who require treatment for breast or  
5 cervical cancer. The bill also codifies language to include  
6 this optional category of coverage under the medical  
7 assistance program.

8 The bill appropriates \$9,345,394 to the Iowa department of  
9 public health for the tobacco use prevention and control  
10 program and \$11,900,000 for additional substance abuse  
11 treatment. Under this appropriation, the department is  
12 directed to enhance the quality of and to expand capacity to  
13 provide 24-hour substance abuse treatment programs for  
14 children; to expand the length of individual client substance  
15 abuse treatment plans, as necessary to reduce recidivism; to  
16 share research-based best practices for treatment with  
17 substance abuse treatment facilities; to develop a results-  
18 based funding approach for substance abuse treatment services;  
19 and to develop a program to encourage individuals who are  
20 successfully managing their substance abuse problems to serve  
21 as role models.

22 The bill appropriates \$2,550,000 to the Iowa department of  
23 public health for development of a healthy Iowans 2010 plan  
24 including the use of up to the following amounts for the  
25 following purposes: \$1,250,000 for core public health  
26 functions including home health care and public health nursing  
27 services contracted through a formula by local boards of  
28 health, to enhance disease and injury prevention services;  
29 \$400,000 for the implementation and support of a coordinated  
30 system of delivery of trauma and emergency medical services;  
31 \$437,000 for the poison control center; \$300,000 for  
32 development of scientific and medical expertise in  
33 environmental epidemiology; \$81,500 for prevention strategies  
34 to address the leading causes of deaths of Iowans; and \$81,500  
35 for the childhood lead poisoning prevention program.

1 The bill appropriates \$610,000 to the department of  
2 corrections for day programming and the drug court program.

3 The bill appropriates \$146,750 to the property tax relief  
4 fund for the fiscal year beginning July 1, 2001, and ending  
5 June 30, 2002, for assistance to counties with limited county  
6 mental health, mental retardation, and developmental  
7 disabilities services fund balances to pay reimbursement  
8 increases in the same amount as provided in the fiscal year  
9 beginning July 1, 2000, and ending June 30, 2001.

10 The bill appropriates \$1,153,250 from the savings account  
11 for healthy Iowans created within the tobacco settlement  
12 endowment fund created in section 12.65, Code 2001, to the  
13 Iowa empowerment fund for the fiscal year beginning July 1,  
14 2001, and ending June 30, 2002, for deposit in the school  
15 ready children grants account and provides for distributing  
16 the moneys.

17 The bill appropriates \$2,000,000 from the savings account  
18 for healthy Iowans created within the tobacco settlement  
19 endowment fund created in section 12.65, Code 2001, to the  
20 Iowa department of public health for the fiscal year beginning  
21 July 1, 2001, and ending June 30, 2002, for establishing and  
22 operating a substance abuse treatment facility and providing  
23 staffing for the facility to be used to provide substance  
24 abuse treatment for persons on probation and under the  
25 supervision of a judicial district department of correctional  
26 services.

27 The bill provides that any moneys remaining at the end of  
28 the fiscal year from the appropriation for the fiscal year  
29 beginning July 1, 2000, and ending June 30, 2001, for  
30 assistance to counties with limited county mental health,  
31 mental retardation, and developmental disabilities services  
32 fund balances to pay reimbursement increases, is to not  
33 revert, but is to be deposited in the healthy Iowans tobacco  
34 trust to be used for the purposes of the trust.

35 The bill also amends Code section 12.65, the tobacco



1 settlement endowment fund, to rename the fund the healthy  
 2 Iowans tobacco trust. The bill also provides that moneys  
 3 appropriated from the healthy Iowans tobacco trust from the  
 4 endowment for Iowa's health account of the tobacco settlement  
 5 trust fund established in Code section 12E.12 and from any  
 6 other source are to be deposited in the healthy Iowans tobacco  
 7 trust. The bill eliminates the savings account for healthy  
 8 Iowans that was established within the tobacco settlement  
 9 endowment fund.

10 The bill provides that the department of public health  
 11 shall establish a substance abuse treatment facility to  
 12 provide a structured substance abuse treatment program for  
 13 persons who are on probation and under the supervision of a  
 14 judicial district department of correctional services. The  
 15 bill provides that the department of public health and the  
 16 department of corrections shall enter into a Code chapter 28E  
 17 agreement to assist the department in establishing security  
 18 for the facility. The bill provides that a judicial district  
 19 may, with the approval of the department of public health and  
 20 the department of corrections, place a person who is on  
 21 probation at the substance abuse treatment facility to assist  
 22 the person in complying with the terms and conditions of  
 23 probation.

24 The bill establishes a substance abuse treatment facility  
 25 advisory council within the Iowa department of public health  
 26 to advise and make recommendations to the director of public  
 27 health. The members of the council shall consist of the  
 28 directors of the eight judicial district departments of  
 29 correctional services, and representatives of the judicial  
 30 branch, the Iowa department of public health, the department  
 31 of corrections, and the governor's office of drug control  
 32 policy.

33 The bill provides that moneys appropriated in the bill that  
 34 are unexpended or unencumbered at the end of the fiscal year  
 35 beginning July 1, 2001, and ending June 30, 2002, are to

1 revert to the healthy Iowans tobacco trust.

2 The bill provides that references in the bill to the  
3 tobacco settlement endowment fund and to the savings account  
4 for healthy Iowans are to the fund and the account as created  
5 in section 12.65, Code 2001, and that unless otherwise  
6 provided, appropriations from the fund and the account are  
7 from moneys in the fund and the account on or before June 30,  
8 2001, and such moneys are to remain available for  
9 appropriation in the fiscal year beginning July 1, 2001, and  
10 ending June 30, 2002, as provided in the bill.

11 The bill provides that the section of the bill relating to  
12 nonreversion of moneys appropriated for purchase of service  
13 contract providers takes effect upon enactment.

14 The bill provides that the section in the bill amending  
15 section 12.65 takes effect only if 2001 Iowa Acts, Senate File  
16 532 takes effect and that if 2001 Iowa Acts, Senate File 532  
17 is not enacted, the section in the bill amending section 12.65  
18 does not take effect and the references to the healthy Iowans  
19 tobacco trust are references to the tobacco settlement  
20 endowment fund created in section 12.65, Code 2001. If 2001  
21 Iowa Acts, Senate File 532 is not enacted, all moneys paid to  
22 the state under the master settlement agreement are to be  
23 deposited in the tobacco settlement endowment fund created in  
24 section 12.65, Code 2001.

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REPRINTED

FILED APR 25 2001

SENATE FILE 537  
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SSB 1271)

Passed Senate, <sup>(P. 132)</sup> Date 4/26/01 Passed House, Date 5/3/01 <sup>(P. 1826)</sup>  
Vote: Ayes 48 Nays 0 Vote: Ayes 93 Nays 0  
Approved 5/29/01

A BILL FOR

1 An Act relating to and making appropriations from the tobacco  
2 settlement endowment fund and the healthy Iowans tobacco  
3 trust, establishing certain uses for the appropriations, and  
4 providing effective dates.

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

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537

1 Section 1. HEALTHY IOWANS TOBACCO TRUST -- APPROPRIATIONS  
2 TO DEPARTMENTS. There is appropriated from the healthy Iowans  
3 tobacco trust created in section 12.65 to the following  
4 departments for the fiscal year beginning July 1, 2001, and  
5 ending June 30, 2002, the following amounts, or so much  
6 thereof as is necessary, to be used for the purposes  
7 designated:

8 1. To the department of human services:

9 a. Unless otherwise provided, to maintain the  
10 reimbursement rate for all noninstitutional medical assistance  
11 providers, with the exception of anesthesia and dental  
12 services, at the rate provided under the federal Medicare  
13 program for such providers during the fiscal year beginning  
14 July 1, 2000, and ending June 30, 2001, as specified in 2000  
15 Iowa Acts, chapter 1221, section 1, subsection 1, paragraph  
16 "a", for the fiscal year July 1, 2001, through June 30, 2002,  
17 and to continue the resource-based relative value system of  
18 reimbursement under the medical assistance program:

19 ..... \$ 11,595,718

20 b. To maintain the reimbursement rate at the usual and  
21 customary rate as established in 2000 Iowa Acts, chapter 1221,  
22 section 1, subsection 1, paragraph "b", for the fiscal year  
23 July 1, 2001, through June 30, 2002, for dental services under  
24 the medical assistance program:

25 ..... \$ 3,814,973

26 c. To maintain the cost-of-living adjustment as  
27 established in 2000 Iowa Acts, chapter 1221, section 1,  
28 subsection 1, paragraph "c", for the fiscal year July 1, 2001,  
29 through June 30, 2002, for rehabilitative treatment and  
30 support services providers under the medical assistance  
31 program:

32 ..... \$ 3,243,026

33 d. To maintain the cost-of-living adjustment as  
34 established in 2000 Iowa Acts, chapter 1221, section 1,  
35 subsection 1, paragraph "d", for the fiscal year July 1, 2001,

1 through June 30, 2002, for adoption, independent living,  
2 shelter care, and home studies services providers:

3 ..... \$ 468,967

4 e. To maintain the reimbursement rate as established in  
5 2000 Iowa Acts, chapter 1221, section 1, subsection 1,  
6 paragraph "e", for the fiscal year July 1, 2001, through June  
7 30, 2002, for hospitals under the medical assistance program:

8 ..... \$ 3,035,278

9 f. To maintain the reimbursement rate as established in  
10 2000 Iowa Acts, chapter 1221, section 1, subsection 1,  
11 paragraph "f", for the fiscal year July 1, 2001, through June  
12 30, 2002, for home health care services under the medical  
13 assistance program:

14 ..... \$ 2,108,279

15 g. To maintain the reimbursement rate as established in  
16 2000 Iowa Acts, chapter 1221, section 1, subsection 1,  
17 paragraph "g", for the fiscal year July 1, 2001, through June  
18 30, 2002, for critical access hospitals under the medical  
19 assistance program:

20 ..... \$ 250,000

21 h. To maintain the expansion of home health care services  
22 and habilitative day care as established in 2000 Iowa Acts,  
23 chapter 1221, section 1, subsection 1, paragraph "h", under  
24 the medical assistance program for children with special  
25 needs:

26 ..... \$ 1,975,496

27 i. To maintain the expansion of respite care services  
28 provided through home and community-based waivers as  
29 established in 2000 Iowa Acts, chapter 1221, section 1,  
30 subsection 1, paragraph "i", under the medical assistance  
31 program:

32 ..... \$ 1,137,309

33 j. To maintain the reimbursement rate as established in  
34 2000 Iowa Acts, chapter 1221, section 1, subsection 1,  
35 paragraph "j", for the fiscal year July 1, 2001, through June

1 30, 2002, to service providers under the purview of the  
2 department of human services:

3 ..... \$ 545,630

4 2. To the department of human services to continue the  
5 supplementation of the children's health insurance program  
6 appropriation:

7 ..... \$ 200,000

8 3. To the department of human services to continue the  
9 supplementation of the medical assistance appropriation:

10 ..... \$ 4,000,000

11 4. To the department of human services to provide coverage  
12 under the medical assistance program to women who require  
13 treatment for breast or cervical cancer as provided in section  
14 249A.3, subsection 2, paragraph aa:

15 ..... \$ 250,000

16 5. To the Iowa department of public health:

17 a. For the tobacco use prevention and control initiative,  
18 including efforts at the state and local levels, as provided  
19 in chapter 142A and for not more than the following full-time  
20 equivalent positions:

21 ..... \$ 9,345,394

22 ..... FTEs 7.00

23 (1) The director of public health shall dedicate  
24 sufficient resources to promote and ensure retailer compliance  
25 with tobacco laws and ordinances relating to persons under 18  
26 years of age, and shall prioritize the state's compliance in  
27 the allocation of available funds to comply with 42 U.S.C.  
28 300X-26 and section 453A.2.

