

SF 458 substituted

5/1/03

Withdrawn 5/1/03

APR 30 2003
APPROPRIATIONS CALENDAR

HOUSE FILE 700

BY COMMITTEE ON APPROPRIATIONS

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

A BILL FOR

1 An Act relating to public expenditure and regulatory matters,
2 compensating public employees, making and reducing
3 appropriations, providing for related matters, making
4 penalties applicable, and providing effective dates.

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

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DIVISION I

MH/MR/DD ALLOWED GROWTH

Section 1. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR ADJUSTMENT AND ALLOCATIONS -- FISCAL YEAR 2004-2005.

1. There is appropriated from the general fund of the state to the department of human services 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 distribution to counties of the county mental health, mental retardation, and developmental disabilities allowed growth factor adjustment, as provided in this section in lieu of the provisions of section 331.438, subsection 2, and section 331.439, subsection 3, and chapter 426B:

..... \$ 23,738,749

2. The funding appropriated in this section is the allowed growth factor adjustment for fiscal year 2004-2005, and is allocated as follows:

a. For distribution as provided by law:

..... \$ 21,738,749

b. For deposit in the risk pool created in the property tax relief fund and for distribution in accordance with section 426B.5, subsection 2:

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

DIVISION II

STANDING APPROPRIATIONS -- REDUCTIONS

Sec. 2. GENERAL ASSEMBLY. The appropriations made pursuant to section 2.12 for the expenses of the general assembly and legislative agencies for the fiscal year beginning July 1, 2003, and ending June 30, 2004, are reduced by the following amount:

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

Sec. 3. REBUILD IOWA INFRASTRUCTURE FUND. Notwithstanding section 8.56, subsection 4, there is appropriated from the

1 cash reserve fund to the rebuild Iowa infrastructure fund
2 created in section 8.57 for the fiscal year beginning July 1,
3 2002, and ending June 30, 2003, the following amount:

4 \$ 2,150,000

5 Sec. 4. ENVIRONMENT FIRST FUND. Notwithstanding the
6 amount of the standing appropriation from the rebuild Iowa
7 infrastructure fund under section 8.57A, subsection 4, there
8 is appropriated from the rebuild Iowa infrastructure fund to
9 the environment first fund, in lieu of the appropriation made
10 in section 8.57A, for the fiscal year beginning July 1, 2002,
11 and ending June 30, 2003, the following amount:

12 \$ 18,445,000

13 Sec. 5. AT-RISK CHILDREN PROGRAMS. Notwithstanding the
14 standing appropriation in section 279.51, subsection 1, the
15 amount appropriated from the general fund of the state under
16 section 279.51, subsection 1, to the department of education
17 for the fiscal year beginning July 1, 2003, and ending June
18 30, 2004, is reduced by the following amount:

19 \$ 1,000,000

20 The amount of the reduction in this section shall be
21 prorated among the programs specified in section 279.51,
22 subsection 1, paragraphs "a", "b", and "c".

23 Sec. 6. PUBLIC TRANSIT ASSISTANCE APPROPRIATION.
24 Notwithstanding section 312.2, subsection 14, the amount
25 appropriated from the general fund of the state under section
26 312.2, subsection 14, to the state department of
27 transportation for public transit assistance under chapter
28 324A for the fiscal year beginning July 1, 2003, and ending
29 June 30, 2004, is reduced by the following amount:

30 \$ 1,298,675

31 Sec. 7. Section 294A.25, subsection 1, Code 2003, is
32 amended to read as follows:

33 1. For the fiscal year beginning July 1, ~~2000~~ 2003, and
34 for each succeeding year, there is appropriated from the
35 general fund of the state to the department of education the

1 amount of eighty fifty-six million eight hundred ninety-one
2 thousand three hundred thirty-six dollars to be used to
3 improve teacher salaries. The moneys shall be distributed as
4 provided in this section.

5 Sec. 8. EFFECTIVE DATE. The sections of this division of
6 this Act relating to the appropriations made to the rebuild
7 Iowa infrastructure fund and environment first fund for the
8 fiscal year beginning July 1, 2002, being deemed of immediate
9 importance, take effect upon enactment.

10 DIVISION III

11 STANDING APPROPRIATIONS -- LIMITATIONS

12 Sec. 9. Notwithstanding the standing appropriations in the
13 following designated sections for the fiscal year beginning
14 July 1, 2003, and ending June 30, 2004, the amounts
15 appropriated from the general fund of the state pursuant to
16 those sections for the following designated purposes shall not
17 exceed the following amounts:

18 1. For compensation of officers and enlisted persons and
19 their expenses while on state active duty as authorized in
20 section 29A.27:

21 \$ 432,450

22 2. For payment for nonpublic school transportation under
23 section 285.2:

24 \$ 7,799,550

25 If total approved claims for reimbursement for nonpublic
26 school pupil transportation claims exceed the amount
27 appropriated in this section, the department of education
28 shall prorate the amount of each claim.

29 3. For printing cigarette tax stamps under section 453A.7:

30 \$ 110,055

31 4. For the state's share of the cost of the peace
32 officers' retirement benefits under section 411.20:

33 \$ 2,816,189

34 5. For payment of livestock production credit refunds
35 under section 422.121:

1 \$ 1,815,735

2 6. For reimbursement for the homestead property tax credit

3 under section 425.1:

4 \$105,585,004

5 7. For reimbursement for the agricultural land and family

6 farm tax credits under section 426.1:

7 \$ 35,497,624

8 8. For reimbursement for the military service tax credit

9 under section 426A.1A:

10 \$ 2,569,712

11 9. For administration expenses of the state unemployment

12 compensation law under chapter 96:

13 \$ 450,000

14 10. For payment of certain interest costs due the federal

15 government under the federal Cash Management and Improvement

16 Act under section 421.31:

17 \$ 550,000

18 11. For funding the state's deferred compensation program

19 established for state employees under section 509A.12:

20 \$ 56,501

21 Sec. 10. ELDERLY AND DISABLED CREDIT. Notwithstanding the

22 standing appropriation in section 425.39, the amount

23 appropriated from the general fund of the state under section

24 425.39, for the fiscal year beginning July 1, 2003, and ending

25 June 30, 2004, for purposes of implementing the elderly and

26 disabled credit and reimbursement portion of the extraordinary

27 property tax and reimbursement division of chapter 425, shall

28 not exceed \$16,651,800. The director shall pay, in full, all

29 claims to be paid during the fiscal year beginning July 1,

30 2003, for reimbursement of rent constituting property taxes

31 paid. If the amount of claims for credit for property taxes

32 due to be paid during the fiscal year beginning July 1, 2003,

33 exceeds the amount remaining after payment to renters, the

34 director of revenue and finance shall prorate the payments to

35 the counties for the property tax credit. In order for the

1 director to carry out the requirements of this section,
2 notwithstanding any provision to the contrary in sections
3 425.16 through 425.39, claims for reimbursement for rent
4 constituting property taxes paid filed before May 1, 2004,
5 shall be eligible to be paid in full during the fiscal year
6 ending June 30, 2004, and those claims filed on or after May
7 1, 2004, shall be eligible to be paid during the fiscal year
8 beginning July 1, 2004, and the director is not required to
9 make payments to counties for the property tax credit before
10 June 15, 2004.

11 DIVISION IV

12 REVENUE ADJUSTMENTS -- APPROPRIATIONS

13 Sec. 11. IOWA ECONOMIC EMERGENCY AND RESERVE FUNDS --
14 EARNINGS. Notwithstanding section 8.55, subsection 4, and
15 section 8.56, subsection 1, for the fiscal year beginning July
16 1, 2003, and ending June 30, 2004, the interest and earnings
17 on moneys deposited in the Iowa economic emergency fund and
18 the cash reserve fund shall be credited to the general fund of
19 the state.

20 Sec. 12. USE OF REVERSIONS. Notwithstanding section 8.62,
21 if on June 30, 2004, a balance of an operational
22 appropriation, as defined in section 8.62, remains unexpended
23 or unencumbered, the balance shall revert to the general fund
24 of the state as provided in section 8.33.

25 Sec. 13. KEEP IOWA BEAUTIFUL FUND. For the fiscal years
26 beginning July 1, 2002, and July 1, 2003, moneys credited to
27 the keep Iowa beautiful fund in accordance with section
28 422.12A are appropriated to the state department of
29 transportation to be used for the purposes provided in section
30 314.28.

