

APR 14 2004
APPROPRIATIONS CALENDAR

HOUSE FILE 2577
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HSB 729)

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

A BILL FOR

1 An Act relating to and making appropriations from the healthy
2 Iowans tobacco trust and the tobacco settlement trust fund and
3 providing an effective date.

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

HF 2577

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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, 2004, and
 5 ending June 30, 2005, 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, 2004, through June 30, 2005,
 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, 2004, through June 30, 2005, for dental services under
 24 the medical assistance program:
 25 \$ 3,814,973

26 c. To maintain the reimbursement rate as established in
 27 2000 Iowa Acts, chapter 1221, section 1, subsection 1,
 28 paragraph "e", for the fiscal year July 1, 2004, through June
 29 30, 2005, for hospitals under the medical assistance program:
 30 \$ 3,035,278

31 d. To maintain the reimbursement rate as established in
 32 2000 Iowa Acts, chapter 1221, section 1, subsection 1,
 33 paragraph "f", for the fiscal year July 1, 2004, through June
 34 30, 2005, for home health care services under the medical
 35 assistance program:

1 \$ 2,108,279

2 e. To maintain the reimbursement rate as established in
3 2000 Iowa Acts, chapter 1221, section 1, subsection 1,
4 paragraph "g", for the fiscal year July 1, 2004, through June
5 30, 2005, for critical access hospitals under the medical
6 assistance program:

7 \$ 250,000

8 f. To maintain the expansion of home health care services
9 and habilitative day care as established in 2000 Iowa Acts,
10 chapter 1221, section 1, subsection 1, paragraph "h", under
11 the medical assistance program for children with special
12 needs:

13 \$ 1,975,496

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

19 \$ 1,137,309

20 h. To maintain the cost-of-living adjustment as
21 established in 2000 Iowa Acts, chapter 1221, section 1,
22 subsection 1, paragraph "c", for the fiscal year July 1, 2004,
23 through June 30, 2005, for rehabilitative treatment and
24 support services providers under child and family services:

25 \$ 3,243,026

26 i. To maintain the cost-of-living adjustment as
27 established in 2000 Iowa Acts, chapter 1221, section 1,
28 subsection 1, paragraph "d", for the fiscal year July 1, 2004,
29 through June 30, 2005, for adoption, independent living,
30 shelter care, and home studies services providers:

31 \$ 468,967

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, 2004, through June
35 30, 2005, 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 provide coverage
8 under the medical assistance program to women who require
9 treatment for breast or cervical cancer as provided in section
10 249A.3, subsection 2, paragraph "b":
11 \$ 250,000

12 4. To the department of human services to continue the
13 supplementation of the medical assistance appropriation:
14 \$ 14,346,750

15 Of the amount appropriated in this subsection, \$50,000
16 shall be used to continue the efforts of the Iowa chronic care
17 consortium pursuant to 2003 Iowa Acts, chapter 112, section
18 12, as amended by 2003 Iowa Acts, chapter 179, sections 166
19 and 167.

20 5. To the Iowa department of public health:

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

25 \$ 5,011,565

26 FTEs 7.00

27 (1) The director of public health shall dedicate
28 sufficient resources to promote and ensure retailer compliance
29 with tobacco laws and ordinances relating to persons under 18
30 years of age, and shall prioritize the state's compliance in
31 the allocation of available funds to comply with 42 U.S.C. §
32 300x-26 and section 453A.2.

33 (2) Of the full-time equivalent positions funded under
34 this section, two full-time equivalent positions shall be
35 utilized to provide for enforcement of tobacco laws,

1 regulations, and ordinances under a chapter 28D agreement
2 entered into between the Iowa department of public health and
3 the alcoholic beverages division of the department of
4 commerce.

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

8 (4) Of the funds appropriated in this paragraph "a", not
9 less than 80 percent of the amount expended in the fiscal year
10 beginning July 1, 2001, for community partnerships shall be
11 expended in the fiscal year beginning July 1, 2004, for that
12 purpose.

13 b. For a grant to a program that utilizes high school
14 mentors to teach life skills, violence prevention, and
15 character education in an effort to reduce the illegal use of
16 alcohol, tobacco, and other substances:

17 \$ 400,000

18 c. For provision of smoking cessation and smoking-related
19 diseases products as provided in this paragraph:

20 \$ 75,000

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

28 d. For additional substance abuse treatment under the
29 substance abuse treatment program:

30 \$ 11,800,000

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

35 (2) The department shall use funds appropriated in this

1 paragraph "d" to expand the length of individual client
2 substance abuse treatment plans, as necessary to reduce
3 program recidivism.

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

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

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

14 (6) The department shall submit a report annually by March
15 1, to the governor and the general assembly delineating the
16 success rates of the substance abuse treatment programs that
17 receive funding under this paragraph "d".

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

21	\$	2,346,960
22	FTEs	4.00

23 (1) Of the funds appropriated in this paragraph "e", not
24 more than \$1,157,482 shall be used for core public health
25 functions, including home health care and public health
26 nursing services, contracted through a formula by local boards
27 of health, to enhance disease and injury prevention services.

28 (2) Of the funds appropriated in this paragraph "e", not
29 more than \$387,320 shall be used for the continuation and
30 support of a coordinated system of delivery of trauma and
31 emergency medical services.

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

35 (4) Of the funds appropriated in this paragraph "e", not

1 more than \$288,770 shall be used for the development of
2 scientific and medical expertise in environmental
3 epidemiology.

4 (5) Of the funds appropriated in this paragraph "e", not
5 more than \$76,388 shall be used for the childhood lead
6 poisoning prevention program.

7 f. For the automated external defibrillator grant program
8 established by 2004 Iowa Acts, House File 2464, if enacted:

9 \$ 250,000

10 6. To the department of corrections:

11 \$ 980,000

12 a. Of the funds appropriated in this subsection, \$127,217
13 is allocated to the second judicial district department of
14 correctional services to replace expired federal funding for
15 day programming.

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

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

23 d. Of the funds appropriated in this subsection, \$255,693
24 is allocated to the fifth judicial district department of
25 correctional services to replace expired funding for the drug
26 court program.

27 e. Of the funds appropriated in this subsection, \$370,000
28 is allocated to the Newton correctional facility for a value-
29 based treatment program. A portion of the funds allocated in
30 this paragraph may be used to operate a similar value-based
31 treatment program at the Iowa correctional institution for
32 women at Mitchellville.

33 7. To the department for the blind:

34 \$ 130,000

35 To plan, establish, administer, and promote a statewide

1 program to provide audio news and information services to
2 blind or visually impaired persons residing in this state.

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

4 REIMBURSEMENT INCREASE. There is appropriated from the
5 healthy Iowans tobacco trust created in section 12.65 to the
6 property tax relief fund created in section 426B.1 for the
7 fiscal year beginning July 1, 2004, and ending June 30, 2005,
8 the following amount, or so much thereof as is necessary, to
9 be used for the purposes designated:

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

18 \$ 146,750

19 Sec. 3. IOWA EMPOWERMENT FUND. There is appropriated from
20 the healthy Iowans tobacco trust created in section 12.65, to
21 the Iowa empowerment fund created in section 28.9 for the
22 fiscal year beginning July 1, 2004, and ending June 30, 2005,
23 for deposit in the school ready children grants account and
24 for distribution as provided in this section:

25 \$ 2,153,250

26 Sec. 4. DEPARTMENT OF CORRECTIONS -- SPECIAL NEEDS UNIT.

27 There is appropriated from the healthy Iowans tobacco trust
28 created in section 12.65, to the department of corrections for
29 the fiscal year beginning July 1, 2004, and ending June 30,
30 2005, the following amount, or so much thereof as is
31 necessary, to be used for the purpose designated:

32 For operating the special needs unit at the Fort Madison
33 correctional facility and for not more than the following
34 full-time equivalent positions:

35 \$ 1,187,285

1 FTEs 17.87

2 Sec. 5. ENDOWMENT FOR IOWA'S HEALTH ACCOUNT -- TRANSFER.

3 In addition to the amount transferred pursuant to section
4 12E.12, subsection 1, paragraph "b", subparagraph (2),
5 subparagraph subdivision (b), \$6,500,000 is transferred from
6 the endowment for Iowa's health account of the tobacco
7 settlement trust fund created in section 12E.12 to the healthy
8 Iowans tobacco trust created in section 12.65 for the fiscal
9 year beginning July 1, 2004, and ending June 30, 2005.

10 Sec. 6. 2003 Iowa Acts, chapter 183, section 1, subsection
11 5, paragraph b, is amended to read as follows:

12 b. For a grant to a program that utilizes high school
13 mentors to teach life skills, violence prevention, and
14 character education in an effort to reduce the illegal use of
15 alcohol, tobacco, and other substances:

16 \$ 400,000

17 Notwithstanding section 8.33, moneys appropriated under
18 this paragraph that remain unencumbered or unobligated at the
19 close of the fiscal year shall not revert but shall remain
20 available for the purpose designated in the succeeding fiscal
21 year.

22 Sec. 7. EFFECTIVE DATE. The section of this Act amending
23 2003 Iowa Acts, chapter 183, being deemed of immediate
24 importance, takes effect upon enactment.