29 (2) Of the full-time equivalent positions funded under  
30 this section, two full-time equivalent positions shall be  
31 utilized to provide for enforcement of tobacco laws,  
32 regulations, and ordinances under a chapter 28D agreement  
33 entered into between the Iowa department of public health and  
34 the alcoholic beverages division of the department of  
35 commerce.

1 (3) Of the funds appropriated in this paragraph "a", not  
2 more than \$525,759 shall be expended on administration and  
3 management of the program.

4 b. For additional substance abuse treatment under the  
5 substance abuse treatment program:

6 ..... \$ 11,900,000

7 (1) The department shall use funds appropriated in this  
8 paragraph "b" to enhance the quality of and to expand the  
9 capacity to provide 24-hour substance abuse treatment  
10 programs.

11 (2) The department shall use funds appropriated in this  
12 paragraph to expand the length of individual client substance  
13 abuse treatment plans, as necessary to reduce program  
14 recidivism.

15 (3) The department shall use funds appropriated in this  
16 paragraph to share research-based best practices for treatment  
17 with substance abuse treatment facilities.

18 (4) The department shall use funds appropriated in this  
19 paragraph to develop a results-based funding approach for  
20 substance abuse treatment services.

21 (5) The department shall use funds appropriated in this  
22 paragraph to develop a program to encourage individuals who  
23 are successfully managing their substance abuse problems to  
24 serve as role models.

25 c. For the healthy Iowans 2010 plan within the Iowa  
26 department of public health and for not more than the  
27 following full-time equivalent positions:

28 ..... \$ 2,550,000

29 ..... FTEs 4.00

30 (1) Of the funds appropriated in this paragraph "c", not  
31 more than \$1,250,000 shall be used for core public health  
32 functions, including home health care and public health  
33 nursing services, contracted through a formula by local boards  
34 of health, to enhance disease and injury prevention services.

35 (2) Of the funds appropriated in this paragraph "c", not

1 more than \$400,000 shall be used for the continuation and  
2 support of a coordinated system of delivery of trauma and  
3 emergency medical services.

4 (3) Of the funds appropriated in this paragraph "c", not  
5 more than \$437,000 shall be used for the state poison control  
6 center.

7 (4) Of the funds appropriated in this paragraph "c", not  
8 more than \$300,000 shall be used for the development of  
9 scientific and medical expertise in environmental  
10 epidemiology.

11 (5) Of the funds appropriated in this paragraph "c", not  
12 more than \$81,500 shall be used to implement prevention  
13 strategies of healthy Iowans 2010 to address the leading  
14 causes of death in Iowa.

15 (6) Of the funds appropriated in this paragraph "c", not  
16 more than \$81,500 shall be used for the childhood lead  
17 poisoning prevention program.

18 6. To the department of corrections:

19 ..... \$ 610,000

20 a. Of the funds appropriated in this subsection, \$127,217  
21 is allocated to the second judicial district department of  
22 correctional services to replace expired federal funding for  
23 day programming.

24 b. Of the funds appropriated in this subsection \$35,359 is  
25 allocated to the third judicial district department of  
26 correctional services to replace expired federal funding for  
27 the drug court program.

28 c. Of the funds appropriated in this subsection, \$191,731  
29 is allocated to the fourth judicial district department of  
30 correctional services for a drug court program.

31 d. Of the funds appropriated in this subsection, \$255,692  
32 is allocated to the fifth judicial district department of  
33 correctional services to replace expired funding for the drug  
34 court program.

35 Sec. 2. PURCHASE OF SERVICE CONTRACT PROVIDERS --



1 REIMBURSEMENT INCREASE. There is appropriated from the  
2 healthy Iowans tobacco trust created in section 12.65 to the  
3 property tax relief fund created in section 426B.1 for the  
4 fiscal year beginning July 1, 2001, and ending June 30, 2002,  
5 the following amount, or so much thereof as is necessary, to  
6 be used for the purposes designated:

7 For assistance to the counties with limited county mental  
8 health, mental retardation, and developmental disabilities  
9 services fund balances which were selected in accordance with  
10 2000 Iowa Acts, chapter 1221, section 3 to receive such  
11 assistance in the same amount provided during the fiscal year  
12 beginning July 1, 2000, and ending June 30, 2001, to pay  
13 reimbursement increases in accordance with 2000 Iowa Acts,  
14 chapter 1221, section 3:

15 ..... \$ 146,750

16 Sec. 3. SAVINGS ACCOUNT FOR HEALTHY IOWANS --

17 APPROPRIATIONS. There is appropriated from the savings  
18 account for healthy Iowans created within the tobacco  
19 settlement endowment fund created in section 12.65, Code 2001,  
20 to the following funds and entities for the fiscal year  
21 beginning July 1, 2001, and ending June 30, 2002, the  
22 following amounts, or so much thereof as is necessary, to be  
23 used for the purposes designated:

24 1. To the Iowa empowerment fund created in section 28.9  
25 for deposit in the school ready children grants account and  
26 for distribution as provided in this subsection:

27 ..... \$ 1,153,250

28 The moneys appropriated in this subsection shall be used  
29 along with other appropriations made to the Iowa empowerment  
30 fund and shall be distributed for the fiscal year beginning  
31 July 1, 2001, in the same proportion that the annualized grant  
32 amount for each designated community empowerment area in the  
33 previous fiscal year bears to the adjusted total amount  
34 distributed for school ready children grants in the previous  
35 fiscal year. The adjusted total amount distributed shall be

1 calculated by reflecting an annualized grant amount for each  
2 community empowerment area that received a grant in that  
3 fiscal year.

4 2. To the Iowa department of public health to be used for  
5 the purpose designated and for not more than the following  
6 full-time equivalent positions:

7 For establishing and operating the substance abuse  
8 treatment facility for persons on probation as created in  
9 section 135.130 and providing staffing for the facility to be  
10 used exclusively to provide substance abuse treatment for  
11 persons on probation and under the supervision of the judicial  
12 district department of correctional services:

13 ..... \$ 2,000,000  
14 ..... FTEs 60.00

15 3. Any moneys remaining in the savings account for healthy  
16 Iowans created within the tobacco settlement endowment fund  
17 created in section 12.65, Code 2001, on June 30, 2001, shall  
18 be transferred to the healthy Iowans tobacco trust created in  
19 section 12.65, as amended in this Act, to be used for the  
20 purposes specified in that section.

21 Sec. 4. PRIOR YEAR NONREVERSION. Notwithstanding 2000  
22 Iowa Acts, chapter 1221, section 5, moneys appropriated under  
23 2000 Iowa Acts, chapter 1221, section 3, for purchase of  
24 service contract providers which is unexpended or unencumbered  
25 at the end of the fiscal year beginning July 1, 2000, and  
26 ending June 30, 2001, shall be deposited in the healthy Iowans  
27 tobacco trust created in section 12.65, as amended in this  
28 Act, to be used for the purposes specified in that section.

29 Sec. 5. Section 12.65, Code 2001, is amended to read as  
30 follows:

31 12.65 HEALTHY IOWANS TOBACCO SETTLEMENT-ENDOWMENT-FUND  
32 TRUST.

33 1. A healthy Iowans tobacco settlement-endowment-fund  
34 trust is created in the office of the treasurer of state.  
35 ~~After-payment-of-litigation-costs,-all-moneys-paid-to-the~~

1 state-pursuant-to-the-master-settlement-agreement,-as-defined  
2 in-section-453E.1, Moneys appropriated to the healthy Iowans  
3 tobacco trust from the endowment for Iowa's health account of  
4 the tobacco settlement trust fund established in section  
5 12E.12 and from any other source shall be deposited in the  
6 fund healthy Iowans tobacco trust.

7 ~~2.--Any-moneys-paid-to-the-state-by-the-tobacco-settlement~~  
8 ~~authority-pursuant-to-chapter-12E-shall-be-deposited-in-the~~  
9 ~~fund.--Additionally,-the-state's-share-of-the-moneys-which-are~~  
10 ~~not-sold-to-the-tobacco-settlement-authority-pursuant-to~~  
11 ~~chapter-12E-shall-be-deposited-in-the-fund.~~

12 3. 2. Moneys deposited in the fund healthy Iowans tobacco  
13 trust shall be used only in accordance with appropriations  
14 from the fund healthy Iowans tobacco trust for purposes  
15 related to health care, substance abuse treatment and  
16 enforcement, tobacco use prevention and control, and other  
17 purposes related to the needs of children, adults, and  
18 families in the state.

19 ~~4.--A-savings-account-for-healthy-Iowans-is-created-within~~  
20 ~~the-tobacco-settlement-endowment-fund.--Moneys,-appropriated~~  
21 ~~annually,-shall-be-deposited-in-the-account-and-shall-be~~  
22 ~~invested-to-provide-an-ongoing-source-of-investment-earnings.~~

23 5. 3. Notwithstanding section 8.33, any unexpended balance  
24 in the fund healthy Iowans tobacco trust at the end of the  
25 fiscal year shall be retained in the fund trust.

26 Notwithstanding section 12C.7, subsection 2, interest or  
27 earnings on investments or time deposits of the moneys in the  
28 healthy Iowans tobacco settlement-endowment-fund,-in-the  
29 savings-account-for-healthy-Iowans,-and-in-any-other-account  
30 established-within-the-fund trust shall be credited to the  
31 healthy Iowans tobacco settlement-endowment-fund,-to-the  
32 savings-account-for-healthy-Iowans,-or-to-any-other-account  
33 established,-respectively trust.

34 6.--For-the-purposes-of-this-section,-"litigation-costs"  
35 are-those-costs-itemized-by-the-attorney-general-and-submitted

1 ~~to-and-approved-by-the-attorney-general-~~

2 7- 4. Moneys in the fund healthy Iowans tobacco trust  
3 shall be considered part of the general fund of the state for  
4 cash flow purposes only, provided any moneys used for cash  
5 flow purposes are returned to the fund trust by the close of  
6 each fiscal year.