31 Sec. 14. ENDOWMENT FOR IOWA'S HEALTH. For the fiscal year
32 beginning July 1, 2003, and ending June 30, 2004, of the
33 \$70,000,000 to be deposited in the endowment for Iowa's health
34 account of the tobacco settlement trust fund under 2001 Iowa
35 Acts, chapter 174, section 1, subsection 1, the following

1 amount shall instead be deposited in the general fund of the
2 state:

3 \$ 20,000,000

4 Sec. 15. JUNIOR OLYMPICS. There is appropriated from the
5 general fund of the state to the department of economic
6 development for the fiscal year beginning July 1, 2003, and
7 ending June 30, 2004, the following amount, or so much thereof
8 as is necessary, to be used for the purpose designated:

9 For providing assistance to a city or nonprofit
10 organization hosting the national junior olympics:

11 \$ 50,000

12 Sec. 16. UNEMPLOYMENT TRUST FUND. There is appropriated
13 from moneys transferred to the state on March 13, 2002,
14 pursuant to section 903(d) of the federal Social Security Act,
15 as amended, to the department of workforce development, the
16 following amount, to be deposited, under the direction of the
17 department of workforce development, in the unemployment
18 compensation fund for the payment of unemployment benefits and
19 for the establishment of the unemployment compensation reserve
20 fund:

21 \$ 40,000,000

22 Sec. 17. UNEMPLOYMENT TAX AND CLAIM SYSTEM. There is
23 appropriated from moneys transferred to the state on March 13,
24 2002, pursuant to section 903(d) of the federal Social
25 Security Act, as amended, to the department of workforce
26 development, the following amount for purposes of automation
27 and technology for the unemployment tax and claim system:

28 \$ 20,000,000

29 Sec. 18. ENHANCED SERVICES TO CLAIMANTS. There is
30 appropriated from moneys transferred to the state on March 13,
31 2002, pursuant to section 903(d) of the federal Social
32 Security Act, as amended, to the department of workforce
33 development the following amount for purposes of
34 infrastructure improvements and the administrative and
35 technology costs associated with enhanced services to

1 unemployment benefit claimants for workforce and labor
2 exchange services:
3 \$ 20,700,000

4 Sec. 19. Section 8.55, subsection 2, paragraph c, Code
5 2003, is amended to read as follows:

6 c. Notwithstanding paragraph "a", any moneys in excess of
7 the maximum balance in the economic emergency fund after the
8 distribution of the surplus in the general fund of the state
9 at the conclusion of each fiscal year and after the
10 appropriate amount has been transferred pursuant to paragraph
11 "b", shall not be transferred to the general fund of the state
12 but shall be transferred to the senior living trust fund. The
13 total amount transferred, in the aggregate, under this
14 paragraph for all fiscal years shall not exceed fifty-one one
15 hundred eighteen million five-hundred-thousand dollars.

16 Sec. 20. Section 8.57, subsection 1, paragraph a,
17 unnumbered paragraph 1, Code Supplement 2001, as enacted by
18 2002 Iowa Acts, Second Extraordinary Session, chapter 1001,
19 section 28, is amended to read as follows:

20 The "cash reserve goal percentage" for fiscal years
21 beginning on or after July 1, ~~2003~~ 2004, is seven and one-half
22 percent of the adjusted revenue estimate. For each fiscal
23 year ~~beginning-on-or-after-July-1, 2003~~, in which the
24 appropriation of the surplus existing in the general fund of
25 the state at the conclusion of the prior fiscal year pursuant
26 to paragraph "b" was not sufficient for the cash reserve fund
27 to reach the cash reserve goal percentage for the current
28 fiscal year, there is appropriated from the general fund of
29 the state an amount to be determined as follows:

30 Sec. 21. Section 96.9, Code 2003, is amended by adding the
31 following new subsection:

32 NEW SUBSECTION. 8. UNEMPLOYMENT COMPENSATION RESERVE
33 FUND.

34 a. A special fund to be known as the unemployment
35 compensation reserve fund is created in the state treasury.

1 The reserve fund is separate and distinct from the
2 unemployment compensation fund. All moneys collected as
3 reserve contributions, as defined in paragraph "b", shall be
4 deposited in the reserve fund. The moneys in the reserve fund
5 may be used for the payment of unemployment benefits and shall
6 remain available for expenditures in accordance with the
7 provisions of this subsection. The treasurer of state shall
8 be the custodian of the reserve fund and shall disburse the
9 moneys in the reserve fund in accordance with this subsection
10 and the directions of the director of the department of
11 workforce development.

12 b. If the balance in the reserve fund on July 1 of the
13 preceding calendar year for calendar year 2004 and each year
14 thereafter is less than one hundred fifty million dollars, a
15 percentage of contributions, as determined by the director,
16 shall be deemed to be reserve contributions for the following
17 calendar year. If the percentage of contributions, termed the
18 reserve contribution tax rate, is not zero percent as
19 determined pursuant to this subsection, the combined tax rate
20 of contributions to the unemployment compensation fund and to
21 the unemployment compensation reserve fund shall be divided so
22 that a minimum of fifty percent of the combined tax rate
23 equals the unemployment contribution tax rate and a maximum of
24 fifty percent of the combined tax rate equals the reserve
25 contribution tax rate except for employers who are assigned a
26 combined tax rate of five and four-tenths. For those
27 employers, the reserve contribution tax rate shall equal zero
28 and their combined tax rate shall equal their unemployment
29 contribution rate. When the reserve contribution tax rate is
30 determined to be zero percent, the unemployment contribution
31 rate for all employers shall equal one hundred percent of the
32 combined tax rate. The reserve contributions collected in any
33 calendar year shall not exceed one hundred fifty million
34 dollars. The provisions for collection of contributions under
35 section 96.14 are applicable to the collection of reserve

1 contributions. Reserve contributions shall not be deducted in
2 whole or in part by any employer from the wages of individuals
3 in its employ. All moneys collected as reserve contributions
4 shall not become part of the unemployment compensation fund
5 but shall be deposited in the reserve fund created in this
6 subsection.

7 c. Moneys in the reserve fund shall only be used to pay
8 unemployment benefits to the extent moneys in the unemployment
9 compensation fund are insufficient to pay benefits during a
10 calendar quarter.

11 d. The interest earned on the moneys in the reserve fund
12 shall be deposited in and credited to the reserve fund.

13 e. Moneys from interest earned on the unemployment
14 compensation reserve fund shall be used by the department only
15 upon appropriation by the general assembly and only for
16 purposes contained in section 96.7, subsection 12, for
17 department of workforce development rural satellite offices,
18 and for administrative costs to collect the reserve
19 contributions.

20 Sec. 22. Section 260G.4B, subsection 1, Code 2003, is
21 amended to read as follows:

22 1. The total amount of program job credits from all
23 employers which shall be allocated for all accelerated career
24 education programs in the state in any one fiscal year shall
25 not exceed the sum of three million dollars in the fiscal year
26 beginning July 1, 2000, three million dollars in the fiscal
27 year beginning July 1, 2001, three million dollars in the
28 fiscal year beginning July 1, 2002, four million dollars in
29 the fiscal year beginning July 1, 2003, and six million
30 dollars in the fiscal year beginning July 1, ~~2003~~ 2004, and
31 every fiscal year thereafter. Any increase in program job
32 credits above the six-million-dollar limitation per fiscal
33 year shall be developed, based on recommendations in a study
34 which shall be conducted by the department of economic
35 development of the needs and performance of approved programs

1 in the fiscal years beginning July 1, 2000, and July 1, 2001.
 2 The study's findings and recommendations shall be submitted to
 3 the general assembly by the department by December 31, 2002.
 4 The study shall include but not be limited to an examination
 5 of the quality of the programs, the number of program
 6 participant placements, the wages and benefits in program
 7 jobs, the level of employer contributions, the size of
 8 participating employers, and employer locations. A community
 9 college shall file a copy of each agreement with the
 10 department of economic development. The department shall
 11 maintain an annual record of the proposed program job credits
 12 under each agreement for each fiscal year. Upon receiving a
 13 copy of an agreement, the department shall allocate any
 14 available amount of program job credits to the community
 15 college according to the agreement sufficient for the fiscal
 16 year and for the term of the agreement. When the total
 17 available program job credits are allocated for a fiscal year,
 18 the department shall notify all community colleges that the
 19 maximum amount has been allocated and that further program job
 20 credits will not be available for the remainder of the fiscal
 21 year. Once program job credits have been allocated to a
 22 community college, the full allocation shall be received by
 23 the community college throughout the fiscal year and for the
 24 term of the agreement even if the statewide program job credit
 25 maximum amount is subsequently allocated and used.

26 Sec. 23. 2001 Iowa Acts, chapter 174, section 1,
 27 subsection 2, as amended by 2002 Iowa Acts, chapter 1174,
 28 section 8, is amended to read as follows:

29 2. There is appropriated from the general fund of the
 30 state to the endowment for Iowa's health account of the
 31 tobacco settlement trust fund created in section 12E.12, for
 32 the designated fiscal years, the following amounts, to be used
 33 for the purposes specified in section 12E.12 for the endowment
 34 for Iowa's health account:

35 FY 2001-2002 \$ 7,248,000

1	FY 2003-2004	\$ 28,251,000
2		<u>0</u>
3	FY 2004-2005	\$ 29,785,000
4	FY 2005-2006	\$ 29,562,000
5	FY 2006-2007	\$ 17,773,000

6 Sec. 24. 2002 Iowa Acts, Second Extraordinary Session,
7 chapter 1001, section 33, is amended to read as follows:

8 SEC. 33. EFFECTIVE DATE -- APPLICABILITY. The amendments
9 to the following designated Code provisions in this division
10 of this Act take effect July 1, ~~2003~~ 2004:

- 11 1. Section 8.55, subsection 2, paragraph "a".
- 12 2. Section 8.56, subsection 4, paragraph "b".
- 13 3. Section 8.57, subsection 1, paragraph "a".

14 RACING AND GAMING COMMISSION

15 Sec. 25. 2002 Iowa Acts, Second Extraordinary Session,
16 chapter 1003, section 9, subsection 1, is amended to read as
17 follows:

18 1. RACETRACK REGULATION

19 There is appropriated from the general fund of the state to
20 the racing and gaming commission of the department of
21 inspections and appeals for the fiscal year beginning July 1,
22 2002, and ending June 30, 2003, the following amount, or so
23 much thereof as is necessary, to be used for the purposes
24 designated:

25	For salaries, support, maintenance, and miscellaneous	
26	purposes for the regulation of pari-mutuel racetracks, and for	
27	not more than the following full-time equivalent positions:	
28	.....	\$ 2,083,762
29		<u>2,163,762</u>
30	..... FTEs	24.78

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

33 Sec. 26. EFFECTIVE DATE. The following provisions of this
34 division of this Act, being deemed of immediate importance,
35 take effect upon enactment:

1 1. The section appropriating moneys from the keep Iowa
2 beautiful fund.