25 EXPLANATION

26 This bill relates to and makes appropriations from the
27 healthy Iowans tobacco trust.

28 The bill makes appropriations involving the medical
29 assistance (Medicaid) program to the department of human
30 services (DHS) for FY 2004-2005 for reimbursement of or cost-
31 of-living adjustments for, unless otherwise provided, all
32 noninstitutional providers for continuation of the resource-
33 based relative value system of reimbursement; dental services;
34 hospitals; home health care services; critical access
35 hospitals; the expansion of home health care services and

1 habilitative day care for children with special needs; the
2 expansion of respite care services provided through home and
3 community-based services waivers; rehabilitative treatment and
4 support services providers; adoption, independent living,
5 shelter care, and home studies services providers; and service
6 providers under the purview of DHS.

7 The bill also provides for supplementation of the
8 appropriation for the state children's health insurance
9 program known as hawk-i, for supplementation of the
10 appropriation for the Medicaid program, and for coverage under
11 the Medicaid program to certain women who require treatment
12 for breast and cervical cancer.

13 The bill appropriates funds to the Iowa department of
14 public health (IDPH) for the tobacco use prevention and
15 control program, for a program that utilizes high school
16 mentors in an effort to reduce the illegal use of substances,
17 for provision of smoking cessation and smoking-related
18 diseases products, and for additional substance abuse
19 treatment. The bill provides for the nonreversion of FY 2003-
20 2004 moneys appropriated for the provision that utilizes high
21 school mentors. This provision is effective upon enactment.

22 The bill appropriates funds to IDPH for development of a
23 healthy Iowans 2010 plan for core public health functions, for
24 implementation and support of a coordinated system of delivery
25 of trauma and emergency medical services, for the poison
26 control center, for development of scientific and medical
27 expertise in environmental epidemiology, and for the childhood
28 lead poisoning prevention program.

29 The bill appropriates \$250,000 to the IDPH for the
30 automatic external defibrillator grant program, if enacted.

31 The bill appropriates funds to the department of
32 corrections for day programming, the drug court program, and a
33 value-based treatment program at the Newton correctional
34 facility with the option of a portion of the value-based
35 treatment program funds being used for a similar program at

1 the Iowa correctional institution for women at Mitchellville.
2 The bill appropriates \$130,000 to the department for the blind
3 to plan, establish, administer, and promote a statewide
4 program to provide audio news and information services to
5 blind or visually impaired persons residing in this state.

6 The bill appropriates funds to the property tax relief fund
7 for FY 2004-2005, for assistance to counties with limited
8 county mental health, mental retardation, and developmental
9 disabilities (MH/MR/DD) services fund balances to continue
10 reimbursement increases to service providers in the same
11 amount as provided in FY 2000-2001.

12 The bill appropriates funds from the healthy Iowans tobacco
13 trust to the Iowa empowerment fund for FY 2004-2005 for
14 deposit in the school ready children grants account and to the
15 department of corrections for operation and staffing of the
16 special needs unit at the Fort Madison correctional facility.

17 The bill also transfers an additional \$6,500,000 from the
18 endowment for Iowa's health account of the tobacco settlement
19 trust fund created in Code section 12E.12 to the healthy
20 Iowans tobacco trust created in Code section 12.65 for fiscal
21 year 2004-2005.

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HOUSE FILE 2577

H-8545

1 Amend House File 2577 as follows:

2 1. Page 3, by inserting after line 19 the
3 following:

4 "_____. To the department of human services for
5 general administration of health-related programs:
6 \$ 274,000"

7 2. Page 4, by striking lines 13 through 17.

8 3. Page 6, by inserting after line 9 the
9 following:

10 "_____. For the center for congenital and inherited
11 disorders:
12 \$ 26,000"

13 4. Page 7, by striking lines 33 and 34 and
14 inserting the following: "correctional facility:"

15 5. Page 8, by striking line 1.

16 6. Page 8, line 5, by striking the figure
17 "6,500,000" and inserting the following: "6,316,077".

18 7. Page 8, by inserting after line 16, the
19 following:

20 "(1) The program described in this paragraph "b"
21 shall meet all of the following requirements:

22 (a) The program shall be a statewide mentoring
23 program that is an alternative to mentoring programs
24 that utilize the standards of effective practice.

25 (b) The program shall contract with a university
26 to assist in curriculum development and performance
27 evaluation.

28 (c) The program shall provide for some level of
29 public-private partnership.

30 (d) The program shall obtain the assistance of the
31 Iowa department of public health in the development of
32 the performance evaluation design.

33 (e) The program shall demonstrate improvement in
34 meeting the current standards.

35 (2) The Iowa department of public health may use
36 up to \$50,000 of the moneys appropriated under this
37 paragraph "b" to provide technical assistance to and
38 monitoring of the program."

39 8. Page 8, line 17, by striking the word
40 "Notwithstanding" and inserting the following: "(3)
41 Notwithstanding".

42 9 Page 8, line 18, by inserting after the word
43 "paragraph" the following: ""b"".

44 10. By renumbering as necessary.

By HEATON of Henry

H-8545 FILED APRIL 14, 2004

LOST

HOUSE FILE 2577

H-8549

1 Amend House File 2577 as follows:

2 1. Page 8, by inserting after line 9 the
3 following:

4 "Sec. _____. Section 216B.3, Code Supplement 2003,
5 is amended by adding the following new subsection:
6 NEW SUBSECTION. 18. Plan, establish, administer,
7 and promote a statewide program to provide audio news
8 and information services to blind or visually impaired
9 persons residing in this state.

10 a. The commission may enter into necessary
11 contracts and arrangements with the national
12 federation for the blind to provide for the delivery
13 of newspapers over the telephone, furnished by the
14 national federation for the blind.

15 b. The commission may enter into necessary
16 contracts and arrangements with the Iowa radio reading
17 information service for the blind and print
18 handicapped to provide for the delivery of newspapers,
19 magazines, and other printed materials over the radio,
20 furnished by the Iowa radio reading information
21 service for the blind and print handicapped.

22 Sec. _____. Section 216B.4, unnumbered paragraph 1,
23 Code 2003, is amended to read as follows:

24 The director may accept financial aid from the
25 government of the United States for carrying out
26 rehabilitation and physical restoration of the blind
27 and for providing library, news, and information
28 services to persons who are blind and persons with
29 physical disabilities."

30 2. Page 8, by inserting after line 21, the
31 following:

32 "Sec. _____. CONTINGENT EFFECTIVE DATE. The section
33 of this Act establishing an audio news and information
34 services program shall take effect only if funding is
35 specifically appropriated to the department for the
36 blind for that purpose. The department for the blind
37 shall notify the Code editor if such an appropriation
38 is made."

39 3. Title page, line 3, by inserting after the
40 word "date" the following: "and providing a
41 contingent effective date".

By CARROLL of Poweshiek

H-8549 FILED APRIL 14, 2004

WITHDRAWN

HOUSE FILE 2577

H-8550

1 Amend House File 2577 as follows:

2 1. Page 8, by inserting after line 9 the
3 following:

4 "Sec. _____. Section 216B.3, Code Supplement 2003,
5 is amended by adding the following new subsection:
6 NEW SUBSECTION. 18. Plan, establish, administer,
7 and promote a statewide program to provide audio news
8 and information services to blind or visually impaired
9 persons residing in this state.

10 a. The commission may enter into necessary
11 contracts and arrangements with the national
12 federation for the blind to provide for the delivery
13 of newspapers over the telephone, furnished by the
14 national federation for the blind.

15 b. The commission may enter into necessary
16 contracts and arrangements with the Iowa radio reading
17 information service for the blind and print
18 handicapped to provide for the delivery of newspapers,
19 magazines, and other printed materials over the radio,
20 furnished by the Iowa radio reading information
21 service for the blind and print handicapped.

22 Sec. _____. Section 216B.4, unnumbered paragraph 1,
23 Code 2003, is amended to read as follows:

24 The director may accept financial aid from the
25 government of the United States for carrying out
26 rehabilitation and physical restoration of the blind
27 and for providing library, news, and information
28 services to persons who are blind and persons with
29 physical disabilities."

By CARROLL of Poweshiek

H-8550 FILED APRIL 14, 2004

ADOPTED

HOUSE FILE 2577

H-8555

1 Amend House File 2577 as follows:

2 1. Page 4, by striking lines 13 through 17.

3 2. Page 4, line 30, by striking the figure
4 "11,800,000" and inserting the following:
5 "12,200,000".

6 3. Page 8, by striking lines 12 though 15, and
7 inserting the following:

8 "~~b. For a grant to a program that utilizes high~~
9 ~~school mentors to teach life skills, violence~~
10 ~~prevention, and character education in an effort to~~
11 ~~reduce the illegal use of alcohol, tobacco, and other~~
12 ~~substances~~ substance abuse prevention grants to local
13 programs:"

14 4. By renumbering as necessary.