7 Sec. 6. Section 135.11, Code 2001, is amended by adding  
8 the following new subsection:

9 NEW SUBSECTION. 26. Establish and administer a substance  
10 abuse treatment facility pursuant to section 135.130.

11 DIVISION XIII

12 Sec. 7. NEW SECTION. 135.130 SUBSTANCE ABUSE TREATMENT  
13 FACILITY FOR PERSONS ON PROBATION.

14 1. The director shall establish and operate a facility for  
15 the purpose of providing a structured treatment program for  
16 persons with a substance abuse problem who are on probation  
17 and under the supervision of a judicial district department of  
18 correctional services. The department shall enter into an  
19 agreement pursuant to chapter 28E with the department of  
20 corrections for assistance in establishing security for the  
21 facility. The department, in consultation with the department  
22 of corrections, shall adopt rules pursuant to chapter 17A to  
23 administer this section. The rules adopted shall include  
24 rules related to the treatment requirements of the program.

25 2. A substance abuse treatment facility advisory council  
26 is established within the department to advise and make  
27 recommendations to the director regarding the establishment  
28 and operation of a facility for persons with a substance abuse  
29 problem who are on probation and to assist with the  
30 implementation of treatment programs that are proven to be  
31 effective for offenders. The substance abuse treatment  
32 facility advisory council shall consist of the directors of  
33 the eight judicial district departments of correctional  
34 services and one representative each from the judicial branch,  
35 the Iowa department of public health, the department of

1 corrections, and the governor's office of drug control policy.

2 3. The department, in consultation with the department of  
3 corrections and the advisory council, shall adopt rules  
4 pursuant to chapter 17A to establish and operate the facility.

5 Sec. 8. Section 136.3, subsection 7, Code 2001, is amended  
6 to read as follows:

7 7. Adopt, promulgate, amend, and repeal rules and  
8 regulations consistent with law for the protection of the  
9 public health and prevention of substance abuse, and for the  
10 guidance of the department. All rules which have been or are  
11 hereafter adopted by the department shall be subject to  
12 approval by the board. However, rules adopted by the  
13 commission on substance abuse for section 125.7, subsections 1  
14 and 7, and rules adopted by the department pursuant to section  
15 135.130 are not subject to approval by the board of health.

16 Sec. 9. Section 249A.3, subsection 2, Code 2001, is  
17 amended by adding the following new paragraph after paragraph  
18 a, and renumbering the subsequent paragraph:

19 NEW PARAGRAPH. aa. As provided under the federal Breast  
20 and Cervical Cancer Prevention and Treatment Act of 2000, Pub.  
21 L. No. 106-354, women who meet all of the following criteria:

22 (1) Are not described in 42 U.S.C. § 1396a(a)(10)(A)(i).

23 (2) Have not attained age sixty-five.

24 (3) Have been screened for breast and cervical cancer  
25 under the United States centers for disease control and  
26 prevention breast and cervical cancer early detection program  
27 established under 42 U.S.C. § 300k et seq., in accordance with  
28 the requirements of 42 U.S.C. § 300n, and need treatment for  
29 breast or cervical cancer. A woman is considered screened for  
30 breast and cervical cancer under this subparagraph if the  
31 woman is screened by any provider or entity, and the state  
32 grantee of the United States centers for disease control and  
33 prevention funds under Title XV of the federal Public Health  
34 Services Act has elected to include screening activities by  
35 that provider or entity as screening activities pursuant to

1 Title XV of the federal Public Health Services Act. This  
2 screening includes but is not limited to breast or cervical  
3 cancer screenings or related diagnostic services provided by  
4 family planning or community health centers and breast cancer  
5 screenings funded by the Susan G. Komen foundation which are  
6 provided to women who meet the eligibility requirements  
7 established by the state grantee of the United States centers  
8 for disease control and prevention funds under Title XV of the  
9 federal Public Health Services Act.

10 (4) Are not otherwise covered under creditable coverage as  
11 defined in 42 U.S.C. § 300gg(c).

12 A woman who meets the criteria of this paragraph shall be  
13 presumptively eligible for medical assistance.

14 Sec. 10. Section 901B.1, subsection 1, paragraph c, Code  
15 2001, is amended by adding the following new subparagraph:

16 NEW SUBPARAGRAPH. (5) A substance abuse treatment  
17 facility as established and operated by the Iowa department of  
18 public health.

19 Sec. 11. Section 901B.1, subsection 4, paragraph a, Code  
20 2001, is amended to read as follows:

21 a. The district department of correctional services shall  
22 place an individual committed to it under section 907.3 to the  
23 sanction and level of supervision which is appropriate to the  
24 individual based upon a current risk assessment evaluation.  
25 Placements may be to levels two and three of the corrections  
26 continuum. The district department may, with the approval of  
27 the Iowa department of public health and the department of  
28 corrections, place an individual in a level three substance  
29 abuse treatment facility established pursuant to section  
30 135.130, to assist the individual in complying with a  
31 condition of probation. The district department may, with the  
32 approval of the department of corrections, place an individual  
33 in a level four violator facility established pursuant to  
34 section 904.207 only as a penalty for a violation of a  
35 condition imposed under this section.

1     Sec. 12. REVERSION. Any moneys appropriated under this  
2 Act that are unexpended or unencumbered at the end of the  
3 fiscal year beginning July 1, 2001, and ending June 30, 2002,  
4 shall revert to the healthy Iowans tobacco trust.

5     Sec. 13. REFERENCES. References in this Act to the  
6 tobacco settlement endowment fund and to the savings account  
7 for healthy Iowans of the tobacco settlement endowment fund  
8 are references to the fund and the account pursuant to section  
9 12.65, Code 2001, and, unless otherwise provided,  
10 appropriations from the fund and the account are references to  
11 appropriations of moneys in the fund and the account on or  
12 before June 30, 2001, and such moneys shall remain available  
13 for appropriation for the fiscal year beginning July 1, 2001,  
14 and ending June 30, 2002, as provided in this Act.

15     Sec. 14. EFFECTIVE DATES.

16     1. Section 3, subsection 3, of this Act relating to  
17 transfer of the moneys remaining in the savings account for  
18 healthy Iowans created within the tobacco settlement endowment  
19 fund created in section 12.65, Code 2001, on June 30, 2001, to  
20 the healthy Iowans tobacco trust, being deemed of immediate  
21 importance, takes effect upon enactment.

22     2. Section 4 of this Act, relating to nonreversion of  
23 funds remaining unencumbered or unobligated which were  
24 appropriated for the purchase of service contract providers,  
25 being deemed of immediate importance, takes effect upon  
26 enactment.

27     Sec. 15. CONTINGENT EFFECTIVE DATE. The section in this  
28 Act amending section 12.65 shall take effect only if 2001 Iowa  
29 Acts, Senate File 532 is enacted. If 2001 Iowa Acts, Senate  
30 File 532 is not enacted, the section in this Act amending  
31 section 12.65 shall not take effect and references in this Act  
32 to the healthy Iowans tobacco trust are references to the  
33 tobacco settlement endowment fund created in section 12.65,  
34 Code 2001. If 2001 Iowa Acts, Senate File 532 is not enacted,  
35 all moneys paid to the state pursuant to the master settlement

1 agreement as defined in section 453C.1 shall be deposited in  
2 the tobacco settlement endowment fund created in section  
3 12.65, Code 2001.

4 EXPLANATION

5 This bill relates to and makes appropriations from the  
6 tobacco settlement endowment fund.

7 The bill makes the following appropriations to the  
8 department of human services:

9 1. Unless otherwise provided to maintain the reimbursement  
10 rate for all noninstitutional providers at the rate paid under  
11 the federal Medicare program during FY 2000-2001, and for  
12 continuation of the resource-based relative value system, for  
13 the fiscal year beginning July 1, 2001, and ending June 30,  
14 2002: \$11,595,718.

15 2. To maintain the reimbursement rate for dental services  
16 at the usual and customary rate as provided during FY 2000-  
17 2001 for the fiscal year beginning July 1, 2001, and ending  
18 June 30, 2002: \$3,814,973.

19 3. To maintain the cost-of-living adjustment for  
20 rehabilitative treatment services providers as provided during  
21 FY 2000-2001, for the fiscal year beginning July 1, 2001, and  
22 ending June 30, 2002: \$3,243,026.

23 4. To maintain the cost-of-living adjustment for adoption,  
24 independent living, shelter care, and home studies services  
25 providers as provided during FY 2000-2001, for the fiscal year  
26 beginning July 1, 2001, and ending June 30, 2002: \$468,967.

27 5. To maintain the reimbursement rate for hospitals as  
28 provided during FY 2000-2001, for the fiscal year beginning  
29 July 1, 2001, and ending June 30, 2002: \$3,035,278.

30 6. To maintain the reimbursement rate for home health  
31 agencies at the rate provided to such agencies as provided  
32 during FY 2000-2001, for the fiscal year beginning July 1,  
33 2001, and ending June 30, 2002: \$2,108,279.

34 7. To maintain the reimbursement rate for critical access  
35 hospitals at the rate provided such hospitals under the



1 federal Medicare program during FY 2000-2001, for the fiscal  
2 year beginning July 1, 2001, and ending June 30, 2002:  
3 \$250,000.

4 8. To maintain the expansion of home health care services  
5 and habilitative day care services under the medical  
6 assistance program for children with special needs:  
7 \$1,975,496.

8 9. To maintain the expansion of respite care services  
9 provided through home and community-based waiver services  
10 under the medical assistance program: \$1,137,309.

11 10. To maintain the reimbursement rate as provided during  
12 FY 2000-2001 for service providers under the purview of the  
13 department of human services: \$545,630.

14 The bill provides \$200,000 for supplementation of the  
15 appropriation for the children's health insurance program.

16 The bill provides \$4,000,000 for supplementation of the  
17 medical assistance appropriation.

18 The bill appropriates \$250,000 to the department of human  
19 services to provide coverage under the medical assistance  
20 program to certain women who require treatment for breast or  
21 cervical cancer. The bill also codifies language to include  
22 this optional category of coverage under the medical  
23 assistance program.

24 The bill appropriates \$9,345,394 to the Iowa department of  
25 public health for the tobacco use prevention and control  
26 program and \$11,900,000 for additional substance abuse  
27 treatment. Under this appropriation, the department is  
28 directed to enhance the quality of and to expand capacity to  
29 provide 24-hour substance abuse treatment programs for  
30 children; to expand the length of individual client substance  
31 abuse treatment plans, as necessary to reduce recidivism; to  
32 share research-based best practices for treatment with  
33 substance abuse treatment facilities; to develop a results-  
34 based funding approach for substance abuse treatment services;  
35 and to develop a program to encourage individuals who are

1 successfully managing their substance abuse problems to serve  
2 as role models.