3 2. The section amending 2002 Iowa Acts, Second
4 Extraordinary Session, chapter 1003, section 9, relating to
5 racetrack regulation.

6 3. The amendment to section 96.9.

7 DIVISION V

8 COMPENSATION AND BENEFITS

9 Sec. 27. COLLECTIVE BARGAINING AGREEMENTS FUNDED --
10 GENERAL FUND. There is appropriated from the general fund of
11 the state to the salary adjustment fund for distribution by
12 the department of management to the various state departments,
13 boards, commissions, councils, and agencies, and to the state
14 board of regents for those persons employed at the state
15 school for the deaf and the Iowa braille and sight saving
16 school, for the fiscal year beginning July 1, 2003, and ending
17 June 30, 2004, the amount of \$25,000,000, or so much thereof
18 as may be necessary, to fully fund annual pay adjustments,
19 expense reimbursements, and related benefits implemented
20 pursuant to the following:

21 1. The collective bargaining agreement negotiated pursuant
22 to chapter 20 for employees in the blue collar bargaining
23 unit.

24 2. The collective bargaining agreement negotiated pursuant
25 to chapter 20 for employees in the public safety bargaining
26 unit.

27 3. The collective bargaining agreement negotiated pursuant
28 to chapter 20 for employees in the security bargaining unit.

29 4. The collective bargaining agreement negotiated pursuant
30 to chapter 20 for employees in the technical bargaining unit.

31 5. The collective bargaining agreement negotiated pursuant
32 to chapter 20 for employees in the professional fiscal and
33 staff bargaining unit.

34 6. The collective bargaining agreement negotiated pursuant
35 to chapter 20 for employees in the clerical bargaining unit.

1 7. The collective bargaining agreement negotiated pursuant
2 to chapter 20 for employees in the professional social
3 services bargaining unit.

4 8. The collective bargaining agreement negotiated pursuant
5 to chapter 20 for employees in the community-based corrections
6 bargaining unit.

7 9. The collective bargaining agreements negotiated
8 pursuant to chapter 20 for employees in the judicial branch of
9 government bargaining units.

10 10. The annual pay adjustments, related benefits, and
11 expense reimbursements referred to in the sections of this
12 division of this Act for employees not covered by a collective
13 bargaining agreement.

14 Sec. 28. NONCONTRACT STATE EMPLOYEES -- GENERAL.

15 1. a. For the fiscal year beginning July 1, 2003, the
16 maximum salary levels of all pay plans provided for in section
17 19A.9, subsection 2, as they exist for the fiscal year ending
18 June 30, 2003, shall be increased by 2 percent for the pay
19 period beginning June 20, 2003, and any additional changes in
20 the pay plans shall be approved by the governor.

21 b. For the fiscal year beginning July 1, 2003, employees
22 may receive a step increase or the equivalent of a step
23 increase.

24 2. The pay plans for state employees who are exempt from
25 chapter 19A and who are included in the department of revenue
26 and finance's centralized payroll system shall be increased in
27 the same manner as provided in subsection 1, and any
28 additional changes in any executive branch pay plans shall be
29 approved by the governor.

30 3. This section does not apply to members of the general
31 assembly, board members, commission members, salaries of
32 persons set by the general assembly in statute, salaries of
33 appointed state officers set by the governor, other persons
34 designated, employees designated under section 19A.3,
35 subsection 5, and employees covered by 581 IAC 4.6(3).

1 4. The pay plans for the bargaining eligible employees of
2 the state shall be increased in the same manner as provided in
3 subsection 1, and any additional changes in such executive
4 branch pay plans shall be approved by the governor. As used
5 in this section, "bargaining eligible employee" means an
6 employee who is eligible to organize under chapter 20, but has
7 not done so.

8 5. The policies for implementation of this section shall
9 be approved by the governor.

10 Sec. 29. STATE EMPLOYEES -- STATE BOARD OF REGENTS.

11 1. Funds from the appropriation made in this division of
12 this Act from the general fund of the state to the salary
13 adjustment fund shall be allocated by the department of
14 management to the state board of regents for the purposes of
15 providing increases for state board of regents employees at
16 the state school for the deaf and the Iowa braille and sight
17 saving school who are addressed by that appropriation and
18 employees of the schools who are not covered by a collective
19 bargaining agreement.

20 2. The state board of regents office and the state
21 university of Iowa, Iowa state university of science and
22 technology, and the university of northern Iowa shall provide
23 from available sources pay adjustments, expense
24 reimbursements, and related benefits to fully fund the
25 following:

26 a. The collective bargaining agreement negotiated pursuant
27 to chapter 20 for employees in the university of northern Iowa
28 faculty bargaining unit.

29 b. The collective bargaining agreement negotiated pursuant
30 to chapter 20 for employees in the patient care bargaining
31 unit.

32 c. The collective bargaining agreement negotiated pursuant
33 to chapter 20 for employees in the science bargaining unit.

34 d. The collective bargaining agreement negotiated pursuant
35 to chapter 20 for employees in the state university of Iowa

1 graduate student bargaining unit.

2 e. The collective bargaining agreement negotiated pursuant
3 to chapter 20 for employees in the state university of Iowa
4 hospital and clinics tertiary health care bargaining unit.

5 f. The collective bargaining agreement negotiated pursuant
6 to chapter 20 for employees in the blue collar bargaining
7 unit.

8 g. The collective bargaining agreement negotiated pursuant
9 to chapter 20 for employees in the public safety bargaining
10 unit.

11 h. The collective bargaining agreement negotiated pursuant
12 to chapter 20 for employees in the security bargaining unit.

13 i. The collective bargaining agreement negotiated pursuant
14 to chapter 20 for employees in the technical bargaining unit.

15 j. The collective bargaining agreement negotiated pursuant
16 to chapter 20 for employees in the professional fiscal and
17 staff bargaining unit.

18 k. The collective bargaining agreement negotiated pursuant
19 to chapter 20 for employees in the clerical bargaining unit.

20 l. The annual pay adjustments, related benefits, and
21 expense reimbursements referred to in the sections of this
22 division of this Act for employees not covered by a collective
23 bargaining agreement.

24 Sec. 30. APPROPRIATIONS FROM ROAD FUNDS.

25 1. There is appropriated from the road use tax fund to the
26 salary adjustment fund for the fiscal year beginning July 1,
27 2003, and ending June 30, 2004, the following amount, or so
28 much thereof as may be necessary, to be used for the purpose
29 designated:

30 To supplement other funds appropriated by the general
31 assembly:

32 \$ 3,000,000

33 2. There is appropriated from the primary road fund to the
34 salary adjustment fund, for the fiscal year beginning July 1,
35 2003, and ending June 30, 2004, the following amount, or so

1 much thereof as may be necessary, to be used for the purpose
2 designated:

3 To supplement other funds appropriated by the general
4 assembly:

5 \$ 12,000,000

6 3. Except as otherwise provided in this division of this
7 Act, the amounts appropriated in subsections 1 and 2 shall be
8 used to fund the annual pay adjustments, expense
9 reimbursements, and related benefits for public employees as
10 provided in this division of this Act.

11 Sec. 31. SPECIAL FUNDS -- AUTHORIZATION. To departmental
12 revolving, trust, or special funds, except for the primary
13 road fund or the road use tax fund, for which the general
14 assembly has established an operating budget, a supplemental
15 expenditure authorization is provided, unless otherwise
16 provided, in an amount necessary to fund salary adjustments as
17 otherwise provided in this division of this Act.

18 Sec. 32. GENERAL FUND SALARY MONEYS. Funds appropriated
19 from the general fund of the state in this division of this
20 Act relate only to salaries supported from general fund
21 appropriations of the state except for employees of the state
22 board of regents at the state school for the deaf and the Iowa
23 braille and sight saving school. The funds appropriated from
24 the general fund of the state for employees at the state
25 school for the deaf and the Iowa braille and sight saving
26 school of the state board of regents shall exclude general
27 university indirect costs and general university federal
28 funds.

29 Sec. 33. FEDERAL FUNDS APPROPRIATED. All federal grants
30 to and the federal receipts of the agencies affected by this
31 division of this Act which are received and may be expended
32 for purposes of this division of this Act are appropriated for
33 those purposes and as set forth in the federal grants or
34 receipts.

35 Sec. 34. STATE TROOPER MEAL ALLOWANCE. The sworn peace

1 officers in the department of public safety who are not
2 covered by a collective bargaining agreement negotiated
3 pursuant to chapter 20 shall receive the same per diem meal
4 allowance as the sworn peace officers in the department of
5 public safety who are covered by a collective bargaining
6 agreement negotiated pursuant to chapter 20.