By D. OLSON of Boone

H-8555 FILED APRIL 14, 2004

A-O/O B-LOST

HOUSE FILE 2577**H-8556**

1 Amend House File 2577 as follows:

2 1. Page 6, by inserting after line 9, the
3 following:4 "Any funds appropriated to the Iowa department of
5 public health from the healthy Iowans tobacco trust
6 that are distributed as grants are subject to a
7 request for proposals process developed by the
8 department that includes specifications regarding
9 budget line items, project goals and objectives, and
10 outcome measurements."

By SMITH of Marshall

H-8556 FILED APRIL 14, 2004

LOST

HOUSE FILE 2577**H-8558**

1 Amend House File 2577 as follows:

2 1. Page 4, by inserting after line 12, the
3 following:4 "____. For the just eliminate lies program under
5 the tobacco use prevention and control initiative, in
6 addition to any other funds appropriated for that
7 purpose:

8 \$ 60,000"

9 2. Page 6, line 11, by striking the figure
10 "980,000" and inserting the following: "920,000".11 3. Page 6, line 27, by striking the figure
12 "370,000" and inserting the following: "310,000".13 4. By renumbering, redesignating, and correcting
14 internal references as necessary.

By SMITH of Marshall

FOEGE of Linn

D. OLSON of Boone

WENDT of Woodbury

LENSING of Johnson

BERRY of Black Hawk

H-8558 FILED APRIL 14, 2004

LOST

HOUSE FILE 2577**H-8543**

1 Amend House File 2577 as follows:

2 1. Page 6, by striking lines 29 through 32, and
3 inserting the following: "based treatment program.4 Of the funds allocated in this paragraph, \$60,000
5 shall be used to operate a similar value-based
6 treatment program at the Iowa correctional institution
7 for women at Mitchellville. Moneys allocated for the
8 program at Mitchellville that remain unencumbered or
9 unobligated for that purpose at the close of the
10 fiscal year shall revert."

By HEATON of Henry

PETERSEN of Polk

WISE of Lee

DOLECHECK of Ringgold

H-8543 FILED APRIL 14, 2004

ADOPTED

H-8560

1 Amend House File 2577 as follows:

2 1. Page 4, by inserting after line 12, the
3 following:

4 "____. For the just eliminate lies program under
5 the tobacco use prevention and control initiative, in
6 addition to any other funds appropriated for that
7 purpose:

8 \$ 60,000"

9 2. Page 6, line 11, by striking the figure
10 "980,000" and inserting the following: "920,000".

11 3. Page 6, line 27, by striking the figure
12 "370,000" and inserting the following: "310,000".

13 4. By renumbering, redesignating, and correcting
14 internal references as necessary.

By SMITH of Marshall

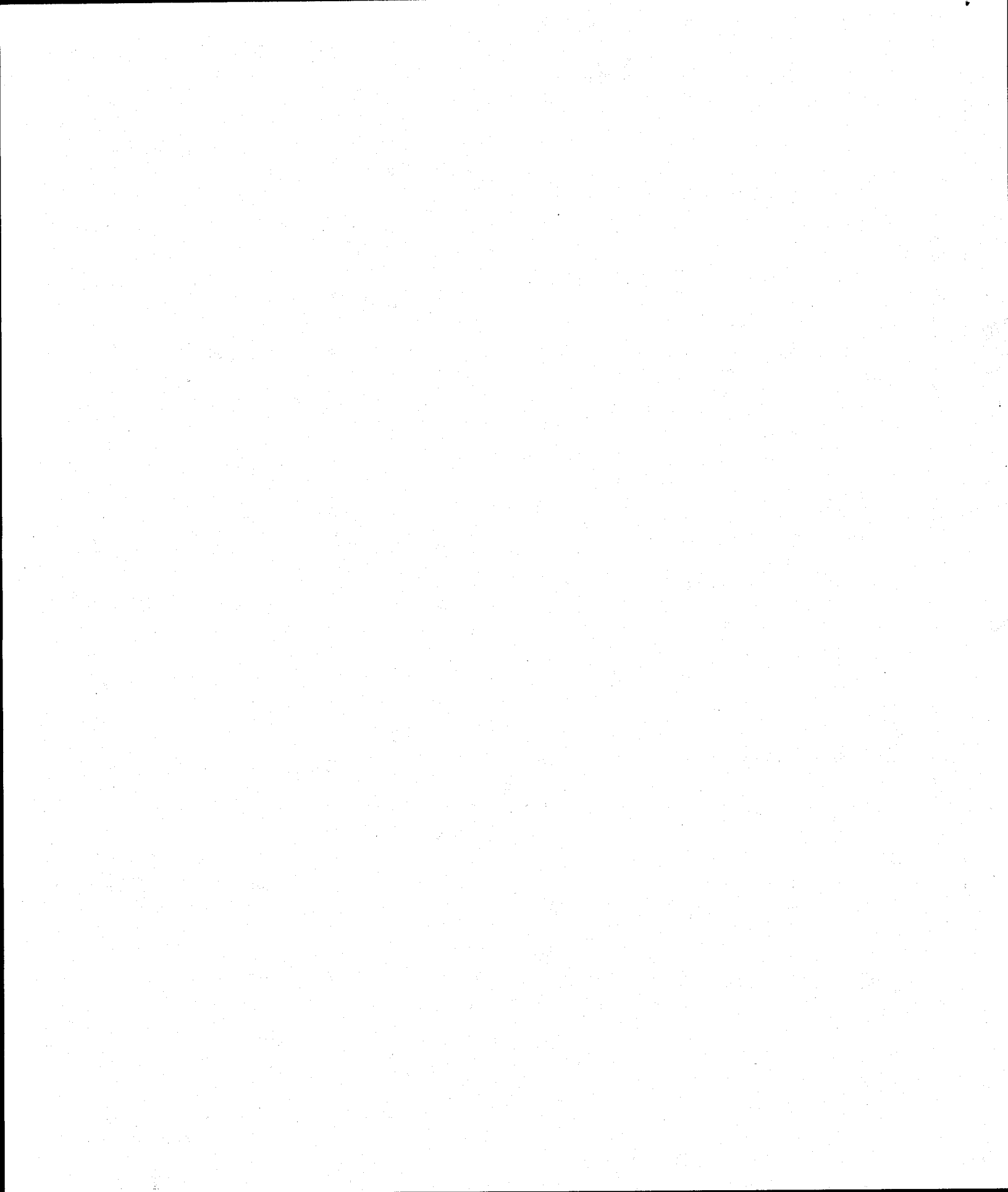
LENSING of Johnson

D. OLSON of Boone

FOEGE of Linn

H-8560 FILED APRIL 14, 2004

WITHDRAWN



HOUSE FILE 2577

BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HSB 729)

(As Amended and Passed by the House April 14, 2004)

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

A BILL FOR

1 An Act relating to and making appropriations from the healthy
2 Iowans tobacco trust and the tobacco settlement trust fund and
3 providing an effective date.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:.

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House Amendments _____

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Deleted Language *

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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, 2004, and
5 ending June 30, 2005, 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, 2004, through June 30, 2005,
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, 2004, through June 30, 2005, for dental services under
24 the medical assistance program:

25 \$ 3,814,973

26 c. To maintain the reimbursement rate as established in
27 2000 Iowa Acts, chapter 1221, section 1, subsection 1,
28 paragraph "e", for the fiscal year July 1, 2004, through June
29 30, 2005, for hospitals under the medical assistance program:

30 \$ 3,035,278

31 d. To maintain the reimbursement rate as established in
32 2000 Iowa Acts, chapter 1221, section 1, subsection 1,
33 paragraph "f", for the fiscal year July 1, 2004, through June
34 30, 2005, for home health care services under the medical
35 assistance program:

1 \$ 2,108,279

2 e. To maintain the reimbursement rate as established in

3 2000 Iowa Acts, chapter 1221, section 1, subsection 1,

4 paragraph "g", for the fiscal year July 1, 2004, through June

5 30, 2005, for critical access hospitals under the medical

6 assistance program:

7 \$ 250,000

8 f. To maintain the expansion of home health care services

9 and habilitative day care as established in 2000 Iowa Acts,

10 chapter 1221, section 1, subsection 1, paragraph "h", under

11 the medical assistance program for children with special

12 needs:

13 \$ 1,975,496

14 g. To maintain the expansion of respite care services

15 provided through home and community-based waivers as

16 established in 2000 Iowa Acts, chapter 1221, section 1,

17 subsection 1, paragraph "i", under the medical assistance

18 program:

19 \$ 1,137,309

20 h. To maintain the cost-of-living adjustment as

21 established in 2000 Iowa Acts, chapter 1221, section 1,

22 subsection 1, paragraph "c", for the fiscal year July 1, 2004,

23 through June 30, 2005, for rehabilitative treatment and

24 support services providers under child and family services:

25 \$ 3,243,026

26 i. To maintain the cost-of-living adjustment as

27 established in 2000 Iowa Acts, chapter 1221, section 1,

28 subsection 1, paragraph "d", for the fiscal year July 1, 2004,

29 through June 30, 2005, for adoption, independent living,

30 shelter care, and home studies services providers:

31 \$ 468,967

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, 2004, through June

35 30, 2005, 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 provide coverage
8 under the medical assistance program to women who require
9 treatment for breast or cervical cancer as provided in section
10 249A.3, subsection 2, paragraph "b":
11 \$ 250,000

12 4. To the department of human services to continue the
13 supplementation of the medical assistance appropriation:

14 \$ 14,346,750

15 Of the amount appropriated in this subsection, \$50,000
16 shall be used to continue the efforts of the Iowa chronic care
17 consortium pursuant to 2003 Iowa Acts, chapter 112, section
18 12, as amended by 2003 Iowa Acts, chapter 179, sections 166
19 and 167.