3 The bill appropriates \$2,550,000 to the Iowa department of  
4 public health for development of a healthy Iowans 2010 plan  
5 including the use of up to the following amounts for the  
6 following purposes: \$1,250,000 for core public health  
7 functions including home health care and public health nursing  
8 services contracted through a formula by local boards of  
9 health, to enhance disease and injury prevention services;  
10 \$400,000 for the implementation and support of a coordinated  
11 system of delivery of trauma and emergency medical services;  
12 \$437,000 for the poison control center; \$300,000 for  
13 development of scientific and medical expertise in  
14 environmental epidemiology; \$81,500 for prevention strategies  
15 to address the leading causes of deaths of Iowans; and \$81,500  
16 for the childhood lead poisoning prevention program.

17 The bill appropriates \$610,000 to the department of  
18 corrections for day programming and the drug court program.

19 The bill appropriates \$146,750 to the property tax relief  
20 fund for the fiscal year beginning July 1, 2001, and ending  
21 June 30, 2002, for assistance to counties with limited county  
22 mental health, mental retardation, and developmental  
23 disabilities services fund balances to pay reimbursement  
24 increases in the same amount as provided in the fiscal year  
25 beginning July 1, 2000, and ending June 30, 2001.

26 The bill appropriates \$1,153,250 from the savings account  
27 for healthy Iowans created within the tobacco settlement  
28 endowment fund created in section 12.65, Code 2001, to the  
29 Iowa empowerment fund for the fiscal year beginning July 1,  
30 2001, and ending June 30, 2002, for deposit in the school  
31 ready children grants account and provides for distributing  
32 the moneys.

33 The bill appropriates \$2,000,000 from the savings account  
34 for healthy Iowans created within the tobacco settlement  
35 endowment fund created in section 12.65, Code 2001, to the

1 Iowa department of public health for the fiscal year beginning  
2 July 1, 2001, and ending June 30, 2002, for establishing and  
3 operating a substance abuse treatment facility and providing  
4 staffing for the facility to be used to provide substance  
5 abuse treatment for persons on probation and under the  
6 supervision of a judicial district department of correctional  
7 services.

8 The bill provides that any moneys remaining at the end of  
9 the fiscal year from the appropriation for the fiscal year  
10 beginning July 1, 2000, and ending June 30, 2001, for  
11 assistance to counties with limited county mental health,  
12 mental retardation, and developmental disabilities services  
13 fund balances to pay reimbursement increases, is to not  
14 revert, but is to be deposited in the healthy Iowans tobacco  
15 trust to be used for the purposes of the trust.

16 The bill also amends Code section 12.65, the tobacco  
17 settlement endowment fund, to rename the fund the healthy  
18 Iowans tobacco trust. The bill also provides that moneys  
19 appropriated from the healthy Iowans tobacco trust from the  
20 endowment for Iowa's health account of the tobacco settlement  
21 trust fund established in Code section 12E.12 and from any  
22 other source are to be deposited in the healthy Iowans tobacco  
23 trust. The bill eliminates the savings account for healthy  
24 Iowans that was established within the tobacco settlement  
25 endowment fund.

26 The bill provides that the department of public health  
27 shall establish a substance abuse treatment facility to  
28 provide a structured substance abuse treatment program for  
29 persons who are on probation and under the supervision of a  
30 judicial district department of correctional services. The  
31 bill provides that the department of public health and the  
32 department of corrections shall enter into a Code chapter 28E  
33 agreement to assist the department in establishing security  
34 for the facility. The bill provides that a judicial district  
35 may, with the approval of the department of public health and

1 the department of corrections, place a person who is on  
2 probation at the substance abuse treatment facility to assist  
3 the person in complying with the terms and conditions of  
4 probation.

5 The bill establishes a substance abuse treatment facility  
6 advisory council within the Iowa department of public health  
7 to advise and make recommendations to the director of public  
8 health. The members of the council shall consist of the  
9 directors of the eight judicial district departments of  
10 correctional services, and representatives of the judicial  
11 branch, the Iowa department of public health, the department  
12 of corrections, and the governor's office of drug control  
13 policy.

14 The bill provides that moneys appropriated in the bill that  
15 are unexpended or unencumbered at the end of the fiscal year  
16 beginning July 1, 2001, and ending June 30, 2002, are to  
17 revert to the healthy Iowans tobacco trust.

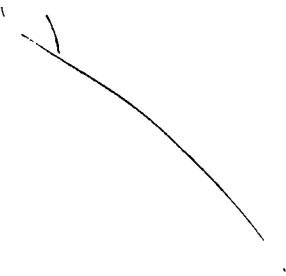
18 The bill provides that references in the bill to the  
19 tobacco settlement endowment fund and to the savings account  
20 for healthy Iowans are to the fund and the account as created  
21 in section 12.65, Code 2001, and that unless otherwise  
22 provided, appropriations from the fund and the account are  
23 from moneys in the fund and the account on or before June 30,  
24 2001, and such moneys are to remain available for  
25 appropriation in the fiscal year beginning July 1, 2001, and  
26 ending June 30, 2002, as provided in the bill.

27 The bill provides that the section of the bill relating to  
28 nonreversion of moneys appropriated for purchase of service  
29 contract providers and the section of the bill relating to the  
30 transfer of moneys remaining in the savings account for  
31 healthy Iowans on June 30, 2001, to the healthy Iowans tobacco  
32 trust take effect upon enactment.

33 The bill provides that the section in the bill amending  
34 section 12.65 takes effect only if 2001 Iowa Acts, Senate File  
35 532 takes effect and that if 2001 Iowa Acts, Senate File 532

1 is not enacted, the section in the bill amending section 12.65  
2 does not take effect and the references to the healthy Iowans  
3 tobacco trust are references to the tobacco settlement  
4 endowment fund created in section 12.65, Code 2001. If 2001  
5 Iowa Acts, Senate File 532 is not enacted, all moneys paid to  
6 the state under the master settlement agreement are to be  
7 deposited in the tobacco settlement endowment fund created in  
8 section 12.65, Code 2001.

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SENATE FILE 537

S-3538

- 1 Amend Senate File 537 as follows:
- 2 1. Page 5, line 19, by striking the figure
- 3 "610,000" and inserting the following: "780,000".
- 4 2. Page 5, by inserting after line 34 the
- 5 following:
- 6 "e. Of the funds appropriated in this subsection,
- 7 \$170,000 is allocated to the third judicial district
- 8 department of correctional services to replace expired
- 9 federal funding for the juvenile drug court program."

By STEVEN D. HANSEN

S-3538 FILED APRIL 26, 2001

LOST (P.1351)

SENATE FILE 537

S-3547

- 1 Amend Senate File 537 as follows:
- 2 1. Page 7, by striking lines 4 through 14.
- 3 2. By striking page 9, line 7, through page 10,
- 4 line 15.
- 5 3. Page 11, by striking lines 14 through 35.
- 6 4. By renumbering as necessary.

By STEVEN D. HANSEN

S-3547 FILED APRIL 26, 2001

WITHDRAWN

(P.1351)

SENATE FILE 537

S-3539

1 Amend Senate File 537 as follows:  
 2 1. Page 4, line 6, by striking the figure  
 3 "11,900,000" and inserting the following:  
 4 "11,825,000".  
 5 2. Page 5, by inserting after line 17, the  
 6 following:  
 7 "d. For provision of smoking cessation products as  
 8 provided in this paragraph:  
 9 ..... \$ 75,000  
 10 The department shall award grants to free health  
 11 clinics that are tax-exempt organizations pursuant to  
 12 26 U.S.C. § 501 (c) (3) to fund the provision of  
 13 smoking cessation products to patients. The  
 14 department shall adopt a methodology for the awarding  
 15 of the grants to the health clinics based upon the  
 16 order of receipt of applications."  
 17 3. By renumbering as necessary.

By MARY A. LUNDBY  
 MARY E. KRAMER

S-3539 FILED APRIL 26, 2001  
 ADOPTED (P. 1351)

SENATE FILE 537

S-3544

1 Amend Senate File 537 as follows:  
 2 1. Page 1, line 19, by striking the figure  
 3 "11,595,718" and inserting the following:  
 4 "8,095,718".  
 5 2. Page 1, lines 30 and 31, by striking the words  
 6 "the medical assistance program" and inserting the  
 7 following: "child and family services".  
 8 3. Page 3, line 10, by striking the figure  
 9 "4,000,000" and inserting the following: "7,500,000".  
 10 4. Page 11, by inserting after line 35, the  
 11 following:  
 12 "Sec. \_\_\_\_ . 2000 Iowa Acts, chapter 1221, section  
 13 1, subsection 1, paragraph c, is amended to read as  
 14 follows:  
 15 c. To provide a cost-of-living adjustment for the  
 16 fiscal year July 1, 2000, through June 30, 2001, of 5  
 17 percent to rehabilitative treatment and support  
 18 services providers ~~under the medical assistance~~  
 19 program receiving child and family services  
 20 reimbursements:  
 21 ..... \$ 3,100,000"

By MARY E. KRAMER  
 JOHNIE HAMMOND

S-3544 FILED APRIL 26, 2001  
 ADOPTED (P. 1351)





1 Section 1. HEALTHY IOWANS TOBACCO TRUST -- APPROPRIATIONS  
2 TO DEPARTMENTS. There is appropriated from the healthy Iowans  
3 tobacco trust created in section 12.65 to the following  
4 departments for the fiscal year beginning July 1, 2001, and  
5 ending June 30, 2002, the following amounts, or so much  
6 thereof as is necessary, to be used for the purposes  
7 designated:

8 1. To the department of human services:

9 a. Unless otherwise provided, to maintain the  
10 reimbursement rate for all noninstitutional medical assistance  
11 providers, with the exception of anesthesia and dental  
12 services, at the rate provided under the federal Medicare  
13 program for such providers during the fiscal year beginning  
14 July 1, 2000, and ending June 30, 2001, as specified in 2000  
15 Iowa Acts, chapter 1221, section 1, subsection 1, paragraph  
16 "a", for the fiscal year July 1, 2001, through June 30, 2002,  
17 and to continue the resource-based relative value system of  
18 reimbursement under the medical assistance program:

19 ..... \$ 8,095,718

20 b. To maintain the reimbursement rate at the usual and  
21 customary rate as established in 2000 Iowa Acts, chapter 1221,  
22 section 1, subsection 1, paragraph "b", for the fiscal year  
23 July 1, 2001, through June 30, 2002, for dental services under  
24 the medical assistance program:

25 ..... \$ 3,814,973

26 c. To maintain the cost-of-living adjustment as  
27 established in 2000 Iowa Acts, chapter 1221, section 1,  
28 subsection 1, paragraph "c", for the fiscal year July 1, 2001,  
29 through June 30, 2002, for rehabilitative treatment and  
30 support services providers under child and family services:

31 ..... \$ 3,243,026

32 d. To maintain the cost-of-living adjustment as  
33 established in 2000 Iowa Acts, chapter 1221, section 1,  
34 subsection 1, paragraph "d", for the fiscal year July 1, 2001,  
35 through June 30, 2002, for adoption, independent living,