7 Sec. 35. SALARY MODEL COORDINATOR. Of the funds
8 appropriated in this division of this Act from the general
9 fund of the state, \$126,767 for the fiscal year beginning July
10 1, 2003, is allocated to the department of management for
11 salary and support of the salary model coordinator who shall
12 work in conjunction with the legislative fiscal bureau to
13 maintain the state's salary model used for analyzing,
14 comparing, and projecting state employee salary and benefit
15 information, including information relating to employees of
16 the state board of regents. The department of revenue and
17 finance, the department of personnel, the five institutions
18 under the jurisdiction of the state board of regents, the
19 eight judicial district departments of correctional services,
20 and the state department of transportation shall provide
21 salary data to the department of management and the
22 legislative fiscal bureau to operate the state's salary model.
23 The format and frequency of provision of the salary data shall
24 be determined by the department of management and the
25 legislative fiscal bureau. The information shall be used in
26 collective bargaining processes under chapter 20 and in
27 calculating the funding needs contained within the annual
28 salary adjustment legislation. A state employee organization
29 as defined in section 20.3, subsection 4, may request
30 information produced by the model, but the information
31 provided shall not contain information attributable to
32 individual employees.

33 DIVISION VI

34 CORRECTIVE PROVISIONS

35 Sec. 36. Section 8A.202, subsection 2, paragraph e, if

1 enacted by 2003 Iowa Acts, House File 534, is amended by
2 striking the paragraph and inserting in lieu thereof the
3 following:

4 e. Developing and maintaining an electronic repository for
5 public access to reference copies of agency mandated reports,
6 newsletters, and publications in conformity with section
7 304B.10, subsection 1, paragraph "h". The department shall
8 develop technical standards for an electronic repository in
9 consultation with the state librarian and the state archivist.

10 Sec. 37. Section 99E.9, subsection 2, Code 2003, as
11 amended by 2003 Iowa Acts, House File 171, section 31, is
12 amended to read as follows:

13 2. Subject to the approval of the board, the commissioner
14 may enter into contracts for the operation and marketing of
15 the lottery, except that the board may by rule designate
16 classes of contracts other than major procurements which do
17 not require prior approval by the board. A major procurement
18 shall be as the result of competitive bidding with the
19 contract being awarded to the responsible vendor submitting
20 the lowest and best proposal. However, before a contract for
21 a major procurement is awarded, the division of criminal
22 investigation of the department of public safety shall conduct
23 a thorough background investigation of the vendor to whom the
24 contract is to be awarded. The commissioner and board shall
25 consult with the division of criminal investigation and shall
26 provide, by rule, for the scope of the thorough background
27 investigations and due diligence with regard to the background
28 investigations to be conducted in connection with major
29 procurements. The vendor shall submit to the division of
30 criminal investigation appropriate investigation
31 authorizations to facilitate this investigation. The
32 background investigation by the division of criminal
33 investigation may include a national criminal history record
34 check through the federal bureau of investigation. The
35 screening of vendors or their employees through the federal

1 bureau of investigation shall be conducted by submission of
2 fingerprints through the state criminal history repository to
3 the federal bureau of investigation. As used in this
4 subsection, "major procurement" means consulting agreements
5 and the major procurement contract with a business
6 organization for the printing of tickets, or for purchase or
7 lease of equipment or services essential to the operation of a
8 lottery game.

9 Sec. 38. Section 135.150, subsection 3, as enacted by 2003
10 Iowa Acts, House File 396, section 1, is amended to read as
11 follows:

12 3. "Director" means the director ~~or the director's~~
13 designee of public health or the director's designee.

14 Sec. 39. Section 135.154, subsection 7, as enacted by 2003
15 Iowa Acts, House File 396, section 5, is amended to read as
16 follows:

17 7. Treat or order that individuals exposed to or infected
18 with disease receive treatment or prophylaxis. Treatment or
19 prophylaxis shall be administered by any qualified person
20 authorized to do so by the department. Treatment or
21 prophylaxis shall not be provided or ordered if the treatment
22 or prophylaxis is reasonably likely to lead to serious harm to
23 the affected individual. To prevent the spread of
24 communicable or potentially communicable disease, the
25 department may isolate or quarantine, pursuant to chapter 139A
26 and the rules implementing chapter 139A and this division of
27 this chapter, any individual who is unable or unwilling to
28 undergo treatment or prophylaxis pursuant to this section.

29 Sec. 40. Section 170.6, subsection 1, paragraph b, if
30 enacted by 2003 Iowa Acts, House File 624, is amended to read
31 as follows:

32 b. Failed to provide notice or access to the department of
33 natural resources and the department of agriculture and land
34 stewardship as required by section 170.5.

35 Sec. 41. Section 232.71B, subsection 7A, if enacted by

1 2003 Iowa Acts, House File 558, section 1, is amended to read
2 as follows:

3 7A. PROTECTIVE DISCLOSURE. If the department determines
4 that disclosure is necessary for the protection of a child,
5 the department may disclose to a subject of a child abuse
6 report referred to in section 235A.15, subsection 2, paragraph
7 "a", that an individual is listed in the child or dependent
8 adult abuse registry or is required to register with the sex
9 offender registry in accordance with chapter 692A.

10 Sec. 42. Section 235B.3, subsection 6A, if enacted by 2003
11 Iowa Acts, House File 558, section 2, is amended to read as
12 follows:

13 6A. If the department determines that disclosure is
14 necessary for the protection of a dependent adult, the
15 department may disclose to a subject of a dependent adult
16 abuse report referred to in section 235B.6, subsection 2,
17 paragraph "a", that an individual is listed in the child or
18 dependent adult abuse registry or is required to register with
19 the sex offender registry in accordance with chapter 692A.

20 Sec. 43. Section 304B.3, subsections 4, 8, and 9, if
21 enacted by 2003 Iowa Acts, House File 648, section 6, are
22 amended to read as follows:

23 4. The director of revenue ~~and finance~~.

24 8. The director of the department of general
25 administrative services.

26 ~~9.--The-director-of-the-information-technology-department.~~

27 Sec. 44. Section 356.7, subsection 1, as amended by 2003
28 Iowa Acts, House File 650, section 1, if enacted, is amended
29 to read as follows:

30 1. The county sheriff, or a municipality operating a
31 temporary municipal holding facility or jail, may charge a
32 prisoner who is eighteen years of age or older and who has
33 been convicted of a criminal offense or sentenced for contempt
34 of court for violation of a domestic abuse order for the
35 actual administrative costs relating to the arrest and booking

1 of that prisoner, and for room and board provided to the
2 prisoner while in the custody of the county sheriff or
3 municipality. Moneys collected by the sheriff or municipality
4 under this section shall be credited respectfully respectively
5 to the county general fund or the city general fund and
6 distributed as provided in this section. If a prisoner who
7 has been convicted of a criminal offense or sentenced for
8 contempt of court for violation of a domestic abuse order
9 fails to pay for the administrative costs and the room and
10 board, the sheriff or municipality may file a room and board
11 reimbursement claim with the district court as provided in
12 subsection 2. The county attorney may file the reimbursement
13 claim on behalf of the sheriff and the county or the
14 municipality. The attorney for the municipality may also file
15 a reimbursement claim on behalf of the municipality. This
16 section does not apply to prisoners who are paying for their
17 room and board by court order pursuant to sections 356.26
18 through 356.35.

19 Sec. 45. Section 459.401, subsection 2, paragraph a,
20 subparagraph (3A), if enacted by 2003 Iowa Acts, House File
21 644, section 18, is amended to read as follows:

22 (3A) A commercial manure service license fee as provided
23 in section ~~359.316~~ 459.316.

24 Sec. 46. Section 505A.1, article V, section 2, paragraph
25 a, subparagraph (3), if enacted by 2003 Iowa Acts, House File
26 647, section 54, is amended to read as follows:

27 (3) Four members from those compacting states with less
28 than two percent of the market, based on the premium volume
29 described in subparagraph (1), with one selected from each of
30 the four zone regions of the national association of insurance
31 commissioners as provided in the bylaws.

32 Sec. 47. Section 508.31A, subsection 2, paragraph b, Code
33 2003, as amended by 2003 Iowa Acts, House File 647, section 7,
34 if enacted, is amended to read as follows:

35 b. A funding agreement issued pursuant to paragraph "a",

1 subparagraph (1), (2), or (3), shall be for a total amount of
2 not less than one million dollars.

3 Sec. 48. Section 692A.13, subsection 9, if enacted by 2003
4 Iowa Acts, House File 558, section 3, is amended to read as
5 follows:

6 9. If the department of human services determines that
7 disclosure is necessary for the protection of a child or a
8 dependent adult, the department may disclose to a subject of a
9 child abuse report referred to in section 235A.15, subsection
10 2, paragraph "a", or to a subject of a dependent adult abuse
11 report referred to in section 235B.6, subsection 2, paragraph
12 "a", that an individual is listed in the child or dependent
13 adult abuse registry or is required to register under this
14 chapter.

15 Sec. 49. Section 901.5, subsection 7A, paragraph d, as
16 enacted by 2003 Iowa Acts, House File 404, section 1, is
17 amended to read as follows:

18 d. Violation of a no-contact order issued under this
19 section is punishable by summary contempt proceedings. A
20 hearing in a contempt proceeding brought pursuant to this
21 subsection shall be held not less than five days and not more
22 than fifteen days after the issuance of a rule to show cause,
23 as set by the court, unless the defendant is already in
24 custody at the time of the alleged violation in which case the
25 hearing shall be held not less than five days and not more
26 than forty-five days after the issuance of the rule to show
27 cause.

28 Sec. 50. 2003 Iowa Acts, Senate File 155, section 26, is
29 repealed.

1 subparagraph (4), Code 2003, is amended to read as follows:

2 (4) For investments of short-term operating funds, the
3 funds shall not be invested in investments having effective
4 maturities exceeding sixty-three months.

1 2003, is amended by striking the paragraph.