20 5. To the department of human services for general
21 administration of health-related programs:

22 \$ 274,000

23 6. To the Iowa department of public health:

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

28 \$ 5,011,565

29 FTEs 7.00

30 (1) The director of public health shall dedicate
31 sufficient resources to promote and ensure retailer compliance
32 with tobacco laws and ordinances relating to persons under 18
33 years of age, and shall prioritize the state's compliance in
34 the allocation of available funds to comply with 42 U.S.C. §
35 300x-26 and section 453A.2.

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

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

11 (4) Of the funds appropriated in this paragraph "a", not
12 less than 80 percent of the amount expended in the fiscal year
13 beginning July 1, 2001, for community partnerships shall be
14 expended in the fiscal year beginning July 1, 2004, for that
15 purpose.

*16 b. For provision of smoking cessation and smoking-related
17 diseases products as provided in this paragraph:

18 \$ 75,000

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

26 c. For additional substance abuse treatment under the
27 substance abuse treatment program:

28 \$ 11,800,000

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

33 (2) The department shall use funds appropriated in this
34 paragraph "c" to expand the length of individual client
35 substance abuse treatment plans, as necessary to reduce

1 program recidivism.

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

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

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

12 (6) The department shall submit a report annually by March
13 1, to the governor and the general assembly delineating the
14 success rates of the substance abuse treatment programs that
15 receive funding under this paragraph "c".

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

19	\$ 2,346,960
20	FTEs 4.00

21 (1) Of the funds appropriated in this paragraph "d", not
22 more than \$1,157,482 shall be used for core public health
23 functions, including home health care and public health
24 nursing services, contracted through a formula by local boards
25 of health, to enhance disease and injury prevention services.

26 (2) Of the funds appropriated in this paragraph "d", not
27 more than \$387,320 shall be used for the continuation and
28 support of a coordinated system of delivery of trauma and
29 emergency medical services.

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

33 (4) Of the funds appropriated in this paragraph "d", not
34 more than \$288,770 shall be used for the development of
35 scientific and medical expertise in environmental

1 epidemiology.

2 (5) Of the funds appropriated in this paragraph "d", not
3 more than \$76,388 shall be used for the childhood lead
4 poisoning prevention program.

5 e. For the automated external defibrillator grant program
6 established by 2004 Iowa Acts, House File 2464, if enacted:

7 \$ 250,000

8 f. For the center for congenital and inherited disorders:

9 \$ 26,000

10 6. To the department of corrections:

11 \$ 980,000

12 a. Of the funds appropriated in this subsection, \$127,217
13 is allocated to the second judicial district department of
14 correctional services to replace expired federal funding for
15 day programming.

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

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

23 d. Of the funds appropriated in this subsection, \$255,693
24 is allocated to the fifth judicial district department of
25 correctional services to replace expired funding for the drug
26 court program.

27 e. Of the funds appropriated in this subsection, \$370,000
28 is allocated to the Newton correctional facility for a value-
29 based treatment program. Of the funds allocated in this
30 paragraph, \$60,000 shall be used to operate a similar value-
31 based treatment program at the Iowa correctional institution
32 for women at Mitchellville. Moneys allocated for the program
33 at Mitchellville that remain unencumbered or unobligated for
34 that purpose at the close of the fiscal year shall revert.

35 7. To the department for the blind:

1 \$ 130,000

2 To plan, establish, administer, and promote a statewide
3 program to provide audio news and information services to
4 blind or visually impaired persons residing in this state.

5 Sec. 2. PURCHASE OF SERVICE CONTRACT PROVIDERS --
6 REIMBURSEMENT INCREASE. There is appropriated from the
7 healthy Iowans tobacco trust created in section 12.65 to the
8 property tax relief fund created in section 426B.1 for the
9 fiscal year beginning July 1, 2004, and ending June 30, 2005,
10 the following amount, or so much thereof as is necessary, to
11 be used for the purposes designated:

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

20 \$ 146,750

21 Sec. 3. IOWA EMPOWERMENT FUND. There is appropriated from
22 the healthy Iowans tobacco trust created in section 12.65, to
23 the Iowa empowerment fund created in section 28.9 for the
24 fiscal year beginning July 1, 2004, and ending June 30, 2005,
25 for deposit in the school ready children grants account and
26 for distribution as provided in this section:

27 \$ 2,153,250

28 Sec. 4. DEPARTMENT OF CORRECTIONS -- SPECIAL NEEDS UNIT.

29 There is appropriated from the healthy Iowans tobacco trust
30 created in section 12.65, to the department of corrections for
31 the fiscal year beginning July 1, 2004, and ending June 30,
32 2005, the following amount, or so much thereof as is
33 necessary, to be used for the purpose designated:

34 For operating the special needs unit at the Fort Madison
35 correctional facility:

1 \$ 1,187,285

* 2 Sec. 5. ENDOWMENT FOR IOWA'S HEALTH ACCOUNT -- TRANSFER.

3 In addition to the amount transferred pursuant to section
4 12E.12, subsection 1, paragraph "b", subparagraph (2),
5 subparagraph subdivision (b), \$6,316,077 is transferred from
6 the endowment for Iowa's health account of the tobacco
7 settlement trust fund created in section 12E.12 to the healthy
8 Iowans tobacco trust created in section 12.65 for the fiscal
9 year beginning July 1, 2004, and ending June 30, 2005.

10 Sec. 6. Section 216B.3, Code Supplement 2003, is amended
11 by adding the following new subsection:

12 NEW SUBSECTION. 18. Plan, establish, administer, and
13 promote a statewide program to provide audio news and
14 information services to blind or visually impaired persons
15 residing in this state.

16 a. The commission may enter into necessary contracts and
17 arrangements with the national federation for the blind to
18 provide for the delivery of newspapers over the telephone,
19 furnished by the national federation for the blind.

20 b. The commission may enter into necessary contracts and
21 arrangements with the Iowa radio reading information service
22 for the blind and print handicapped to provide for the
23 delivery of newspapers, magazines, and other printed materials
24 over the radio, furnished by the Iowa radio reading
25 information service for the blind and print handicapped.

26 Sec. 7. Section 216B.4, unnumbered paragraph 1, Code 2003,
27 is amended to read as follows:

28 The director may accept financial aid from the government
29 of the United States for carrying out rehabilitation and
30 physical restoration of the blind and for providing library,
31 news, and information services to persons who are blind and
32 persons with physical disabilities.

33 Sec. 8. 2003 Iowa Acts, chapter 183, section 1, subsection
34 5, paragraph b, is amended to read as follows:

35 b. For a grant to a program that utilizes high school

1 mentors to teach life skills, violence prevention, and
2 character education in an effort to reduce the illegal use of
3 alcohol, tobacco, and other substances:

4 \$ 400,000

5 (1) The program described in this paragraph "b" shall meet
6 all of the following requirements:

7 (a) The program shall be a statewide mentoring program
8 that is an alternative to mentoring programs that utilize the
9 standards of effective practice.

10 (b) The program shall contract with a university to assist
11 in curriculum development and performance evaluation.

12 (c) The program shall provide for some level of public-
13 private partnership.

14 (d) The program shall obtain the assistance of the Iowa
15 department of public health in the development of the
16 performance evaluation design.

17 (e) The program shall demonstrate improvement in meeting
18 the current standards.

19 (2) The Iowa department of public health may use up to
20 \$50,000 of the moneys appropriated under this paragraph "b" to
21 provide technical assistance to and monitoring of the program.

22 (3) Notwithstanding section 8.33, moneys appropriated under
23 this paragraph "b" that remain unencumbered or unobligated at
24 the close of the fiscal year shall not revert but shall remain
25 available for the purpose designated in the succeeding fiscal
26 year.

27 Sec. 9. EFFECTIVE DATE. The section of this Act amending
28 2003 Iowa Acts, chapter 183, being deemed of immediate
29 importance, takes effect upon enactment.

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HOUSE FILE 2577

S-5376

1 Amend House File 2577 as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 8, by inserting after line 32, the
4 following:

5 "Sec. _____. Section 234.39, subsection 6, if
6 enacted by 2004 Iowa Acts, Senate File 2298, is
7 amended by striking the subsection.