1 shelter care, and home studies services providers:

2 ..... \$ 468,967

3 e. To maintain the reimbursement rate as established in  
4 2000 Iowa Acts, chapter 1221, section 1, subsection 1,  
5 paragraph "e", for the fiscal year July 1, 2001, through June  
6 30, 2002, for hospitals under the medical assistance program:

7 ..... \$ 3,035,278

8 f. To maintain the reimbursement rate as established in  
9 2000 Iowa Acts, chapter 1221, section 1, subsection 1,  
10 paragraph "f", for the fiscal year July 1, 2001, through June  
11 30, 2002, for home health care services under the medical  
12 assistance program:

13 ..... \$ 2,108,279

14 g. To maintain the reimbursement rate as established in  
15 2000 Iowa Acts, chapter 1221, section 1, subsection 1,  
16 paragraph "g", for the fiscal year July 1, 2001, through June  
17 30, 2002, for critical access hospitals under the medical  
18 assistance program:

19 ..... \$ 250,000

20 h. To maintain the expansion of home health care services  
21 and habilitative day care as established in 2000 Iowa Acts,  
22 chapter 1221, section 1, subsection 1, paragraph "h", under  
23 the medical assistance program for children with special  
24 needs:

25 ..... \$ 1,975,496

26 i. To maintain the expansion of respite care services  
27 provided through home and community-based waivers as  
28 established in 2000 Iowa Acts, chapter 1221, section 1,  
29 subsection 1, paragraph "i", under the medical assistance  
30 program:

31 ..... \$ 1,137,309

32 j. To maintain the reimbursement rate as established in  
33 2000 Iowa Acts, chapter 1221, section 1, subsection 1,  
34 paragraph "j", for the fiscal year July 1, 2001, through June  
35 30, 2002, to service providers under the purview of the

1 department of human services:

2 ..... \$ 545,630

3 2. To the department of human services to continue the  
4 supplementation of the children's health insurance program  
5 appropriation:

6 ..... \$ 200,000

7 3. To the department of human services to continue the  
8 supplementation of the medical assistance appropriation:

9 ..... \$ 7,500,000

10 4. To the department of human services to provide coverage  
11 under the medical assistance program to women who require  
12 treatment for breast or cervical cancer as provided in section  
13 249A.3, subsection 2, paragraph aa:

14 ..... \$ 250,000

15 5. To the Iowa department of public health:

16 a. For the tobacco use prevention and control initiative,  
17 including efforts at the state and local levels, as provided  
18 in chapter 142A and for not more than the following full-time  
19 equivalent positions:

20 ..... \$ 9,345,394

21 ..... FTEs 7.00

22 (1) The director of public health shall dedicate  
23 sufficient resources to promote and ensure retailer compliance  
24 with tobacco laws and ordinances relating to persons under 18  
25 years of age, and shall prioritize the state's compliance in  
26 the allocation of available funds to comply with 42 U.S.C.  
27 300X-26 and section 453A.2.

28 (2) Of the full-time equivalent positions funded under  
29 this section, two full-time equivalent positions shall be  
30 utilized to provide for enforcement of tobacco laws,  
31 regulations, and ordinances under a chapter 28D agreement  
32 entered into between the Iowa department of public health and  
33 the alcoholic beverages division of the department of  
34 commerce.

35 (3) Of the funds appropriated in this paragraph "a", not

1 more than \$525,759 shall be expended on administration and  
2 management of the program.

3 b. For additional substance abuse treatment under the  
4 substance abuse treatment program:

5 ..... \$ 11,825,000

6 (1) The department shall use funds appropriated in this  
7 paragraph "b" to enhance the quality of and to expand the  
8 capacity to provide 24-hour substance abuse treatment  
9 programs.

10 (2) The department shall use funds appropriated in this  
11 paragraph to expand the length of individual client substance  
12 abuse treatment plans, as necessary to reduce program  
13 recidivism.

14 (3) The department shall use funds appropriated in this  
15 paragraph to share research-based best practices for treatment  
16 with substance abuse treatment facilities.

17 (4) The department shall use funds appropriated in this  
18 paragraph to develop a results-based funding approach for  
19 substance abuse treatment services.

20 (5) The department shall use funds appropriated in this  
21 paragraph to develop a program to encourage individuals who  
22 are successfully managing their substance abuse problems to  
23 serve as role models.

24 c. For the healthy Iowans 2010 plan within the Iowa  
25 department of public health and for not more than the  
26 following full-time equivalent positions:

27 ..... \$ 2,550,000

28 ..... FTEs 4.00

29 (1) Of the funds appropriated in this paragraph "c", not  
30 more than \$1,250,000 shall be used for core public health  
31 functions, including home health care and public health  
32 nursing services, contracted through a formula by local boards  
33 of health, to enhance disease and injury prevention services.

34 (2) Of the funds appropriated in this paragraph "c", not  
35 more than \$400,000 shall be used for the continuation and

1 support of a coordinated system of delivery of trauma and  
2 emergency medical services.

3 (3) Of the funds appropriated in this paragraph "c", not  
4 more than \$437,000 shall be used for the state poison control  
5 center.

6 (4) Of the funds appropriated in this paragraph "c", not  
7 more than \$300,000 shall be used for the development of  
8 scientific and medical expertise in environmental  
9 epidemiology.

10 (5) Of the funds appropriated in this paragraph "c", not  
11 more than \$81,500 shall be used to implement prevention  
12 strategies of healthy Iowans 2010 to address the leading  
13 causes of death in Iowa.

14 (6) Of the funds appropriated in this paragraph "c", not  
15 more than \$81,500 shall be used for the childhood lead  
16 poisoning prevention program.

17 d. For provision of smoking cessation products as provided  
18 in this paragraph:

19 ..... \$ 75,000

20 The department shall award grants to free health clinics  
21 that are tax-exempt organizations pursuant to 26 U.S.C. § 501  
22 (c)(3) to fund the provision of smoking cessation products to  
23 patients. The department shall adopt a methodology for the  
24 awarding of the grants to the health clinics based upon the  
25 order of receipt of applications.

26 6. To the department of corrections:  
27 ..... \$ 610,000

28 a. Of the funds appropriated in this subsection, \$127,217  
29 is allocated to the second judicial district department of  
30 correctional services to replace expired federal funding for  
31 day programming.

32 b. Of the funds appropriated in this subsection \$35,359 is  
33 allocated to the third judicial district department of  
34 correctional services to replace expired federal funding for  
35 the drug court program.

1 c. Of the funds appropriated in this subsection, \$191,731  
2 is allocated to the fourth judicial district department of  
3 correctional services for a drug court program.

4 d. Of the funds appropriated in this subsection, \$255,692  
5 is allocated to the fifth judicial district department of  
6 correctional services to replace expired funding for the drug  
7 court program.

8 Sec. 2. PURCHASE OF SERVICE CONTRACT PROVIDERS --

9 REIMBURSEMENT INCREASE. There is appropriated from the  
10 healthy Iowans tobacco trust created in section 12.65 to the  
11 property tax relief fund created in section 426B.1 for the  
12 fiscal year beginning July 1, 2001, and ending June 30, 2002,  
13 the following amount, or so much thereof as is necessary, to  
14 be used for the purposes designated:

15 For assistance to the counties with limited county mental  
16 health, mental retardation, and developmental disabilities  
17 services fund balances which were selected in accordance with  
18 2000 Iowa Acts, chapter 1221, section 3 to receive such  
19 assistance in the same amount provided during the fiscal year  
20 beginning July 1, 2000, and ending June 30, 2001, to pay  
21 reimbursement increases in accordance with 2000 Iowa Acts,  
22 chapter 1221, section 3:

23 ..... \$ 146,750

24 Sec. 3. SAVINGS ACCOUNT FOR HEALTHY IOWANS --

25 APPROPRIATIONS. There is appropriated from the savings  
26 account for healthy Iowans created within the tobacco  
27 settlement endowment fund created in section 12.65, Code 2001,  
28 to the following funds and entities for the fiscal year  
29 beginning July 1, 2001, and ending June 30, 2002, the  
30 following amounts, or so much thereof as is necessary, to be  
31 used for the purposes designated:

32 1. To the Iowa empowerment fund created in section 28.9  
33 for deposit in the school ready children grants account and  
34 for distribution as provided in this subsection:

35 ..... \$ 1,153,250

1 The moneys appropriated in this subsection shall be used  
2 along with other appropriations made to the Iowa empowerment  
3 fund and shall be distributed for the fiscal year beginning  
4 July 1, 2001, in the same proportion that the annualized grant  
5 amount for each designated community empowerment area in the  
6 previous fiscal year bears to the adjusted total amount  
7 distributed for school ready children grants in the previous  
8 fiscal year. The adjusted total amount distributed shall be  
9 calculated by reflecting an annualized grant amount for each  
10 community empowerment area that received a grant in that  
11 fiscal year.

12 2. To the Iowa department of public health to be used for  
13 the purpose designated and for not more than the following  
14 full-time equivalent positions:

15 For establishing and operating the substance abuse  
16 treatment facility for persons on probation as created in  
17 section 135.130 and providing staffing for the facility to be  
18 used exclusively to provide substance abuse treatment for  
19 persons on probation and under the supervision of the judicial  
20 district department of correctional services:

21 .....	\$	2,000,000
22 .....	FTEs	60.00

23 3. Any moneys remaining in the savings account for healthy  
24 Iowans created within the tobacco settlement endowment fund  
25 created in section 12.65, Code 2001, on June 30, 2001, shall  
26 be transferred to the healthy Iowans tobacco trust created in  
27 section 12.65, as amended in this Act, to be used for the  
28 purposes specified in that section.

29 Sec. 4. PRIOR YEAR NONREVERSION. Notwithstanding 2000  
30 Iowa Acts, chapter 1221, section 5, moneys appropriated under  
31 2000 Iowa Acts, chapter 1221, section 3, for purchase of  
32 service contract providers which is unexpended or unencumbered  
33 at the end of the fiscal year beginning July 1, 2000, and  
34 ending June 30, 2001, shall be deposited in the healthy Iowans  
35 tobacco trust created in section 12.65, as amended in this

1 Act, to be used for the purposes specified in that section.

2 Sec. 5. Section 12.65, Code 2001, is amended to read as  
3 follows:

4 12.65 HEALTHY IOWANS TOBACCO SETTLEMENT-ENDOWMENT-FUND  
5 TRUST.