2 Sec. 53. 2003 Iowa Acts, House File 624, section 22, if
3 enacted, is amended to read as follows:

4 SEC. 22. HUNTING PRESERVES AND GAME BREEDERS -- AUTOMATIC
5 CERTIFICATION. Any A fence enclosing farm deer kept on land
6 which is owned by a person licensed pursuant to section 484B.5
7 or 481A.61 ~~and which is enclosed with a fence~~ on the effective
8 date of this Act shall be deemed to comply with construction
9 requirements of section 170.4 and shall be automatically
10 certified by the department of agriculture and land
11 stewardship without ~~submitting~~ submission of an application.
12 The landowner is not required to notify the department of
13 natural resources concerning removal of whitetail as otherwise
14 required pursuant to section 170.5.

15 Sec. 54. 2003 Iowa Acts, House File 648, section 1, if
16 enacted, is repealed.

17 Sec. 55. CONTINGENT EFFECTIVE DATES.

18 1. The section of this division of this Act amending
19 section 8A.202, subsection 2, if enacted by 2003 Iowa Acts,
20 House File 534, takes effect if House File 648, relating to
21 the management of state archives and records, is enacted by
22 the Eightieth General Assembly, 2003 Regular Session.

23 2. The sections of this division of this Act amending
24 section 304B.3, if enacted by 2003 Iowa Acts, House File 648,
25 and repealing 2003 Iowa Acts, House File 648, section 1, if
26 enacted, take effect if House File 534, establishing a
27 department of administrative services, is enacted by the
28 Eightieth General Assembly, 2003 Regular Session.

29 3. The section of this division of this Act repealing 2003
30 Iowa Acts, Senate File 155, section 26, takes effect if 2003
31 Iowa Acts, House File 614, relating to elections, is enacted
32 by the Eightieth General Assembly, 2003 Regular Session.

33 DIVISION VII

34 MISCELLANEOUS PROVISIONS

35 Sec. 56. Section 12B.10, subsection 6, paragraph d,

1 and any other moneys available to and obtained or accepted by
2 the authority for placement in the housing trust fund.

3 c. The authority shall create the following programs
4 within the housing trust fund:

5 (1) Local housing trust fund program. Sixty percent of
6 available moneys in the housing trust fund shall be allocated
7 for the local housing trust fund program. Any moneys
8 remaining in the local housing trust fund program on April 1
9 of each fiscal year which have not been awarded to a local
10 housing trust fund may be transferred to the project-based
11 housing program at any time prior to the end of the fiscal
12 year.

13 (2) Project-based housing program. Forty percent of the
14 available moneys in the housing trust fund shall be allocated
15 to the project-based housing program.

16 2. a. In order to be eligible to apply for funding from
17 the local housing trust fund program, a local housing trust
18 fund must be approved by the authority and have all of the
19 following:

20 (1) A local governing board recognized by the city,
21 county, council of governments, or regional officials as the
22 board responsible for coordinating local housing programs.

23 (2) A housing assistance plan approved by the authority.

24 (3) Sufficient administrative capacity in regard to
25 housing programs.

26 (4) A local match requirement approved by the authority.

27 b. An award from the local housing trust fund program
28 shall not exceed ten percent of the balance in the program at
29 the beginning of the fiscal year plus ten percent of any
30 deposits made during the fiscal year.

31 c. By December 31 of each year, a local housing trust fund
32 receiving moneys from the local housing trust fund program
33 shall submit a report to the authority itemizing expenditures
34 of the awarded moneys.

35 3. In an area where no local housing trust fund exists, a

1 person may apply for moneys from the project-based housing
2 program.

3 4. The authority shall adopt rules pursuant to chapter 17A
4 necessary to administer this section.

5 Sec. 61. Section 25.1, Code 2003, is amended by adding the
6 following new subsection:

7 NEW SUBSECTION. 4. Notwithstanding subsections 1 and 2,
8 and section 25.2, the state appeal board shall not consider
9 claims for refund of the unused portion of vehicle
10 registration fees collected under section 321.105.

11 Sec. 62. Section 28.9, subsection 2, Code 2003, is amended
12 to read as follows:

13 2. a. A school ready children grants account is created
14 in the Iowa empowerment fund under the authority of the
15 director of the department of education. Moneys credited to
16 the account shall be distributed by the department of
17 education in the form of grants to community empowerment areas
18 pursuant to criteria established by the Iowa board in
19 accordance with law.

20 b. The distribution formula utilized by the Iowa board for
21 school ready children grants in the fiscal year beginning July
22 1, 2004, and for each succeeding fiscal year, shall
23 specifically incorporate the following components:

24 (1) A minimum statewide performance baseline shall be
25 established for the core indicators of performance identified
26 pursuant to section 28.8, subsection 1, paragraph "a".

27 (2) A community empowerment area must maintain its
28 designated status in good standing and must have received
29 continued approval of its school ready children grant plan.

30 (3) The community empowerment area must identify how the
31 core indicators of performance will be addressed by the area
32 and select two or more of the core indicators that will
33 achieve a minimum percentage of improvement identified by the
34 area, subject to approval by the Iowa board. The community
35 empowerment area's data for the calendar year preceding the

1 year in which the area initially received a school ready
2 children grant shall be used as the area's baseline year.

3 (4) If an area achieves the identified percentage level of
4 improvement in the preceding calendar year, the area's minimum
5 grant amount shall be the annualized grant amount received in
6 the area's initial year of funding. The Iowa board may
7 implement provisions for averaging the performance levels over
8 two or more years and other approaches to apply the
9 requirements of this paragraph "b" in an equitable manner.

10 (5) If an area does not achieve the identified percentage
11 level of improvement in the preceding calendar year, the area
12 shall receive a reduction from the area's minimum grant
13 amount. If the identified percentage level of improvement is
14 achieved in the next succeeding calendar year, the area's
15 minimum grant amount shall be restored.

16 Sec. 63. Section 29C.8, subsection 3, Code 2003, is
17 amended by adding the following new paragraphs:

18 NEW PARAGRAPH. f. (1) Approve and support the
19 development and ongoing operations of an urban search and
20 rescue team to be deployed as a resource to supplement and
21 enhance emergency and disaster operations.

22 (2) A member of an urban search and rescue team acting
23 under the authority of the administrator or pursuant to a
24 governor's disaster proclamation as provided in section 29C.6
25 shall be considered an employee of the state under chapter 669
26 and shall be afforded protection as an employee of the state
27 under section 669.21. Disability, workers' compensation, and
28 death benefits for team members working under the authority of
29 the administrator or pursuant to the provisions of section
30 29C.6 shall be paid by the state in a manner consistent with
31 the provisions of chapter 85, 410, or 411 as appropriate,
32 depending on the status of the member.

33 NEW PARAGRAPH. g. Develop, implement, and support a
34 uniform incident command system to be used by state agencies
35 to facilitate efficient and effective assistance to those

1 affected by emergencies and disasters. This system shall be
2 consistent with the requirements of the United States
3 occupational safety and health administration and a national
4 incident management system.

5 Sec. 64. Section 29C.20, subsection 1, Code 2003, is
6 amended to read as follows:

7 1. a. A contingent fund is created in the state treasury
8 for the use of the executive council which may be expended for
9 the purpose-of-paying following purposes:

10 (1) Paying the expenses of suppressing an insurrection or
11 riot, actual or threatened, when state aid has been rendered
12 by order of the governor, ~~and-for-repairing.~~

13 (2) Repairing, rebuilding, or restoring state property
14 injured, destroyed, or lost by fire, storm, theft, or
15 unavoidable cause, ~~and-for-repairing.~~

16 (3) Repairing, rebuilding, or restoring state property
17 which that is fiberoptic cable and which that is injured or
18 destroyed by a wild animal, ~~and-for-aid-to.~~

19 (4) Paying the expenses incurred by and claims of an urban
20 search and rescue team when acting under the authority of the
21 administrator and the provisions of section 29C.6.

22 (5) (a) Aiding any governmental subdivision in an area
23 declared by the governor to be a disaster area due to natural
24 disasters or to expenditures necessitated by the governmental
25 subdivision toward averting or lessening the impact of the
26 potential disaster, where the effect of the disaster or action
27 on the governmental subdivision is the immediate financial
28 inability to meet the continuing requirements of local
29 government.

30 (b) Upon application by a governmental subdivision in such
31 an area, accompanied by a showing of obligations and
32 expenditures necessitated by an actual or potential disaster
33 in a form and with further information the executive council
34 requires, the aid may be made in the discretion of the
35 executive council and, if made, shall be in the nature of a

1 loan up to a limit of seventy-five percent of the showing of
2 obligations and expenditures. The loan, without interest,
3 shall be repaid by the maximum annual emergency levy
4 authorized by section 24.6, or by the appropriate levy
5 authorized for a governmental subdivision not covered by
6 section 24.6. The aggregate total of loans shall not exceed
7 one million dollars during a fiscal year. A loan shall not be
8 for an obligation or expenditure occurring more than two years
9 previous to the application.

10 b. When a state department or agency requests that moneys
11 from the contingent fund be expended to repair, rebuild, or
12 restore state property injured, destroyed, or lost by fire,
13 storm, theft, or unavoidable cause, or to repair, rebuild, or
14 restore state property ~~which~~ that is fiberoptic cable and
15 ~~which~~ that is injured or destroyed by a wild animal, or for
16 payment of the expenses incurred by and claims of an urban
17 search and rescue team when acting under the authority of the
18 administrator and the provisions of section 29C.6, the
19 executive council shall consider the original source of the
20 funds for acquisition of the property before authorizing the
21 expenditure. If the original source was other than the
22 general fund of the state, the department or agency shall be
23 directed to utilize moneys from the original source if
24 possible. The executive council shall not authorize the
25 repairing, rebuilding, or restoring of the property from the
26 disaster aid contingent fund if it determines that moneys from
27 the original source are available to finance the project.