8 Sec. _____. Section 272C.3, subsection 1, paragraph
9 k, Code Supplement 2003, is amended to read as
10 follows:

11 k. Establish a licensee review committee for the
12 purpose of evaluating and monitoring licensees who are
13 impaired as a result of alcohol or drug abuse,
14 dependency, or addiction, or by any mental or physical
15 disorder or disability, and who self-report the
16 impairment to the committee, or who are referred by
17 the board to the committee. Members of the committee
18 shall receive actual expenses for the performance of
19 their duties and shall be eligible to receive per diem
20 compensation pursuant to section 7E.6. The board
21 shall adopt rules for the establishment and
22 administration of the committee, including but not
23 limited to establishment of the criteria for
24 eligibility for referral to the committee and the
25 grounds for disciplinary action for noncompliance with
26 committee decisions. Information in the possession of
27 the board or the licensee review committee, under this
28 paragraph, shall be subject to the confidentiality
29 requirements of section 272C.6. Referral of a
30 licensee by the board to a licensee review committee
31 shall not relieve the board of any duties of the board
32 and shall not divest the board of any authority or
33 jurisdiction otherwise provided. A licensee who
34 violates section 272C.10 or the rules of the board
35 while under review by the licensee review committee
36 shall be referred to the board for appropriate
37 action."

38 2. By renumbering as necessary.

By COMMITTEE ON APPROPRIATIONS
JEFF ANGELO, Chairperson

S-5376 FILED APRIL 15, 2004

ADOPTED

HOUSE FILE 2577**S-5379**

1 Amend House File 2577, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 9, by inserting after line 18, the
4 following:

5 "(1A) The Iowa department of public health shall
6 negotiate a sole source contract with a nonprofit
7 corporation that mentors through live music and
8 receives funds through private partnership to
9 implement this paragraph "b"."

10 2. By renumbering as necessary.

By JEFF LAMBERTI

MATT McCOY

PAT WARD

JACK HATCH

S-5379 FILED APRIL 15, 2004

ADOPTED

HOUSE FILE 2577**S-5380**

1 Amend House File 2577, as amended, passed and
2 reprinted by the House, as follows:

3 1. Page 4, line 18, by striking the figure
4 "75,000" and inserting the following: "300,000".

By JOE BOLKCOM

MATT McCOY

S-5380 FILED APRIL 15, 2004

LOST

HOUSE FILE 2577**S-5381**

1 Amend House File 2577, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 9, by inserting after line 26, the
4 following:

5 "Sec. ____ . TOBACCO USE PREVENTION AND CONTROL --
6 BUREAU CHIEF. Notwithstanding any provision directing
7 the director of public health to employ a division
8 administrator for the division of tobacco use
9 prevention and control, if enacted by 2004 Iowa Acts,
10 Senate File 2298, the director of public health shall
11 employ a bureau chief for the division of tobacco use
12 prevention and control in a full-time-equivalent
13 position with a salary commensurate with the full-
14 time-equivalent position."

15 2. By renumbering as necessary.

By MAGGIE TINSMAN

S-5381 FILED APRIL 15, 2004

ADOPTED

**SENATE AMENDMENT TO
HOUSE FILE 2577**

H-8608

1 Amend House File 2577 as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 8, by inserting after line 32, the
4 following:

5 "Sec. _____. Section 234.39, subsection 6, if
6 enacted by 2004 Iowa Acts, Senate File 2298, is
7 amended by striking the subsection.

8 Sec. _____. Section 272C.3, subsection 1, paragraph
9 k, Code Supplement 2003, is amended to read as
10 follows:

11 k. Establish a licensee review committee for the
12 purpose of evaluating and monitoring licensees who are
13 impaired as a result of alcohol or drug abuse,
14 dependency, or addiction, or by any mental or physical
15 disorder or disability, and who self-report the
16 impairment to the committee, or who are referred by
17 the board to the committee. Members of the committee
18 shall receive actual expenses for the performance of
19 their duties and shall be eligible to receive per diem
20 compensation pursuant to section 7E.6. The board
21 shall adopt rules for the establishment and
22 administration of the committee, including but not
23 limited to establishment of the criteria for
24 eligibility for referral to the committee and the
25 grounds for disciplinary action for noncompliance with
26 committee decisions. Information in the possession of
27 the board or the licensee review committee, under this
28 paragraph, shall be subject to the confidentiality
29 requirements of section 272C.6. Referral of a
30 licensee by the board to a licensee review committee
31 shall not relieve the board of any duties of the board
32 and shall not divest the board of any authority or
33 jurisdiction otherwise provided. A licensee who
34 violates section 272C.10 or the rules of the board
35 while under review by the licensee review committee
36 shall be referred to the board for appropriate
37 action."

38 2. Page 9, by inserting after line 18, the
39 following:

40 " (1A) The Iowa department of public health shall
41 negotiate a sole source contract with a nonprofit
42 corporation that mentors through live music and
43 receives funds through private partnership to
44 implement this paragraph "b"."

45 3. Page 9, by inserting after line 26, the
46 following:

47 "Sec. _____. TOBACCO USE PREVENTION AND CONTROL --
48 BUREAU CHIEF. Notwithstanding any provision directing
49 the director of public health to employ a division
50 administrator for the division of tobacco use

H-8608

H-8608

Page 2

1 prevention and control, if enacted by 2004 Iowa Acts,
2 Senate File 2298, the director of public health shall
3 employ a bureau chief for the division of tobacco use
4 prevention and control in a full-time-equivalent
5 position with a salary commensurate with the full-
6 time-equivalent position."

7 4. By renumbering, relettering, or redesignating
8 and correcting internal references as necessary.

RECEIVED FROM THE SENATE

H-8608 FILED APRIL 15, 2004

H-8628

- 1 Amend the Senate amendment, H-8608 to House File
2 2577 as amended, passed, and reprinted by the House,
3 as follows:
4 1. Page 1, by inserting after line 2 the
5 following:
6 "____. Page 8, by inserting after line 9 the
7 following:
8 "Sec. _____. Section 142A.4, Code 2003, is amended
9 by adding the following new subsection:
10 NEW SUBSECTION. 12A. Represented by the
11 chairperson of the commission, annually appear before
12 the joint appropriations subcommittee that makes
13 recommendations concerning the commission's budget to
14 report on budget expenditures and division operations
15 relative to the prior fiscal year and the current
16 fiscal year.
17 Sec. _____. Section 142A.5, subsection 1, paragraph
18 b, Code Supplement 2003, is amended to read as
19 follows:
20 b. Employ a separate division administrator in a
21 full-time equivalent position who shall be responsible
22 for the administration and oversight of the division.
23 The division administrator shall report to and shall
24 serve at the pleasure of the director. The
25 administrator shall be exempt from the merit system
26 provisions of chapter 8A, subchapter IV.
27 Sec. _____. Section 142A.5, subsection 2, Code
28 Supplement 2003, is amended by adding the following
29 new paragraph:
30 NEW PARAGRAPH. g. Provide necessary information
31 to the commission to assist the commission in making
32 its annual report to the joint appropriations
33 subcommittee pursuant to section 142A.4, subsection
34 12A."
35 2. By striking page 1, line 45, through page 2,
36 line 6.
37 3. By renumbering as necessary.

By HEATON of Henry
SMITH of Marshall

H-8628 FILED APRIL 16, 2004

H-8642

1 Amend the Senate amendment, H-8608, to House File
2 2577, as amended, passed, and reprinted by the House,
3 as follows:

4 1. Page 1, by inserting after line 2, the
5 following:

6 "____. Page 8, by inserting after line 9, the
7 following:

8 "Sec. _____. Section 142A.3, subsection 2, Code
9 2003, is amended to read as follows:

10 2. A commission on tobacco use prevention and
11 control is established to develop policy, provide
12 direction for the initiative, and perform all other
13 duties related to the initiative and other tobacco use
14 prevention and control activities as directed by this
15 chapter or referred to the commission by the director
16 of public health.

17 Sec. _____. Section 142A.4, Code 2003, is amended by
18 adding the following new subsection:

19 NEW SUBSECTION. 12A. Represented by the
20 chairperson of the commission, annually appear before
21 the joint appropriations subcommittee that makes
22 recommendations concerning the commission's budget to
23 report on budget expenditures and division operations
24 relative to the prior fiscal year and the current
25 fiscal year.

26 Sec. _____. Section 142A.5, subsection 1, paragraph
27 b, Code Supplement 2003, is amended to read as
28 follows:

29 b. Employ a separate division administrator who,
30 in accordance with the requirements of section 142A.4,
31 subsection 14, in a full-time equivalent position
32 whose sole responsibility and duty shall be
33 responsible for the administration and oversight of
34 the division. The division administrator shall report
35 to and shall serve at the pleasure of the director.
36 The administrator shall be exempt from the merit
37 system provisions of chapter 8A, subchapter IV.

38 Sec. _____. Section 142A.5, subsection 2, Code
39 Supplement 2003, is amended by adding the following
40 new paragraph:

41 NEW PARAGRAPH. g. Provide necessary information
42 to the commission to assist the commission in making
43 its annual report to the joint appropriations
44 subcommittee pursuant to section 142A.4, subsection
45 12A, and in fulfilling other commission duties
46 pursuant to section 142A.4."

47 2. By striking page 1, line 45, through page 2,
48 line 6.

49 3. By renumbering as necessary.