6 1. A healthy Iowans tobacco settlement-endowment-fund  
7 trust is created in the office of the treasurer of state.  
8 ~~After-payment-of-litigation-costs, all moneys paid to the~~  
9 ~~state pursuant to the master settlement agreement, as defined~~  
10 ~~in section 453E.17, Moneys appropriated to the healthy Iowans~~  
11 ~~tobacco trust from the endowment for Iowa's health account of~~  
12 ~~the tobacco settlement trust fund established in section~~  
13 ~~12E.12 and from any other source shall be deposited in the~~  
14 ~~fund healthy Iowans tobacco trust.~~

15 2. ~~Any moneys paid to the state by the tobacco settlement~~  
16 ~~authority pursuant to chapter 12E shall be deposited in the~~  
17 ~~fund. Additionally, the state's share of the moneys which are~~  
18 ~~not sold to the tobacco settlement authority pursuant to~~  
19 ~~chapter 12E shall be deposited in the fund.~~

20 3. 2. Moneys deposited in the fund healthy Iowans tobacco  
21 trust shall be used only in accordance with appropriations  
22 from the fund healthy Iowans tobacco trust for purposes  
23 related to health care, substance abuse treatment and  
24 enforcement, tobacco use prevention and control, and other  
25 purposes related to the needs of children, adults, and  
26 families in the state.

27 4. ~~A savings account for healthy Iowans is created within~~  
28 ~~the tobacco settlement endowment fund. Moneys, appropriated~~  
29 ~~annually, shall be deposited in the account and shall be~~  
30 ~~invested to provide an ongoing source of investment earnings.~~

31 5. 3. Notwithstanding section 8.33, any unexpended balance  
32 in the fund healthy Iowans tobacco trust at the end of the  
33 fiscal year shall be retained in the fund trust.

34 Notwithstanding section 12C.7, subsection 2, interest or  
35 earnings on investments or time deposits of the moneys in the



1 ~~healthy Iowans tobacco settlement-endowment-fund,--in-the~~  
2 ~~savings-account-for-healthy-Iowans,--and-in-any-other-account~~  
3 ~~established-within-the-fund trust~~ shall be credited to the  
4 ~~healthy Iowans tobacco settlement-endowment-fund,--to-the~~  
5 ~~savings-account-for-healthy-Iowans,--or-to-any-other-account~~  
6 ~~established,--respectively trust.~~

7 ~~6.---For-the-purposes-of-this-section,--"litigation-costs"~~  
8 ~~are-those-costs-itemized-by-the-attorney-general-and-submitted~~  
9 ~~to-and-approved-by-the-attorney-general.~~

10 7: 4. Moneys in the fund healthy Iowans tobacco trust  
11 shall be considered part of the general fund of the state for  
12 cash flow purposes only, provided any moneys used for cash  
13 flow purposes are returned to the fund trust by the close of  
14 each fiscal year.

15 Sec. 6. Section 135.11, Code 2001, is amended by adding  
16 the following new subsection:

17 NEW SUBSECTION. 26. Establish and administer a substance  
18 abuse treatment facility pursuant to section 135.130.

19 DIVISION XIII

20 Sec. 7. NEW SECTION. 135.130 SUBSTANCE ABUSE TREATMENT  
21 FACILITY FOR PERSONS ON PROBATION.

22 1. The director shall establish and operate a facility for  
23 the purpose of providing a structured treatment program for  
24 persons with a substance abuse problem who are on probation  
25 and under the supervision of a judicial district department of  
26 correctional services. The department shall enter into an  
27 agreement pursuant to chapter 28E with the department of  
28 corrections for assistance in establishing security for the  
29 facility. The department, in consultation with the department  
30 of corrections, shall adopt rules pursuant to chapter 17A to  
31 administer this section. The rules adopted shall include  
32 rules related to the treatment requirements of the program.

33 2. A substance abuse treatment facility advisory council  
34 is established within the department to advise and make  
35 recommendations to the director regarding the establishment

1 and operation of a facility for persons with a substance abuse  
2 problem who are on probation and to assist with the  
3 implementation of treatment programs that are proven to be  
4 effective for offenders. The substance abuse treatment  
5 facility advisory council shall consist of the directors of  
6 the eight judicial district departments of correctional  
7 services and one representative each from the judicial branch,  
8 the Iowa department of public health, the department of  
9 corrections, and the governor's office of drug control policy.

10 3. The department, in consultation with the department of  
11 corrections and the advisory council, shall adopt rules  
12 pursuant to chapter 17A to establish and operate the facility.

13 Sec. 8. Section 136.3, subsection 7, Code 2001, is amended  
14 to read as follows:

15 7. Adopt, promulgate, amend, and repeal rules and  
16 regulations consistent with law for the protection of the  
17 public health and prevention of substance abuse, and for the  
18 guidance of the department. All rules which have been or are  
19 hereafter adopted by the department shall be subject to  
20 approval by the board. However, rules adopted by the  
21 commission on substance abuse for section 125.7, subsections 1  
22 and 7, and rules adopted by the department pursuant to section  
23 135.130 are not subject to approval by the board of health.

24 Sec. 9. Section 249A.3, subsection 2, Code 2001, is  
25 amended by adding the following new paragraph after paragraph  
26 a, and renumbering the subsequent paragraph:

27 NEW PARAGRAPH. aa. As provided under the federal Breast  
28 and Cervical Cancer Prevention and Treatment Act of 2000, Pub.  
29 L. No. 106-354, women who meet all of the following criteria:

30 (1) Are not described in 42 U.S.C. § 1396a(a)(10)(A)(i).

31 (2) Have not attained age sixty-five.

32 (3) Have been screened for breast and cervical cancer

33 under the United States centers for disease control and  
34 prevention breast and cervical cancer early detection program  
35 established under 42 U.S.C. § 300k et seq., in accordance with

1 the requirements of 42 U.S.C. § 300n, and need treatment for  
2 breast or cervical cancer. A woman is considered screened for  
3 breast and cervical cancer under this subparagraph if the  
4 woman is screened by any provider or entity, and the state  
5 grantee of the United States centers for disease control and  
6 prevention funds under Title XV of the federal Public Health  
7 Services Act has elected to include screening activities by  
8 that provider or entity as screening activities pursuant to  
9 Title XV of the federal Public Health Services Act. This  
10 screening includes but is not limited to breast or cervical  
11 cancer screenings or related diagnostic services provided by  
12 family planning or community health centers and breast cancer  
13 screenings funded by the Susan G. Komen foundation which are  
14 provided to women who meet the eligibility requirements  
15 established by the state grantee of the United States centers  
16 for disease control and prevention funds under Title XV of the  
17 federal Public Health Services Act.

18 (4) Are not otherwise covered under creditable coverage as  
19 defined in 42 U.S.C. § 300gg(c).

20 A woman who meets the criteria of this paragraph shall be  
21 presumptively eligible for medical assistance.

22 Sec. 10. Section 901B.1, subsection 1, paragraph c, Code  
23 2001, is amended by adding the following new subparagraph:

24 NEW SUBPARAGRAPH. (5) A substance abuse treatment  
25 facility as established and operated by the Iowa department of  
26 public health.

27 Sec. 11. Section 901B.1, subsection 4, paragraph a, Code  
28 2001, is amended to read as follows:

29 a. The district department of correctional services shall  
30 place an individual committed to it under section 907.3 to the  
31 sanction and level of supervision which is appropriate to the  
32 individual based upon a current risk assessment evaluation.  
33 Placements may be to levels two and three of the corrections  
34 continuum. The district department may, with the approval of  
35 the Iowa department of public health and the department of

1 corrections, place an individual in a level three substance  
2 abuse treatment facility established pursuant to section  
3 135.130, to assist the individual in complying with a  
4 condition of probation. The district department may, with the  
5 approval of the department of corrections, place an individual  
6 in a level four violator facility established pursuant to  
7 section 904.207 only as a penalty for a violation of a  
8 condition imposed under this section.

9 Sec. 12. 2000 Iowa Acts, chapter 1221, section 1,  
10 subsection 1, paragraph c, is amended to read as follows:

11 c. To provide a cost-of-living adjustment for the fiscal  
12 year July 1, 2000, through June 30, 2001, of 5 percent to  
13 rehabilitative treatment and support services providers under  
14 the-medical-assistance-program receiving child and family  
15 services reimbursements:

16 ..... \$ 3,100,000

17 Sec. 13. REVERSION. Any moneys appropriated under this  
18 Act that are unexpended or unencumbered at the end of the  
19 fiscal year beginning July 1, 2001, and ending June 30, 2002,  
20 shall revert to the healthy Iowans tobacco trust.

21 Sec. 14. REFERENCES. References in this Act to the  
22 tobacco settlement endowment fund and to the savings account  
23 for healthy Iowans of the tobacco settlement endowment fund  
24 are references to the fund and the account pursuant to section  
25 12.65, Code 2001, and, unless otherwise provided,  
26 appropriations from the fund and the account are references to  
27 appropriations of moneys in the fund and the account on or  
28 before June 30, 2001, and such moneys shall remain available  
29 for appropriation for the fiscal year beginning July 1, 2001,  
30 and ending June 30, 2002, as provided in this Act.

31 Sec. 15. EFFECTIVE DATES.

32 1. Section 3, subsection 3, of this Act relating to  
33 transfer of the moneys remaining in the savings account for  
34 healthy Iowans created within the tobacco settlement endowment  
35 fund created in section 12.65, Code 2001, on June 30, 2001, to

1 the healthy Iowans tobacco trust, being deemed of immediate  
2 importance, takes effect upon enactment.

3 2. Section 4 of this Act, relating to nonreversion of  
4 funds remaining unencumbered or unobligated which were  
5 appropriated for the purchase of service contract providers,  
6 being deemed of immediate importance, takes effect upon  
7 enactment.

8 Sec. 16. CONTINGENT EFFECTIVE DATE. The section in this  
9 Act amending section 12.65 shall take effect only if 2001 Iowa  
10 Acts, Senate File 532 is enacted. If 2001 Iowa Acts, Senate  
11 File 532 is not enacted, the section in this Act amending  
12 section 12.65 shall not take effect and references in this Act  
13 to the healthy Iowans tobacco trust are references to the  
14 tobacco settlement endowment fund created in section 12.65,  
15 Code 2001. If 2001 Iowa Acts, Senate File 532 is not enacted,  
16 all moneys paid to the state pursuant to the master settlement  
17 agreement as defined in section 453C.1 shall be deposited in  
18 the tobacco settlement endowment fund created in section  
19 12.65, Code 2001.

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H-1801

1 Amend Senate File 537 as amended, passed, and  
 2 reprinted by the Senate, as follows:  
 3 1. Page 7, by striking lines 1 through 11, and  
 4 inserting the following:  
 5 "The moneys appropriated in this subsection shall  
 6 be used along with other appropriations made to the  
 7 Iowa empowerment fund and shall be distributed as  
 8 provided in 2001 Iowa Acts, Senate File 535, if  
 9 enacted by the Seventy-ninth General Assembly, 2001  
 10 session."  
 11 2. Page 8, line 10, by striking the word  
 12 "appropriated" and inserting the following:  
 13 "transferred".  
 14 3. Page 8, line 13, by inserting after the word  
 15 "and" the following: "appropriated or transferred".