28 Sec. 65. Section 99G.40, subsection 1, paragraph a, if
29 enacted by 2003 Iowa Acts, Senate File 453, is amended to read
30 as follows:

31 a. Submit quarterly and annual reports to the governor,
32 state auditor, and the general assembly disclosing the total
33 lottery revenues, prize disbursements, and other expenses of
34 the authority during the reporting period. The fourth quarter
35 report shall be included in the annual report made pursuant to

1 this section. The annual report shall include a complete
2 statement of lottery revenues, prize disbursements, and other
3 expenses, and recommendations for changes in the law that the
4 chief executive officer deems necessary or desirable. The
5 annual report shall be submitted within one hundred twenty
6 days after the close of the fiscal year. The chief executive
7 officer shall report immediately to the governor, the
8 treasurer of state, and the general assembly any matters that
9 require immediate changes in the law in order to prevent
10 abuses or evasions of this chapter or rules adopted or to
11 rectify undesirable conditions in connection with the
12 administration or operation of the lottery. The auditor of
13 state and the auditor's legally authorized representatives may
14 periodically examine the accounts and books of the authority,
15 including its revenues, disbursements, contracts, leases,
16 investments, and other records and papers relating to its
17 financial standing.

18 Sec. 66. Section 260C.14, Code 2003, is amended by adding
19 the following new subsection:

20 NEW SUBSECTION. 20. Adopt a policy to offer not less than
21 the following options to a student who is a member of the Iowa
22 national guard or reserve forces of the United States and who
23 is ordered to active state service or federal service or duty:

24 a. Withdraw from the student's entire registration and
25 receive a full refund of tuition and mandatory fees.

26 b. Make arrangements with the student's instructors for
27 course grades, or for incompletes that shall be completed by
28 the student at a later date. If such arrangements are made,
29 the student's registration shall remain intact and tuition and
30 mandatory fees shall be assessed for the courses in full.

31 c. Make arrangements with only some of the student's
32 instructors for course grades, or for incompletes that shall
33 be completed by the student at a later date. If such
34 arrangements are made, the registration for those courses
35 shall remain intact and tuition and mandatory fees shall be

1 assessed for those courses. Any course for which arrangements
2 cannot be made for grades or incompletes shall be considered
3 dropped and the tuition and mandatory fees for the course
4 refunded.

5 Sec. 67. Section 261.9, subsection 1, unnumbered paragraph
6 1, Code 2003, is amended to read as follows:

7 "Accredited private institution" means an institution of
8 higher learning located in Iowa which is operated privately
9 and not controlled or administered by any state agency or any
10 subdivision of the state, except for county hospitals as
11 provided in paragraph "c" of this subsection, and which meets
12 at least one of the criteria in paragraphs "a" through "c" and
13 all of the criteria in paragraphs "d" through "f" "g":

14 Sec. 68. Section 261.9, subsection 1, Code 2003, is
15 amended by adding the following new paragraph:

16 NEW PARAGRAPH. g. Adopts a policy to offer not less than
17 the following options to a student who is a member of the Iowa
18 national guard or reserve forces of the United States and who
19 is ordered to active state service or federal service or duty:

20 (1) Withdraw from the student's entire registration and
21 receive a full refund of tuition and mandatory fees.

22 (2) Make arrangements with the student's instructors for
23 course grades, or for incompletes that shall be completed by
24 the student at a later date. If such arrangements are made,
25 the student's registration shall remain intact and tuition and
26 mandatory fees shall be assessed for the courses in full.

27 (3) Make arrangements with only some of the student's
28 instructors for grades, or for incompletes that shall be
29 completed by the student at a later date. If such
30 arrangements are made, the registration for those courses
31 shall remain intact and tuition and mandatory fees shall be
32 assessed for those courses. Any course for which arrangements
33 cannot be made for grades or incompletes shall be considered
34 dropped and the tuition and mandatory fees for the course
35 refunded.

1 Sec. 69. Section 262.9, Code 2003, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 29. Direct the institutions of higher
4 education under its control to adopt a policy to offer not
5 less than the following options to a student who is a member
6 of the Iowa national guard or reserve forces of the United
7 States and who is ordered to active state service or federal
8 service or duty:

9 a. Withdraw from the student's entire registration and
10 receive a full refund of tuition and mandatory fees.

11 b. Make arrangements with the student's instructors for
12 course grades, or for incompletes that shall be completed by
13 the student at a later date. If such arrangements are made,
14 the student's registration shall remain intact and tuition and
15 mandatory fees shall be assessed for the courses in full.

16 c. Make arrangements with only some of the student's
17 instructors for grades, or for incompletes that shall be
18 completed by the student at a later date. If such
19 arrangements are made, the registration for those courses
20 shall remain intact and tuition and mandatory fees shall be
21 assessed for those courses. Any course for which arrangements
22 cannot be made for grades or incompletes shall be considered
23 dropped and the tuition and mandatory fees for the course
24 refunded.

25 Sec. 70. Section 284.13, subsection 1, paragraph a, Code
26 2003, is amended to read as follows:

27 a. For each fiscal year in the fiscal year period
28 beginning July 1, ~~2001~~ 2003, and ending June 30, ~~2002~~ 2005,
29 the department shall reserve up to ~~one-million~~ five hundred
30 thousand dollars of any moneys appropriated for purposes of
31 this chapter. For each fiscal year in which moneys are
32 appropriated by the general assembly for purposes of team-
33 based variable pay pursuant to section 284.11, the amount of
34 moneys allocated to school districts shall be in the
35 proportion that the basic enrollment of a school district

1 bears to the sum of the basic enrollments of all participating
2 school districts for the budget year. However, the per pupil
3 amount distributed to a school district under the pilot
4 program shall not exceed one hundred dollars.

5 Sec. 71. Section 294A.25, subsections 6 and 10, Code 2003,
6 are amended by striking the subsections.

7 Sec. 72. Section 294A.25, subsections 7, 8, and 9, Code
8 2003, are amended to read as follows:

9 7. ~~For~~ Except as otherwise provided in this section, for
10 the fiscal year beginning July 1, ~~1990~~ 2003, and succeeding
11 fiscal years, the remainder of moneys appropriated in
12 subsection 1 to the department of education shall be deposited
13 in the educational excellence fund to be allocated in an
14 amount to meet the ~~minimum-salary~~ requirements of this chapter
15 for phase I ~~in an amount to meet the requirements for~~ and
16 phase II ~~and the remainder of the appropriation for phase~~
17 ~~III~~.

18 8. Commencing with the fiscal year beginning July 1, ~~1997~~
19 2003, the amount of two hundred thirty thousand dollars for a
20 kindergarten to grade twelve management information system
21 ~~from additional funds transferred from phase I to phase III~~.

22 9. For the fiscal year beginning July 1, ~~2000~~ 2003, and
23 for each succeeding fiscal year, the amount of one hundred
24 seventy thousand dollars to the state board of regents for
25 distribution in the amount of sixty-eight thousand dollars to
26 the Iowa braille and sight saving school and in the amount of
27 one hundred two thousand dollars to the Iowa state school for
28 the deaf ~~from phase III moneys~~.

29 Sec. 73. Section 321J.2, subsection 2, paragraph a,
30 subparagraph (3), subparagraph subdivisions (a) and (b), as
31 enacted by 2003 Iowa Acts, House File 65, section 2, are
32 amended to read as follows:

33 (a) A defendant whose alcohol concentration is .08 or more
34 but not more than .10 shall not be eligible for any temporary
35 restricted license for at least thirty days if a test was

1 obtained and an accident resulting in personal injury or
2 property damage occurred. The defendant shall be ordered to
3 install an ignition interlock device of a type approved by the
4 commissioner of public safety on all vehicles owned or
5 operated by the defendant if the defendant seeks a temporary
6 restricted license. There shall be no such period of
7 ineligibility if no such accident occurred, and the defendant
8 shall not be ordered to install an ignition interlock device.

9 (b) A defendant whose alcohol concentration is more than
10 .10 shall not be eligible for any temporary restricted license
11 for at least thirty days if a test was obtained, and an
12 accident resulting in personal injury or property damage
13 occurred or the defendant's alcohol concentration exceeded
14 .15. There shall be no such period of ineligibility if no
15 such accident occurred and the defendant's alcohol
16 concentration did not exceed .15. In either case, where a
17 defendant's alcohol concentration is more than .10, the
18 defendant shall be ordered to install an ignition interlock
19 device of a type approved by the commissioner of public safety
20 on all vehicles owned or operated by the defendant if the
21 defendant seeks a temporary restricted license.

22 Sec. 74. Section 321J.4, subsection 1, paragraphs a and b,
23 as enacted by 2003 Iowa Acts, House File 65, section 3, are
24 amended to read as follows:

25 a. A defendant whose alcohol concentration is .08 or more
26 but not more than .10 shall not be eligible for any temporary
27 restricted license for at least thirty days if a test was
28 obtained and an accident resulting in personal injury or
29 property damage occurred. The defendant shall be ordered to
30 install an ignition interlock device of a type approved by the
31 commissioner of public safety on all vehicles owned or
32 operated by the defendant if the defendant seeks a temporary
33 restricted license. There shall be no such period of
34 ineligibility if no such accident occurred, and the defendant
35 shall not be ordered to install an ignition interlock device.