By HEATON of Henry
SMITH of Marshall

H-8642 FILED APRIL 19, 2004
ADOPTED

S-5385

1 Amend the Senate amendment, H-8608, to House File
2 2577, as amended, passed, and reprinted by the House,
3 as follows:
4 1. Page 1, by inserting after line 2, the
5 following:
6 "____. Page 8, by inserting after line 9, the
7 following:
8 "Sec. _____. Section 142A.3, subsection 2, Code
9 2003, is amended to read as follows:
10 2. A commission on tobacco use prevention and
11 control is established to develop policy, provide
12 direction for the initiative, and perform all other
13 duties related to the initiative and other tobacco use
14 prevention and control activities as directed by this
15 chapter or referred to the commission by the director
16 of public health.
17 Sec. _____. Section 142A.4, Code 2003, is amended by
18 adding the following new subsection:
19 NEW SUBSECTION. 12A. Represented by the
20 chairperson of the commission, annually appear before
21 the joint appropriations subcommittee that makes
22 recommendations concerning the commission's budget to
23 report on budget expenditures and division operations
24 relative to the prior fiscal year and the current
25 fiscal year.
26 Sec. _____. Section 142A.5, subsection 1, paragraph
27 b, Code Supplement 2003, is amended to read as
28 follows:
29 b. Employ a separate division administrator who,
30 in accordance with the requirements of section 142A.4,
31 subsection 14, in a full-time equivalent position
32 whose sole responsibility and duty shall be
33 ~~responsible for~~ the administration and oversight of
34 the division. The division administrator shall report
35 to and shall serve at the pleasure of the director.
36 The administrator shall be exempt from the merit
37 system provisions of chapter 8A, subchapter IV.
38 Sec. _____. Section 142A.5, subsection 2, Code
39 Supplement 2003, is amended by adding the following
40 new paragraph:
41 NEW PARAGRAPH. g. Provide necessary information
42 to the commission to assist the commission in making
43 its annual report to the joint appropriations
44 subcommittee pursuant to section 142A.4, subsection
45 12A, and in fulfilling other commission duties
46 pursuant to section 142A.4.""
47 2. By striking page 1, line 45, through page 2,
48 line 6.
49 3. By renumbering as necessary.

RECEIVED FROM THE HOUSE

Heaton, Ch.
Upmeyer
Smith

Successful
SF **02577**

HSB 729
APPROPRIATIONS

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
APPROPRIATIONS BILL
BY CHAIRPERSON DIX)

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

A BILL FOR

1 An Act relating to and making appropriations from the healthy
2 Iowans tobacco trust and the tobacco settlement trust fund and
3 providing an effective date.
4 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, 2004, and
5 ending June 30, 2005, 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, 2004, through June 30, 2005,
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, 2004, through June 30, 2005, for dental services under
24 the medical assistance program:

25 \$ 3,814,973

26 c. To maintain the reimbursement rate as established in
27 2000 Iowa Acts, chapter 1221, section 1, subsection 1,
28 paragraph "e", for the fiscal year July 1, 2004, through June
29 30, 2005, for hospitals under the medical assistance program:

30 \$ 3,035,278

31 d. To maintain the reimbursement rate as established in
32 2000 Iowa Acts, chapter 1221, section 1, subsection 1,
33 paragraph "f", for the fiscal year July 1, 2004, through June
34 30, 2005, for home health care services under the medical
35 assistance program:

1 \$ 2,108,279

2 e. To maintain the reimbursement rate as established in
3 2000 Iowa Acts, chapter 1221, section 1, subsection 1,
4 paragraph "g", for the fiscal year July 1, 2004, through June
5 30, 2005, for critical access hospitals under the medical
6 assistance program:

7 \$ 250,000

8 f. To maintain the expansion of home health care services
9 and habilitative day care as established in 2000 Iowa Acts,
10 chapter 1221, section 1, subsection 1, paragraph "h", under
11 the medical assistance program for children with special
12 needs:

13 \$ 1,975,496

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

19 \$ 1,137,309

20 h. To maintain the cost-of-living adjustment as
21 established in 2000 Iowa Acts, chapter 1221, section 1,
22 subsection 1, paragraph "c", for the fiscal year July 1, 2004,
23 through June 30, 2005, for rehabilitative treatment and
24 support services providers under child and family services:

25 \$ 3,243,026

26 i. To maintain the cost-of-living adjustment as
27 established in 2000 Iowa Acts, chapter 1221, section 1,
28 subsection 1, paragraph "d", for the fiscal year July 1, 2004,
29 through June 30, 2005, for adoption, independent living,
30 shelter care, and home studies services providers:

31 \$ 468,967

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, 2004, through June
35 30, 2005, 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 provide coverage
8 under the medical assistance program to women who require
9 treatment for breast or cervical cancer as provided in section
10 249A.3, subsection 2, paragraph "b":
11 \$ 250,000

12 4. To the department of human services to continue the
13 supplementation of the medical assistance appropriation:

14 \$ 14,346,750

15 Of the amount appropriated in this subsection, \$50,000
16 shall be used to continue the efforts of the Iowa chronic care
17 consortium pursuant to 2003 Iowa Acts, chapter 112, section
18 12, as amended by 2003 Iowa Acts, chapter 179, sections 166
19 and 167.

20 5. To the Iowa department of public health:

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

25 \$ 5,011,565

26 FTEs 7.00

27 (1) The director of public health shall dedicate
28 sufficient resources to promote and ensure retailer compliance
29 with tobacco laws and ordinances relating to persons under 18
30 years of age, and shall prioritize the state's compliance in
31 the allocation of available funds to comply with 42 U.S.C. §
32 300x-26 and section 453A.2.

33 (2) Of the full-time equivalent positions funded under
34 this section, two full-time equivalent positions shall be
35 utilized to provide for enforcement of tobacco laws,

1 regulations, and ordinances under a chapter 28D agreement
2 entered into between the Iowa department of public health and
3 the alcoholic beverages division of the department of
4 commerce.

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

8 (4) Of the funds appropriated in this paragraph "a", not
9 less than 80 percent of the amount expended in the fiscal year
10 beginning July 1, 2001, for community partnerships shall be
11 expended in the fiscal year beginning July 1, 2004, for that
12 purpose.

13 b. For a grant to a program that utilizes high school
14 mentors to teach life skills, violence prevention, and
15 character education in an effort to reduce the illegal use of
16 alcohol, tobacco, and other substances:

17 \$ 400,000

18 c. For provision of smoking cessation and smoking-related
19 diseases products as provided in this paragraph:

20 \$ 75,000

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

28 d. For additional substance abuse treatment under the
29 substance abuse treatment program:

30 \$ 11,800,000

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

35 (2) The department shall use funds appropriated in this

1 paragraph "d" to expand the length of individual client
2 substance abuse treatment plans, as necessary to reduce
3 program recidivism.

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

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

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

14 (6) The department shall submit a report annually by March
15 1, to the governor and the general assembly delineating the
16 success rates of the substance abuse treatment programs that
17 receive funding under this paragraph "d".

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

21	\$	2,346,960
22	FTEs	4.00

23 (1) Of the funds appropriated in this paragraph "e", not
24 more than \$1,157,482 shall be used for core public health
25 functions, including home health care and public health
26 nursing services, contracted through a formula by local boards
27 of health, to enhance disease and injury prevention services.

28 (2) Of the funds appropriated in this paragraph "e", not
29 more than \$387,320 shall be used for the continuation and
30 support of a coordinated system of delivery of trauma and
31 emergency medical services.

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

35 (4) Of the funds appropriated in this paragraph "e", not

1 more than \$288,770 shall be used for the development of
2 scientific and medical expertise in environmental
3 epidemiology.

4 (5) Of the funds appropriated in this paragraph "e", not
5 more than \$76,388 shall be used for the childhood lead
6 poisoning prevention program.

7 f. For the automated external defibrillator grant program
8 established by 2004 Iowa Acts, House File 2464, if enacted:

9 \$ 250,000

10 6. To the department of corrections:

11 \$ 980,000

12 a. Of the funds appropriated in this subsection, \$127,217
13 is allocated to the second judicial district department of
14 correctional services to replace expired federal funding for
15 day programming.

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

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

23 d. Of the funds appropriated in this subsection, \$255,693
24 is allocated to the fifth judicial district department of
25 correctional services to replace expired funding for the drug
26 court program.

27 e. Of the funds appropriated in this subsection, \$370,000
28 is allocated to the Newton correctional facility for a value-
29 based treatment program. A portion of the funds allocated in
30 this paragraph may be used to operate a similar value-based
31 treatment program at the Iowa correctional institution for
32 women at Mitchellville.

33 7. To the department for the blind:

34 \$ 130,000

35 To plan, establish, administer, and promote a statewide

1 program to provide audio news and information services to
2 blind or visually impaired persons residing in this state.