By HEATON of Henry

H-1801 FILED MAY 1, 2001

*Adopted 5/3/01 (p. 1826)*

H-1830

1 Amend Senate File 537, as amended, passed, and  
 2 reprinted by the Senate, as follows:  
 3 1. Page 4, line 5, by striking the figure  
 4 "11,825,000" and inserting the following:  
 5 "11,900,000".  
 6 2. Page 5, by striking lines 17 through 25.  
 7 3. By renumbering as necessary.

By SENG of Scott

H-1830 FILED MAY 1, 2001

*Adopted 5/3/01 (p. 1825)*

HOUSE AMENDMENT TO  
 SENATE FILE 537

S-3645

1 Amend Senate File 537, as amended, passed, and  
 2 reprinted by the Senate, as follows:  
 3 1. Page 4, line 5, by striking the figure  
 4 "11,825,000" and inserting the following:  
 5 "11,900,000".  
 6 2. Page 5, by striking lines 17 through 25.  
 7 3. Page 7, by striking lines 1 through 11, and  
 8 inserting the following:  
 9 "The moneys appropriated in this subsection shall  
 10 be used along with other appropriations made to the  
 11 Iowa empowerment fund and shall be distributed as  
 12 provided in 2001 Iowa Acts, Senate File 535, if  
 13 enacted by the Seventy-ninth General Assembly, 2001  
 14 session."  
 15 4. Page 8, line 10, by striking the word  
 16 "appropriated" and inserting the following:  
 17 "transferred".  
 18 5. Page 8, line 13, by inserting after the word  
 19 "and" the following: "appropriated or transferred".  
 20 6. By renumbering, relettering, or redesignating  
 21 and correcting internal references as necessary.

RECEIVED FROM THE HOUSE

*Senate Concurred 5/1/01 (p. 1532)*

S-3645 FILED MAY 3, 2001

SENATE FILE 537

S-3655

1 Amend the House amendment, S-3645, to Senate File  
2 537, as amended, passed, and reprinted by the Senate,  
3 as follows:

- 4 1. Page 1, by striking lines 3 through 6.  
5 2. By renumbering as necessary.

By MARY A. LUNDBY  
MARY E. KRAMER  
JEFF LAMBERTI

S-3655 FILED MAY 7, 2001

ADOPTED

(P. 1532)

SENATE AMENDMENT TO HOUSE AMENDMENT TO SENATE FILE 537

H-2027

1 Amend the House amendment, S-3645, to Senate File  
2 537, as amended, passed, and reprinted by the Senate,  
3 as follows:

- 4 1. Page 1, by striking lines 3 through 6.  
5 2. By renumbering as necessary.

RECEIVED FROM THE SENATE

H-2027 FILED MAY 7, 2001

*House Concurred 5/7/01 (P. 1945)*

SENATE FILE 537

AN ACT

RELATING TO AND MAKING APPROPRIATIONS FROM THE TOBACCO SETTLEMENT ENDOWMENT FUND AND THE HEALTHY IOWANS TOBACCO TRUST, ESTABLISHING CERTAIN USES FOR THE APPROPRIATIONS, AND PROVIDING EFFECTIVE DATES.

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

Section 1. HEALTHY IOWANS TOBACCO TRUST -- APPROPRIATIONS TO DEPARTMENTS. There is appropriated from the healthy Iowans tobacco trust created in section 12.65 to the following departments for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. To the department of human services:

a. Unless otherwise provided, to maintain the reimbursement rate for all noninstitutional medical assistance providers, with the exception of anesthesia and dental services, at the rate provided under the federal Medicare program for such providers during the fiscal year beginning July 1, 2000, and ending June 30, 2001, as specified in 2000 Iowa Acts, chapter 1221, section 1, subsection 1, paragraph "a", for the fiscal year July 1, 2001, through June 30, 2002, and to continue the resource-based relative value system of reimbursement under the medical assistance program:
..... \$ 8,095,718

b. To maintain the reimbursement rate at the usual and customary rate as established in 2000 Iowa Acts, chapter 1221, section 1, subsection 1, paragraph "b", for the fiscal year July 1, 2001, through June 30, 2002, for dental services under the medical assistance program:
..... \$ 3,814,973

c. To maintain the cost-of-living adjustment as established in 2000 Iowa Acts, chapter 1221, section 1, subsection 1, paragraph "c", for the fiscal year July 1, 2001, through June 30, 2002, for rehabilitative treatment and support services providers under child and family services:
..... \$ 3,243,026

d. To maintain the cost-of-living adjustment as established in 2000 Iowa Acts, chapter 1221, section 1, subsection 1, paragraph "d", for the fiscal year July 1, 2001, through June 30, 2002, for adoption, independent living, shelter care, and home studies services providers:
..... \$ 468,967

e. To maintain the reimbursement rate as established in 2000 Iowa Acts, chapter 1221, section 1, subsection 1, paragraph "e", for the fiscal year July 1, 2001, through June 30, 2002, for hospitals under the medical assistance program:
..... \$ 3,035,278

f. To maintain the reimbursement rate as established in 2000 Iowa Acts, chapter 1221, section 1, subsection 1, paragraph "f", for the fiscal year July 1, 2001, through June 30, 2002, for home health care services under the medical assistance program:
..... \$ 2,108,279

g. To maintain the reimbursement rate as established in 2000 Iowa Acts, chapter 1221, section 1, subsection 1, paragraph "g", for the fiscal year July 1, 2001, through June 30, 2002, for critical access hospitals under the medical assistance program:
..... \$ 250,000

h. To maintain the expansion of home health care services and habilitative day care as established in 2000 Iowa Acts, chapter 1221, section 1, subsection 1, paragraph "h", under the medical assistance program for children with special needs:
..... \$ 1,975,496



1. To maintain the expansion of respite care services provided through home and community-based waivers as established in 2000 Iowa Acts, chapter 1221, section 1, subsection 1, paragraph "i", under the medical assistance program:

..... \$ 1,137,309

j. To maintain the reimbursement rate as established in 2000 Iowa Acts, chapter 1221, section 1, subsection 1, paragraph "j", for the fiscal year July 1, 2001, through June 30, 2002, to service providers under the purview of the department of human services:

..... \$ 545,630

2. To the department of human services to continue the supplementation of the children's health insurance program appropriation:

..... \$ 200,000

3. To the department of human services to continue the supplementation of the medical assistance appropriation:

..... \$ 7,500,000

4. To the department of human services to provide coverage under the medical assistance program to women who require treatment for breast or cervical cancer as provided in section 249A.3, subsection 2, paragraph "aa":

..... \$ 250,000

5. To the Iowa department of public health:

a. For the tobacco use prevention and control initiative, including efforts at the state and local levels, as provided in chapter 142A and for not more than the following full-time equivalent positions:

..... \$ 9,345,394

..... FTEs 7.00

(1) The director of public health shall dedicate sufficient resources to promote and ensure retailer compliance with tobacco laws and ordinances relating to persons under 18 years of age, and shall prioritize the state's compliance in the allocation of available funds to comply with 42 U.S.C. § 300X-26 and section 453A.2.

(2) Of the full-time equivalent positions funded under this section, two full-time equivalent positions shall be utilized to provide for enforcement of tobacco laws, regulations, and ordinances under a chapter 28D agreement entered into between the Iowa department of public health and the alcoholic beverages division of the department of commerce.

(3) Of the funds appropriated in this paragraph "a", not more than \$525,759 shall be expended on administration and management of the program.

b. For additional substance abuse treatment under the substance abuse treatment program:

..... \$ 11,825,000

(1) The department shall use funds appropriated in this paragraph "b" to enhance the quality of and to expand the capacity to provide 24-hour substance abuse treatment programs.

(2) The department shall use funds appropriated in this paragraph to expand the length of individual client substance abuse treatment plans, as necessary to reduce program recidivism.

(3) The department shall use funds appropriated in this paragraph to share research-based best practices for treatment with substance abuse treatment facilities.

(4) The department shall use funds appropriated in this paragraph to develop a results-based funding approach for substance abuse treatment services.

(5) The department shall use funds appropriated in this paragraph to develop a program to encourage individuals who are successfully managing their substance abuse problems to serve as role models.

c. For the healthy Iowans 2010 plan within the Iowa department of public health and for not more than the following full-time equivalent positions:

..... \$ 2,550,000

..... FTEs 4.00

(1) Of the funds appropriated in this paragraph "c", not more than \$1,250,000 shall be used for core public health functions, including home health care and public health nursing services, contracted through a formula by local boards of health, to enhance disease and injury prevention services.

(2) Of the funds appropriated in this paragraph "c", not more than \$400,000 shall be used for the continuation and support of a coordinated system of delivery of trauma and emergency medical services.

(3) Of the funds appropriated in this paragraph "c", not more than \$437,000 shall be used for the state poison control center.

(4) Of the funds appropriated in this paragraph "c", not more than \$300,000 shall be used for the development of scientific and medical expertise in environmental epidemiology.

(5) Of the funds appropriated in this paragraph "c", not more than \$81,500 shall be used to implement prevention strategies of healthy Iowans 2010 to address the leading causes of death in Iowa.

(6) Of the funds appropriated in this paragraph "c", not more than \$81,500 shall be used for the childhood lead poisoning prevention program.

d. For provision of smoking cessation products as provided in this paragraph:

..... \$ 75,000

The department shall award grants to free health clinics that are tax-exempt organizations pursuant to 26 U.S.C. § 501 (c)(3) to fund the provision of smoking cessation products to patients. The department shall adopt a methodology for the awarding of the grants to the health clinics based upon the order of receipt of applications.

6. To the department of corrections:

..... \$ 610,000

a. Of the funds appropriated in this subsection, \$127,217 is allocated to the second judicial district department of

correctional services to replace expired federal funding for day programming.

b. Of the funds appropriated in this subsection \$35,359 is allocated to the third judicial district department of correctional services to replace expired federal funding for the drug court program.

c. Of the funds appropriated in this subsection, \$191,731 is allocated to the fourth judicial district department of correctional services for a drug court program.

d. Of the funds appropriated in this subsection, \$255,692 is allocated to the fifth judicial district department of correctional services to replace expired funding for the drug court program.

Sec. 2. PURCHASE OF SERVICE CONTRACT PROVIDERS -- REIMBURSEMENT INCREASE. There is appropriated from the healthy Iowans tobacco trust created in section 12.65 to the property tax relief fund created in section 426B.1 for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For assistance to the counties with limited county mental health, mental retardation, and developmental disabilities services fund balances which were selected in accordance with 2000 Iowa Acts, chapter 1221, section 3 to receive such assistance in the same amount provided during the fiscal year beginning July 1, 2000, and ending June 30, 2001, to pay reimbursement increases in accordance with 2000 Iowa Acts, chapter 1221, section 3:

..... \$ 146,750

Sec. 3. SAVINGS ACCOUNT FOR HEALTHY IOWANS -- APPROPRIATIONS. There is appropriated from the savings account for healthy Iowans created within the tobacco settlement endowment fund created in section 12.65, Code 2001, to the following funds and entities for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. To the Iowa empowerment fund created in section 28.9 for deposit in the school ready children grants account and for distribution as provided in this subsection:

..... \$ 1,153,250

The moneys appropriated in this subsection shall be used along with other appropriations made to the Iowa empowerment fund and shall be distributed as provided in 2001 Iowa Acts, Senate File 535, if enacted by the Seventy-ninth General Assembly, 2001 session.