1 b. A defendant whose alcohol concentration is more than
2 .10 shall not be eligible for any temporary restricted license
3 for at least thirty days if a test was obtained, and an
4 accident resulting in personal injury or property damage
5 occurred or the defendant's alcohol concentration exceeded
6 .15. There shall be no such period of ineligibility if no
7 such accident occurred and the defendant's alcohol
8 concentration did not exceed .15. In either case, where a
9 defendant's alcohol concentration is more than .10, the
10 defendant shall be ordered to install an ignition interlock
11 device of a type approved by the commissioner of public safety
12 on all vehicles owned or operated by the defendant if the
13 defendant seeks a temporary restricted license.

14 Sec. 75. Section 321J.4, subsection 3, paragraphs a and b,
15 as enacted by 2003 Iowa Acts, House File 65, section 3, are
16 amended to read as follows:

17 a. A defendant whose alcohol concentration is .08 or more
18 but not more than .10 shall not be eligible for any temporary
19 restricted license for at least thirty days if a test was
20 obtained and an accident resulting in personal injury or
21 property damage occurred. The defendant shall be ordered to
22 install an ignition interlock device of a type approved by the
23 commissioner of public safety on all vehicles owned or
24 operated by the defendant if the defendant seeks a temporary
25 restricted license. There shall be no such period of
26 ineligibility if no such accident occurred, and the defendant
27 shall not be ordered to install an ignition interlock device.

28 b. A defendant whose alcohol concentration is more than
29 .10 shall not be eligible for any temporary restricted license
30 for at least thirty days if a test was obtained, and an
31 accident resulting in personal injury or property damage
32 occurred or the defendant's alcohol concentration exceeded
33 .15. There shall be no such period of ineligibility if no
34 such accident occurred and the defendant's alcohol
35 concentration did not exceed .15. In either case, where a

1 defendant's alcohol concentration is more than .10, the
2 defendant shall be ordered to install an ignition interlock
3 device of a type approved by the commissioner of public safety
4 on all vehicles owned or operated by the defendant if the
5 defendant seeks a temporary restricted license.

6 Sec. 76. Section 321J.12, subsection 2, paragraphs a and
7 b, as enacted by 2003 Iowa Acts, House File 65, section 5, are
8 amended to read as follows:

9 a. A person whose driver's license or nonresident
10 operating privileges have been revoked under subsection 1,
11 paragraph "a", whose alcohol concentration is .08 or more but
12 not more than .10 shall not be eligible for any temporary
13 restricted license for at least thirty days after the
14 effective date of the revocation if a test was obtained and an
15 accident resulting in personal injury or property damage
16 occurred. The defendant shall be ordered to install an
17 ignition interlock device of a type approved by the
18 commissioner of public safety on all vehicles owned or
19 operated by the defendant if the defendant seeks a temporary
20 license. There shall be no such period of ineligibility if no
21 such accident occurred, and the defendant shall not be ordered
22 to install an ignition interlock device.

23 b. A defendant whose alcohol concentration is more than
24 .10 shall not be eligible for any temporary restricted license
25 for at least thirty days if a test was obtained, and an
26 accident resulting in personal injury or property damage
27 occurred or the defendant's alcohol concentration exceeded
28 .15. There shall be no such period of ineligibility if no
29 such accident occurred and the defendant's alcohol
30 concentration did not exceed .15. In either case, where a
31 defendant's alcohol concentration is more than .10, the
32 defendant shall be ordered to install an ignition interlock
33 device of a type approved by the commissioner of public safety
34 on all vehicles owned or operated by the defendant if the
35 defendant seeks a temporary restricted license.

1 Sec. 77. Section 331.605C, subsection 4, if enacted by
2 2003 Iowa Acts, Senate File 453, is amended to read as
3 follows:

4 4. The state local electronic government ~~electronic~~
5 transaction fund is established in the office of the treasurer
6 of state under the control of the treasurer of state. Moneys
7 deposited into the fund are not subject to section 8.33.
8 Notwithstanding section 12C.7, interest or earnings on moneys
9 in the state local electronic government ~~electronic~~
10 transaction fund shall be credited to the fund. Moneys in the
11 state local electronic government ~~electronic~~ transaction fund
12 are not subject to transfer, appropriation, or reversion to
13 any other fund, or any other use except as provided in this
14 subsection. The treasurer of state shall enter into a
15 contract with the Iowa state association of counties affiliate
16 representing county recorders to develop, implement, and
17 maintain a statewide internet website for purposes of
18 providing electronic access to records and information
19 recorded or filed by county recorders. On a monthly basis,
20 the county treasurer shall pay one dollar of each fee
21 collected pursuant to subsection 1 to the treasurer of state
22 for deposit into the state local electronic government
23 ~~electronic~~ transaction fund. Moneys credited to the state
24 local electronic government ~~electronic~~ transaction fund are
25 appropriated to the treasurer of state to be used for contract
26 costs. This subsection is repealed June 30, 2004.

27 Sec. 78. Section 422.45, Code 2003, is amended by adding
28 the following new subsection:

29 NEW SUBSECTION. 64. The gross receipts from noncustomer
30 point of sale or noncustomer automated teller machine access
31 or service charges assessed by a financial institution. For
32 purposes of this subsection, "financial institution" means the
33 same as defined in section 527.2.

34 Sec. 79. Section 435.26A, subsections 2 and 5, as enacted
35 by 2003 Iowa Acts, Senate File 134, section 7, are amended to

1 read as follows:

2 2. Upon receipt of a certificate of title from a
3 manufactured home owner, a county treasurer shall notify the
4 department of transportation that the certificate of title has
5 been surrendered, remove the registration of title from the
6 county treasurer's records, and destroy the certificate of
7 title.

8 The manufactured home owner or the owner's representative
9 shall provide to the county recorder the identifying data of
10 the manufactured home, including the owner's name, the name of
11 the manufacturer, the model name, the year of manufacture, and
12 the serial number of the home, along with the legal
13 description of the real estate on which the manufactured home
14 is located. In addition, evidence shall be provided of the
15 surrender of the certificate of title. After the surrender of
16 the certificate of title of a manufactured home under this
17 section, conveyance of an interest in the manufactured home
18 shall not require transfer of title so long as the
19 manufactured home remains on the same real estate site.

20 5. An owner of a manufactured home who has surrendered a
21 certificate of title under this section and requires another
22 certificate of title for the manufactured home is required to
23 apply for a bonded certificate of title under chapter 321. If
24 supporting documents for the reissuance of a title are not
25 available or sufficient, the procedure for the reissuance of a
26 title specified in the rules of the department of
27 transportation shall be used.

28 Sec. 80. Section 453A.2, Code 2003, is amended by adding
29 the following new subsection:

30 NEW SUBSECTION. 5B. A tobacco compliance employee
31 training fund is created in the office of the treasurer of
32 state. The fund shall consist of civil penalties assessed by
33 the Iowa department of public health under section 453A.22,
34 for violations of this section. Moneys in the fund are
35 appropriated to the alcoholic beverages division of the

1 department of commerce and shall be used to develop and
2 administer the tobacco compliance employee training program
3 under section 453A.2A. Moneys deposited in the fund shall not
4 be transferred, used, obligated, appropriated, or otherwise
5 encumbered except as provided in this subsection.

6 Sec. 81. Section 453C.1, subsection 10, Code 2003, is
7 amended to read as follows:

8 10. "Units sold" means the number of individual cigarettes
9 sold in the state by the applicable tobacco product
10 manufacturer, whether directly or through a distributor,
11 retailer, or similar intermediary or intermediaries, during
12 the year in question, as measured by excise taxes collected by
13 the state on packs or roll-your-own tobacco containers bearing
14 ~~the excise tax stamp of the state.~~ The department of revenue
15 and finance shall adopt rules as are necessary to ascertain
16 the amount of state excise tax paid on the cigarettes of such
17 tobacco product manufacturer for each year.

18 Sec. 82. Section 453C.2, subsection 2, paragraph b,
19 subparagraph (2), Code 2003, is amended to read as follows:

20 (2) To the extent that a tobacco product manufacturer
21 establishes that the amount the manufacturer was required to
22 place into escrow on account of units sold in the state in a
23 particular year was greater than the state's allocable share
24 of the total payments that such manufacturer would have been
25 required to make in that year under the master settlement
26 agreement the master settlement agreement payments, as
27 determined pursuant to section IX(i) of that agreement
28 including after final determination of all adjustments, that
29 such manufacturer would have been required to make on account
30 of such units sold had such manufacturer been a participating
31 manufacturer, as such payments are determined pursuant to
32 section IX(i)(2) of the master settlement agreement and before
33 any of the adjustments or offsets described in section
34 IX(i)(3) of that agreement other than the inflation
35 adjustment, the excess shall be released from escrow and

1 revert back to such tobacco product manufacturer.

2 Sec. 83. Section 455D.9, Code 2003, is amended by adding
3 the following new subsection:

4 NEW SUBSECTION. 1A. Yard waste may be accepted by a
5 sanitary landfill for land disposal if the sanitary landfill
6 operates an active methane collection system for the purpose
7 of producing electricity. For purposes of calculating the
8 waste stream and determining the attainment of the waste
9 stream reductions under section 455D.3 for a year in which
10 yard waste has been accepted for land disposal pursuant to
11 this subsection, the planning area shall estimate the amount
12 of tonnage attributable to yard waste and the estimated amount
13 shall be subtracted from the tonnage accepted by the planning
14 area during that year.