3 Sec. 2. PURCHASE OF SERVICE CONTRACT PROVIDERS --
4 REIMBURSEMENT INCREASE. There is appropriated from the
5 healthy Iowans tobacco trust created in section 12.65 to the
6 property tax relief fund created in section 426B.1 for the
7 fiscal year beginning July 1, 2004, and ending June 30, 2005,
8 the following amount, or so much thereof as is necessary, to
9 be used for the purposes designated:

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

18 \$ 146,750

19 Sec. 3. IOWA EMPOWERMENT FUND. There is appropriated from
20 the healthy Iowans tobacco trust created in section 12.65, to
21 the Iowa empowerment fund created in section 28.9 for the
22 fiscal year beginning July 1, 2004, and ending June 30, 2005,
23 for deposit in the school ready children grants account and
24 for distribution as provided in this section:

25 \$ 2,153,250

26 Sec. 4. DEPARTMENT OF CORRECTIONS -- SPECIAL NEEDS UNIT.
27 There is appropriated from the healthy Iowans tobacco trust
28 created in section 12.65, to the department of corrections for
29 the fiscal year beginning July 1, 2004, and ending June 30,
30 2005, the following amount, or so much thereof as is
31 necessary, to be used for the purpose designated:

32 For operating the special needs unit at the Fort Madison
33 correctional facility and for not more than the following
34 full-time equivalent positions:

35 \$ 1,187,285

1 FTEs 17.87

2 Sec. 5. ENDOWMENT FOR IOWA'S HEALTH ACCOUNT -- TRANSFER.

3 In addition to the amount transferred pursuant to section
4 12E.12, subsection 1, paragraph "b", subparagraph (2),
5 subparagraph subdivision (b), \$6,500,000 is transferred from
6 the endowment for Iowa's health account of the tobacco
7 settlement trust fund created in section 12E.12 to the healthy
8 Iowans tobacco trust created in section 12.65 for the fiscal
9 year beginning July 1, 2004, and ending June 30, 2005.

10 Sec. 6. 2003 Iowa Acts, chapter 183, section 1, subsection
11 5, paragraph b, is amended to read as follows:

12 b. For a grant to a program that utilizes high school
13 mentors to teach life skills, violence prevention, and
14 character education in an effort to reduce the illegal use of
15 alcohol, tobacco, and other substances:

16 \$ 400,000

17 Notwithstanding section 8.33, moneys appropriated under
18 this paragraph that remain unencumbered or unobligated at the
19 close of the fiscal year shall not revert but shall remain
20 available for the purpose designated in the succeeding fiscal
21 year.

22 Sec. 7. EFFECTIVE DATE. The section of this Act amending
23 2003 Iowa Acts, chapter 183, being deemed of immediate
24 importance, takes effect upon enactment.

25 EXPLANATION

26 This bill relates to and makes appropriations from the
27 healthy Iowans tobacco trust.

28 The bill makes appropriations involving the medical
29 assistance (Medicaid) program to the department of human
30 services (DHS) for FY 2004-2005 for reimbursement of or cost-
31 of-living adjustments for, unless otherwise provided, all
32 noninstitutional providers for continuation of the resource-
33 based relative value system of reimbursement; dental services;
34 hospitals; home health care services; critical access
35 hospitals; the expansion of home health care services and

1 habilitative day care for children with special needs; the
2 expansion of respite care services provided through home and
3 community-based services waivers; rehabilitative treatment and
4 support services providers; adoption, independent living,
5 shelter care, and home studies services providers; and service
6 providers under the purview of DHS.

7 The bill also provides for supplementation of the
8 appropriation for the state children's health insurance
9 program known as hawk-i, for supplementation of the
10 appropriation for the Medicaid program, and for coverage under
11 the Medicaid program to certain women who require treatment
12 for breast and cervical cancer.

13 The bill appropriates funds to the Iowa department of
14 public health (IDPH) for the tobacco use prevention and
15 control program, for a program that utilizes high school
16 mentors in an effort to reduce the illegal use of substances,
17 for provision of smoking cessation and smoking-related
18 diseases products, and for additional substance abuse
19 treatment. The bill provides for the nonreversion of FY 2003-
20 2004 moneys appropriated for the provision that utilizes high
21 school mentors. This provision is effective upon enactment.

22 The bill appropriates funds to IDPH for development of a
23 healthy Iowans 2010 plan for core public health functions, for
24 implementation and support of a coordinated system of delivery
25 of trauma and emergency medical services, for the poison
26 control center, for development of scientific and medical
27 expertise in environmental epidemiology, and for the childhood
28 lead poisoning prevention program.

29 The bill appropriates \$250,000 to the IDPH for the
30 automatic external defibrillator grant program, if enacted.

31 The bill appropriates funds to the department of
32 corrections for day programming, the drug court program, and a
33 value-based treatment program at the Newton correctional
34 facility with the option of a portion of the value-based
35 treatment program funds being used for a similar program at

1 the Iowa correctional institution for women at Mitchellville.
2 The bill appropriates \$130,000 to the department for the blind
3 to plan, establish, administer, and promote a statewide
4 program to provide audio news and information services to
5 blind or visually impaired persons residing in this state.

6 The bill appropriates funds to the property tax relief fund
7 for FY 2004-2005, for assistance to counties with limited
8 county mental health, mental retardation, and developmental
9 disabilities (MH/MR/DD) services fund balances to continue
10 reimbursement increases to service providers in the same
11 amount as provided in FY 2000-2001.

12 The bill appropriates funds from the healthy Iowans tobacco
13 trust to the Iowa empowerment fund for FY 2004-2005 for
14 deposit in the school ready children grants account and to the
15 department of corrections for operation and staffing of the
16 special needs unit at the Fort Madison correctional facility.

17 The bill also transfers an additional \$6,500,000 from the
18 endowment for Iowa's health account of the tobacco settlement
19 trust fund created in Code section 12E.12 to the healthy
20 Iowans tobacco trust created in Code section 12.65 for fiscal
21 year 2004-2005.

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May 17, 2004

ITEM
VETO

The Honorable Chester Culver
Secretary of State
State Capitol Building
LOCAL

Dear Mr. Secretary:

I hereby transmit **House File 2577**, an Act relating to and making appropriations from the healthy Iowans tobacco trust and the tobacco settlement trust fund and providing an effective date.

House File 2577 is approved on this date with the following exceptions, which I hereby disapprove.

I approve Section 8, which requires the Department of Public Health to provide a separate division administrator for the Division of Tobacco Use Prevention and Control. I fully recognize the importance of focusing on the importance of preventing and reducing tobacco use and appreciate the interest of stakeholders in maintaining a separate division administrator. However, I retain this language with some reservation. I am concerned that this new position may not be the most efficient use of tobacco prevention dollars. The tobacco division consists of nine employees and two vacant positions, which does not meet the span-of-control goal of 1:12. The next smallest division in the Department has four times as many employees, and all of the other divisions have multiple programs. Over the last two years, the Legislature has decreased the budget of the tobacco division by 40 percent. I am hopeful that this language marks a shift in legislative priorities and that the Legislature will restore these funds and provide a strong fiscal commitment to reducing tobacco use. Without an accompanying financial commitment, this language and the new division administrator are primarily a symbolic act.

I am unable to approve the item designated as a portion of Section 1, subsection 7, paragraph e. This language requires allocation of funds for the implementation of a treatment program at the Iowa Correctional Institution for Women in Mitchellville. A similar value-based treatment program at the Newton Correctional Facility is the subject of a constitutional challenge currently before the U.S. District Court. In order to avoid expansion of potential liability, state

appropriations for value-based treatment programming should not be expanded to other correctional institutions until the courts resolve this issue.

I approve the items designated as Section 14 and Section 15, which direct the Department of Public Health to issue a \$400,000 contract to a specific program targeted towards prevention efforts with Iowa youth. I support mentoring programs that focus on violence prevention and efforts to reduce the illegal use of alcohol, tobacco, and other substances among our youth. By preventing such acts, we save kids from a lot of pain and we save lives. However, I retain this language with some reservation. First, it is difficult to justify a sole source contract when there are other qualified organizations that would be denied any opportunity to bid on such a large contract. Furthermore, I expect this program to demonstrate its effectiveness through an independent evaluation. Certified mentoring programs in Iowa are required to meet standards of effective practice, and I expect the same of this program.

For the above reasons, I respectfully disapprove of the designated items in accordance with Article III, Section 16 of the Constitution of the State of Iowa. All other items in **House File 2577** are hereby approved as of this date.

Sincerely,

Thomas J. Vilsack
Governor

TJV:jmc

cc: Secretary of the Senate
Chief Clerk of the House

ITEM VETO

HOUSE FILE 2577

AN ACT

RELATING TO AND MAKING APPROPRIATIONS FROM THE HEALTHY IOWANS
TOBACCO TRUST AND THE TOBACCO SETTLEMENT TRUST FUND AND
PROVIDING AN EFFECTIVE DATE.