2. To the Iowa department of public health to be used for the purpose designated and for not more than the following full-time equivalent positions:

For establishing and operating the substance abuse treatment facility for persons on probation as created in section 135.130 and providing staffing for the facility to be used exclusively to provide substance abuse treatment for persons on probation and under the supervision of the judicial district department of correctional services:  
..... \$ 2,000,000  
..... FTEs 60.00

3. Any moneys remaining in the savings account for healthy Iowans created within the tobacco settlement endowment fund created in section 12.65, Code 2001, on June 30, 2001, shall be transferred to the healthy Iowans tobacco trust created in section 12.65, as amended in this Act, to be used for the purposes specified in that section.

Sec. 4. PRIOR YEAR NONREVERSION. Notwithstanding 2000 Iowa Acts, chapter 1221, section 5, moneys appropriated under 2000 Iowa Acts, chapter 1221, section 3, for purchase of service contract providers which is unexpended or unencumbered at the end of the fiscal year beginning July 1, 2000, and ending June 30, 2001, shall be deposited in the healthy Iowans tobacco trust created in section 12.65, as amended in this Act, to be used for the purposes specified in that section.

Sec. 5. Section 12.65, Code 2001, is amended to read as follows:

12.65 HEALTHY IOWANS TOBACCO SETTLEMENT-ENDOWMENT-FUND TRUST.

1. A healthy Iowans tobacco settlement-endowment-fund trust is created in the office of the treasurer of state. After-payment-of-litigation-costs,-all-moneys-paid-to-the-state-pursuant-to-the-master-settlement-agreement,-as-defined-in-section-453E-17 Moneys transferred to the healthy Iowans tobacco trust from the endowment for Iowa's health account of the tobacco settlement trust fund established in section 12E.12 and appropriated or transferred from any other source shall be deposited in the fund healthy Iowans tobacco trust.

2--Any-moneys-paid-to-the-state-by-the-tobacco-settlement authority-pursuant-to-chapter-12E-shall-be-deposited-in-the fund,-Additionally,-the-state's-share-of-the-moneys-which-are not-sold-to-the-tobacco-settlement-authority-pursuant-to chapter-12E-shall-be-deposited-in-the-fund:

3: 2. Moneys deposited in the fund healthy Iowans tobacco trust shall be used only in accordance with appropriations from the fund healthy Iowans tobacco trust for purposes related to health care, substance abuse treatment and enforcement, tobacco use prevention and control, and other purposes related to the needs of children, adults, and families in the state.

4--A-savings-account-for-healthy-Iowans-is-created-within the-tobacco-settlement-endowment-fund--Moneys,-appropriated annually,-shall-be-deposited-in-the-account-and-shall-be invested-to-provide-an-ongoing-source-of-investment-earnings:

5: 3. Notwithstanding section 8.33, any unexpended balance in the fund healthy Iowans tobacco trust at the end of the fiscal year shall be retained in the fund trust. Notwithstanding section 12C.7, subsection 2, interest or earnings on investments or time deposits of the moneys in the healthy Iowans tobacco settlement-endowment-fund,-in-the savings-account-for-healthy-Iowans,-and-in-any-other-account established-within-the-fund trust shall be credited to the healthy Iowans tobacco settlement-endowment-fund,-to-the

~~savings-account-for-healthy-Iowans-or-to-any-other-account established, respectively trust.~~

~~6. For the purposes of this section, "litigation costs" are those costs itemized by the attorney general and submitted to and approved by the attorney general.~~

7. ~~4.~~ Moneys in the fund healthy Iowans tobacco trust shall be considered part of the general fund of the state for cash flow purposes only, provided any moneys used for cash flow purposes are returned to the fund trust by the close of each fiscal year.

Sec. 6. Section 135.11, Code 2001, is amended by adding the following new subsection:

NEW SUBSECTION. 26. Establish and administer a substance abuse treatment facility pursuant to section 135.130.

DIVISION XIII

Sec. 7. NEW SECTION. 135.130 SUBSTANCE ABUSE TREATMENT FACILITY FOR PERSONS ON PROBATION.

1. The director shall establish and operate a facility for the purpose of providing a structured treatment program for persons with a substance abuse problem who are on probation and under the supervision of a judicial district department of correctional services. The department shall enter into an agreement pursuant to chapter 28E with the department of corrections for assistance in establishing security for the facility. The department, in consultation with the department of corrections, shall adopt rules pursuant to chapter 17A to administer this section. The rules adopted shall include rules related to the treatment requirements of the program.

2. A substance abuse treatment facility advisory council is established within the department to advise and make recommendations to the director regarding the establishment and operation of a facility for persons with a substance abuse problem who are on probation and to assist with the implementation of treatment programs that are proven to be effective for offenders. The substance abuse treatment facility advisory council shall consist of the directors of

the eight judicial district departments of correctional services and one representative each from the judicial branch, the Iowa department of public health, the department of corrections, and the governor's office of drug control policy.

3. The department, in consultation with the department of corrections and the advisory council, shall adopt rules pursuant to chapter 17A to establish and operate the facility.

Sec. 8. Section 136.3, subsection 7, Code 2001, is amended to read as follows:

7. Adopt, promulgate, amend, and repeal rules and regulations consistent with law for the protection of the public health and prevention of substance abuse, and for the guidance of the department. All rules which have been or are hereafter adopted by the department shall be subject to approval by the board. However, rules adopted by the commission on substance abuse for section 125.7, subsections 1 and 7, and rules adopted by the department pursuant to section 135.130 are not subject to approval by the board of health.

Sec. 9. Section 249A.3, subsection 2, Code 2001, is amended by adding the following new paragraph after paragraph a, and renumbering the subsequent paragraph:

NEW PARAGRAPH. aa. As provided under the federal Breast and Cervical Cancer Prevention and Treatment Act of 2000, Pub. L. No. 106-354, women who meet all of the following criteria:

- (1) Are not described in 42 U.S.C. § 1396a(a)(10)(A)(i).
- (2) Have not attained age sixty-five.
- (3) Have been screened for breast and cervical cancer

under the United States centers for disease control and prevention breast and cervical cancer early detection program established under 42 U.S.C. § 300k et seq., in accordance with the requirements of 42 U.S.C. § 300n, and need treatment for breast or cervical cancer. A woman is considered screened for breast and cervical cancer under this subparagraph if the woman is screened by any provider or entity, and the state grantee of the United States centers for disease control and prevention funds under Title XV of the federal Public Health

Services Act has elected to include screening activities by that provider or entity as screening activities pursuant to Title XV of the federal Public Health Services Act. This screening includes but is not limited to breast or cervical cancer screenings or related diagnostic services provided by family planning or community health centers and breast cancer screenings funded by the Susan G. Komen foundation which are provided to women who meet the eligibility requirements established by the state grantee of the United States centers for disease control and prevention funds under Title XV of the federal Public Health Services Act.

(4) Are not otherwise covered under creditable coverage as defined in 42 U.S.C. § 300gg(c).

A woman who meets the criteria of this paragraph shall be presumptively eligible for medical assistance.

Sec. 10. Section 901B.1, subsection 1, paragraph c, Code 2001, is amended by adding the following new subparagraph: NEW SUBPARAGRAPH. (5) A substance abuse treatment facility as established and operated by the Iowa department of public health.

Sec. 11. Section 901B.1, subsection 4, paragraph a, Code 2001, is amended to read as follows:

a. The district department of correctional services shall place an individual committed to it under section 907.3 to the sanction and level of supervision which is appropriate to the individual based upon a current risk assessment evaluation. Placements may be to levels two and three of the corrections continuum. The district department may, with the approval of the Iowa department of public health and the department of corrections, place an individual in a level three substance abuse treatment facility established pursuant to section 135.130, to assist the individual in complying with a condition of probation. The district department may, with the approval of the department of corrections, place an individual in a level four violator facility established pursuant to section 904.207 only as a penalty for a violation of a condition imposed under this section.

Sec. 12. 2000 Iowa Acts, chapter 1221, section 1, subsection 1, paragraph c, is amended to read as follows:

c. To provide a cost-of-living adjustment for the fiscal year July 1, 2000, through June 30, 2001, of 5 percent to rehabilitative treatment and support services providers under the-medical-assistance-program receiving child and family services reimbursements:

..... \$ 3,100,000

Sec. 13. REVERSION. Any moneys appropriated under this Act that are unexpended or unencumbered at the end of the fiscal year beginning July 1, 2001, and ending June 30, 2002, shall revert to the healthy Iowans tobacco trust.

Sec. 14. REFERENCES. References in this Act to the tobacco settlement endowment fund and to the savings account for healthy Iowans of the tobacco settlement endowment fund are references to the fund and the account pursuant to section 12.65, Code 2001, and, unless otherwise provided, appropriations from the fund and the account are references to appropriations of moneys in the fund and the account on or before June 30, 2001, and such moneys shall remain available for appropriation for the fiscal year beginning July 1, 2001, and ending June 30, 2002, as provided in this Act.

Sec. 15. EFFECTIVE DATES.

1. Section 3, subsection 3, of this Act relating to transfer of the moneys remaining in the savings account for healthy Iowans created within the tobacco settlement endowment fund created in section 12.65, Code 2001, on June 30, 2001, to the healthy Iowans tobacco trust, being deemed of immediate importance, takes effect upon enactment.

2. Section 4 of this Act, relating to nonreversion of funds remaining unencumbered or unobligated which were appropriated for the purchase of service contract providers, being deemed of immediate importance, takes effect upon enactment.

Sec. 16. CONTINGENT EFFECTIVE DATE. The section in this Act amending section 12.65 shall take effect only if 2001 Iowa

Acts, Senate File 532 is enacted. If 2001 Iowa Acts, Senate File 532 is not enacted, the section in this Act amending section 12.65 shall not take effect and references in this Act to the healthy Iowans tobacco trust are references to the tobacco settlement endowment fund created in section 12.65, Code 2001. If 2001 Iowa Acts, Senate File 532 is not enacted, all moneys paid to the state pursuant to the master settlement agreement as defined in section 453C.1 shall be deposited in the tobacco settlement endowment fund created in section 12.65, Code 2001.

---

MARY E. KRAMER  
President of the Senate

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BRENT SIEGRIST  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 537, Seventy-ninth General Assembly.

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MICHAEL E. MARSHALL  
Secretary of the Senate

Approved 5/29/01, 2001

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THOMAS J. VILSACK  
Governor