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, 2004, and
ending June 30, 2005, 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, 2004, through June 30, 2005,
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,

House File 2577, p. 2

section 1, subsection 1, paragraph "b", for the fiscal year
July 1, 2004, through June 30, 2005, for dental services under
the medical assistance program:

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

c. 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, 2004, through June
30, 2005, for hospitals under the medical assistance program:

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

d. 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, 2004, through June
30, 2005, for home health care services under the medical
assistance program:

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

e. 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, 2004, through June
30, 2005, for critical access hospitals under the medical
assistance program:

..... \$ 250,000

f. 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

g. 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

h. To maintain the cost-of-living adjustment as
established in 2000 Iowa Acts, chapter 1221, section 1,

H.F. 2577

subsection 1, paragraph "c", for the fiscal year July 1, 2004, through June 30, 2005, for rehabilitative treatment and support services providers under child and family services:

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

i. 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, 2004, through June 30, 2005, for adoption, independent living, shelter care, and home studies services providers:

..... \$ 468,967

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, 2004, through June 30, 2005, 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 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 "b":

..... \$ 250,000

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

..... \$ 14,346,750

Of the amount appropriated in this subsection, \$50,000 shall be used to continue the efforts of the Iowa chronic care consortium pursuant to 2003 Iowa Acts, chapter 112, section 12, as amended by 2003 Iowa Acts, chapter 179, sections 166 and 167.

5. To the department of human services for general administration of health-related programs:

..... \$ 274,000

6. 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:

..... \$ 5,011,565

..... 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.

(4) Of the funds appropriated in this paragraph "a", not less than 80 percent of the amount expended in the fiscal year beginning July 1, 2001, for community partnerships shall be expended in the fiscal year beginning July 1, 2004, for that purpose.

b. For provision of smoking cessation and smoking-related diseases 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 and smoking-

related diseases 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.

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

..... \$ 11,800,000

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

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

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

(6) The department shall submit a report annually by March 1, to the governor and the general assembly delineating the success rates of the substance abuse treatment programs that receive funding under this paragraph "c".

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

..... \$ 2,346,960
..... FTEs 4.00

(1) Of the funds appropriated in this paragraph "d", not more than \$1,157,482 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 "d", not more than \$387,320 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 "d", not more than \$437,000 shall be used for the state poison control center.

(4) Of the funds appropriated in this paragraph "d", not more than \$288,770 shall be used for the development of scientific and medical expertise in environmental epidemiology.

(5) Of the funds appropriated in this paragraph "d", not more than \$76,388 shall be used for the childhood lead poisoning prevention program.

e. For the automated external defibrillator grant program established by 2004 Iowa Acts, House File 2464, if enacted:

..... \$ 250,000

f. For the center for congenital and inherited disorders:

..... \$ 26,000

7. To the department of corrections:

..... \$ 980,000

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, \$255,693 is allocated to the fifth judicial district department of correctional services to replace expired funding for the drug court program.

e. Of the funds appropriated in this subsection, \$370,000 is allocated to the Newton correctional facility for a value-based treatment program. ~~Of the funds allocated in this paragraph, \$60,000 shall be used to operate a similar value-based treatment program at the Iowa correctional institution for women at Mitchellville. Moneys allocated for the program at Mitchellville that remain unencumbered or unobligated for that purpose at the close of the fiscal year shall revert.~~

8. To the department for the blind:

..... \$ 130,000

To plan, establish, administer, and promote a statewide program to provide audio news and information services to blind or visually impaired persons residing in this state.

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, 2004, and ending June 30, 2005, 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. IOWA EMPOWERMENT FUND. There is appropriated from the healthy Iowans tobacco trust created in section 12.65, to the Iowa empowerment fund created in section 28.9 for the fiscal year beginning July 1, 2004, and ending June 30, 2005, for deposit in the school ready children grants account and for distribution as provided in this section:

..... \$ 2,153,250

Sec. 4. DEPARTMENT OF CORRECTIONS -- SPECIAL NEEDS UNIT. There is appropriated from the healthy Iowans tobacco trust created in section 12.65, to the department of corrections for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For operating the special needs unit at the Fort Madison correctional facility:

..... \$ 1,187,285

Sec. 5. ENDOWMENT FOR IOWA'S HEALTH ACCOUNT -- TRANSFER. In addition to the amount transferred pursuant to section 12E.12, subsection 1, paragraph "b", subparagraph (2), subparagraph subdivision (b), \$6,316,077 is transferred from the endowment for Iowa's health account of the tobacco settlement trust fund created in section 12E.12 to the healthy Iowans tobacco trust created in section 12.65 for the fiscal year beginning July 1, 2004, and ending June 30, 2005.

Sec. 6. Section 142A.3, subsection 2, Code 2003, is amended to read as follows:

2. A commission on tobacco use prevention and control is established to develop policy, provide direction for the initiative, and perform all other duties related to the initiative and other tobacco use prevention and control activities as directed by this chapter or referred to the commission by the director of public health.

Sec. 7. Section 142A.4, Code 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 12A. Represented by the chairperson of the commission, annually appear before the joint appropriations subcommittee that makes recommendations concerning the commission's budget to report on budget expenditures and division operations relative to the prior fiscal year and the current fiscal year.

Sec. 8. Section 142A.5, subsection 1, paragraph b, Code Supplement 2003, is amended to read as follows:

b. Employ a separate division administrator who, in accordance with the requirements of section 142A.4, subsection 14, in a full-time equivalent position whose sole responsibility and duty shall be responsible for the administration and oversight of the division. The division administrator shall report to and shall serve at the pleasure of the director. The administrator shall be exempt from the merit system provisions of chapter 8A, subchapter IV.

Sec. 9. Section 142A.5, subsection 2, Code Supplement 2003, is amended by adding the following new paragraph:

NEW PARAGRAPH. g. Provide necessary information to the commission to assist the commission in making its annual report to the joint appropriations subcommittee pursuant to section 142A.4, subsection 12A, and in fulfilling other commission duties pursuant to section 142A.4.

Sec. 10. Section 216B.3, Code Supplement 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 18. Plan, establish, administer, and promote a statewide program to provide audio news and information services to blind or visually impaired persons residing in this state.

a. The commission may enter into necessary contracts and arrangements with the national federation for the blind to provide for the delivery of newspapers over the telephone, furnished by the national federation for the blind.

b. The commission may enter into necessary contracts and arrangements with the Iowa radio reading information service

for the blind and print handicapped to provide for the delivery of newspapers, magazines, and other printed materials over the radio, furnished by the Iowa radio reading information service for the blind and print handicapped.

Sec. 11. Section 216B.4, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The director may accept financial aid from the government of the United States for carrying out rehabilitation and physical restoration of the blind and for providing library, news, and information services to persons who are blind and persons with physical disabilities.

Sec. 12. Section 234.39, subsection 6, if enacted by 2004 Iowa Acts, Senate File 2298, is amended by striking the subsection.

Sec. 13. Section 272C.3, subsection 1, paragraph k, Code Supplement 2003, is amended to read as follows:

k. Establish a licensee review committee for the purpose of evaluating and monitoring licensees who are impaired as a result of alcohol or drug abuse, dependency, or addiction, or by any mental or physical disorder or disability, and who self-report the impairment to the committee, or who are referred by the board to the committee. Members of the committee shall receive actual expenses for the performance of their duties and shall be eligible to receive per diem compensation pursuant to section 7E.6. The board shall adopt rules for the establishment and administration of the committee, including but not limited to establishment of the criteria for eligibility for referral to the committee and the grounds for disciplinary action for noncompliance with committee decisions. Information in the possession of the board or the licensee review committee, under this paragraph, shall be subject to the confidentiality requirements of section 272C.6. Referral of a licensee by the board to a licensee review committee shall not relieve the board of any duties of the board and shall not divest the board of any

authority or jurisdiction otherwise provided. A licensee who violates section 272C.10 or the rules of the board while under review by the licensee review committee shall be referred to the board for appropriate action.

Sec. 14. 2003 Iowa Acts, chapter 183, section 1, subsection 5, paragraph b, is amended to read as follows:

b. For a grant to a program that utilizes high school mentors to teach life skills, violence prevention, and character education in an effort to reduce the illegal use of alcohol, tobacco, and other substances:

..... \$ 400,000

(1) The program described in this paragraph "b" shall meet all of the following requirements:

(a) The program shall be a statewide mentoring program that is an alternative to mentoring programs that utilize the standards of effective practice.

(b) The program shall contract with a university to assist in curriculum development and performance evaluation.

(c) The program shall provide for some level of public-private partnership.

(d) The program shall obtain the assistance of the Iowa department of public health in the development of the performance evaluation design.

(e) The program shall demonstrate improvement in meeting the current standards.

(2) The Iowa department of public health shall negotiate a sole source contract with a nonprofit corporation that mentors through live music and receives funds through private partnership to implement this paragraph "b".

(3) The Iowa department of public health may use up to \$50,000 of the moneys appropriated under this paragraph "b" to provide technical assistance to and monitoring of the program.

(4) Notwithstanding section 8.33, moneys appropriated under this paragraph "b" that remain unencumbered or unobligated at the close of the fiscal year shall not revert

but shall remain available for the purpose designated in the succeeding fiscal year.

Sec. 15. EFFECTIVE DATE. The section of this Act amending 2003 Iowa Acts, chapter 183, being deemed of immediate importance, takes effect upon enactment.

CHRISTOPHER C. RANTS
Speaker of the House

JEFFREY M. LAMBERTI
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2577, Eightieth General Assembly.

MARGARET THOMSON
Chief Clerk of the House

Approved _____, 2004

THOMAS J. VILSACK
Governor