15 Sec. 84. Section 476.33, Code 2003, is amended by adding
16 the following new subsection:

17 NEW SUBSECTION. 5. a. The board shall adopt rules that
18 require the board, in a rate regulatory proceeding under
19 sections 476.3 and 476.6, to consider both of the following
20 for inclusion in rates:

21 (1) Capital infrastructure investments that will not
22 produce significant additional revenues and will be in service
23 in Iowa within nine months after the conclusion of the test
24 year.

25 (2) Cost of capital changes that will occur within nine
26 months after the conclusion of the test year that are
27 associated with a new generating plant that has been the
28 subject of a ratemaking principles proceeding pursuant to
29 section 476.53.

30 b. This subsection is repealed effective July 1, 2007.
31 However, any utilities board proceeding that is pending on
32 July 1, 2007, that is being conducted pursuant to section
33 476.3 or 476.6 shall be completed as if this section had not
34 been repealed. Upon repeal, the board may still consider the
35 adjustments addressed in this subsection, but shall not be

1 required to consider them.

2 Sec. 85. 2003 Iowa Acts, Senate File 453, section 49,
3 subsection 1, unnumbered paragraph 1, if enacted, is amended
4 to read as follows:

5 The department of human services shall establish a work
6 group in cooperation with representatives of the insurance
7 industry and members of the medical assistance advisory
8 council to develop a plan for the redesign of the medical
9 assistance program. In developing the redesign plan, the work
10 group shall consider all of the following:

11 Sec. 86. Sections 266.8, 266.24, 266.25, and 266.26, Code
12 2003, are repealed.

13 Sec. 87. REPORT ON FEDERAL ELECTION LAW IMPLEMENTATION.

14 The state committee, if formed, shall develop a plan for
15 compliance with the federal Help America Vote Act, Pub. L. No.
16 107-252, and the state committee, in conjunction with the
17 state commissioner of elections, shall provide quarterly
18 updates to the Senate and House of Representatives standing
19 committees on government oversight on the status of the
20 implementation of Pub. L. No. 107-252.

21 Sec. 88. SALE OF DEPARTMENT OF CORRECTIONS' REAL PROPERTY.

22 1. Immediately after the effective date of this section,
23 the department of corrections shall develop a plan to sell, at
24 market value, the twenty-acre tract of undeveloped land
25 adjacent to the Iowa correctional institution for women to any
26 municipality with a population of less than twenty thousand
27 persons. The plan shall include the sale of the tract of land
28 within a commercially reasonable time. The sale shall be
29 negotiated by the department and shall be handled in a manner
30 that is financially beneficial to the department. The
31 department shall as a condition of the sale to the
32 municipality require that the land not be sold by the
33 municipality for a period of ninety-nine years unless the land
34 is resold back to the state. Appraisals conducted by the
35 department of the value of the land shall be made available to

1 the public immediately following the sale of the tract of
2 land. If the department is unable to negotiate a financially
3 beneficial sale, the tract of land shall not be sold, and the
4 department shall provide the legislative fiscal bureau with
5 the reasons the sale did not occur.

6 2. The proceeds from the sale of the property as provided
7 in subsection 1 shall be retained by the department of
8 corrections to be used for correctional facilities. The costs
9 incident to the sale of the tract of land including, but not
10 limited to, appraisals, invitations for offers, abstracts, and
11 other necessary costs, may be paid from the proceeds of the
12 sale or from moneys appropriated for support and maintenance
13 to the institution at which the real estate is located.

14 3. The provisions of section 904.317 shall not apply to
15 the sale of the tract of land sold in accordance with this
16 section.

17 Sec. 89. SALES AND USE TAX REFUND.

18 1. Notwithstanding the one-year application period
19 provided for in section 422.45, subsection 7, paragraph "b",
20 an application by a city with a population between 550 and 625
21 located entirely in a county with a population between 39,750
22 and 41,750 for a refund of sales, services, or use tax paid
23 upon any goods, wares, or merchandise, or services rendered,
24 furnished, or performed and used in the performance of
25 contracts involving a street construction project and a sewer
26 project is considered timely filed under section 422.45,
27 subsection 7, if the application for refund is filed with the
28 department of revenue and finance on or before August 1, 2003.

29 2. Notwithstanding the amount applied for under subsection
30 1, the amount of a refund paid under this section shall not
31 exceed \$15,000.

32 Sec. 90. SCHOOL DISTRICT REIMBURSEMENT CLAIM.

33 1. Any school district located in a county with a
34 population between 11,550 and 12,000 is authorized to refile a
35 claim for state reimbursement of the costs of providing

1 vocational education programs at the secondary level in its
2 district notwithstanding the denial of its previously filed
3 claim with the state appeal board if the claim is filed by
4 October 1, 2003. Such claim shall be considered timely filed
5 notwithstanding any provision of law.

6 2. If the claim filed pursuant to subsection 1 is a valid
7 claim for state reimbursement, the claim shall be paid subject
8 to the following:

9 a. The amount of costs reimbursed shall not exceed 6.5
10 percent.

11 b. Any amount reimbursed pursuant to any previously filed
12 claim relating to the same costs shall not be included.

13 c. The total amount reimbursed under this section shall
14 not exceed \$6,000.

15 Sec. 91. COORDINATION OF PUBLIC TRANSPORTATION STUDY. The
16 state department of transportation shall conduct a study and
17 prepare a report pertaining to administrative efficiencies
18 that may be gained by the coordination of transit management
19 and maintenance systems in the areas of school transportation,
20 public transit, and other forms of public transportation. The
21 report shall be provided to the general assembly by December
22 31, 2003.

23 Sec. 92. SUPPLEMENTAL PAYMENT ADJUSTMENTS FOR PHYSICIAN
24 SERVICES. To the extent that, pursuant to law enacted by the
25 Eightieth General Assembly, 2003 Session, supplemental payment
26 adjustments are implemented for physician services provided to
27 medical assistance program participants at publicly owned
28 acute care hospitals, the department of human services shall
29 not, directly or indirectly, recoup the supplemental payment
30 adjustments for any reason, unless an amount equivalent to the
31 amount of adjustment funds that were transferred to the
32 department by the state university of Iowa college of medicine
33 is transferred by the department to the qualifying physicians.

34 Sec. 93. UTILITIES BOARD REVIEW. The utilities board
35 shall initiate and coordinate a review of current ratemaking

1 procedures to determine whether different procedures would be
2 cost-effective and would result in rates that more accurately
3 reflect a utility's cost of providing service to its customers
4 in Iowa. The board shall allow the consumer advocate division
5 of the department of justice, the rate-regulated utilities,
6 and other interested persons to participate in its review.
7 The board shall report the results of its review to the
8 general assembly, with recommendations as appropriate, on or
9 before January 5, 2004.

10 Sec. 94. SEVERABILITY.

11 1. If this entire Act or any portion of section 453C.2,
12 subsection 2, paragraph "b", subparagraph (2), as amended in
13 this Act, is held by a court of competent jurisdiction to be
14 unconstitutional, section 453C.2, subsection 2, paragraph "b",
15 subparagraph (2), is repealed in its entirety.

16 2. If section 453C.2, subsection 2, paragraph "b",
17 subparagraph (2), is repealed pursuant to subsection 1 and a
18 court of competent jurisdiction subsequently finds that
19 section 453C.2, subsection 2, paragraph "b", is
20 unconstitutional due to such repeal, section 453C.2,
21 subsection 2, paragraph "b", subparagraph (2), Code 2003,
22 shall be restored.

23 3. Any holding of unconstitutionality or any repeal of
24 section 453C.2, subsection 2, paragraph "b", subparagraph (2),
25 as amended in this Act, or of section 453C.2, subsection 2,
26 paragraph "b", subparagraph (2), Code 2003, shall not affect,
27 impair, or invalidate any other portion of section 453C.2 or
28 the application of that section to any other person or
29 circumstance, and the remaining portions of section 453C.2,
30 shall continue in full force and effect.

31 Sec. 95. FEDERAL HOUSING MONEYS. Any federal moneys
32 received by the department of economic development for the
33 community development block grant program that are allocated
34 for housing and any federal moneys received for the HOME
35 investment partnership program shall be coordinated with

1 projects within the housing trust fund established in section
2 16.181, if enacted.

3 Sec. 96. CODE EDITOR DIRECTIVE. The Code editor shall
4 change the name of the department of public defense, emergency
5 management division, to the department of public defense,
6 homeland security and emergency management division, in
7 chapter 29C and elsewhere throughout the Code, including
8 references to the division made in law enacted by the
9 Eightieth General Assembly, 2003 Regular Session and other
10 enactments.

11 Sec. 97. EFFECTIVE DATES. The following provisions of
12 this division of this Act, being deemed of immediate
13 importance, take effect upon enactment:

- 14 1. The amendment to section 12E.12.
- 15 2. The amendment to section 15E.193B.
- 16 3. The amendment to section 435.26A.
- 17 4. The amendment to section 453A.2, which shall only take
18 effect if 2003 Iowa Acts, Senate File 401, is enacted by the
19 Eightieth General Assembly, 2003 Regular Session.
- 20 5. The amendments to sections 453C.1 and 453C.2 and the
21 related severability provision.
- 22 6. The section directing the department of corrections to
23 develop a plan for selling certain land.
- 24 7. The section relating to the sales and use tax refund.
- 25 8. The section relating to the school district
26 reimbursement claim.
- 27 9. Section 29C.8, subsection 3, paragraph "f", as enacted
28 in this division of this Act, and the amendment to section
29 29C.20, subsection 1, as enacted in this division of this Act,
30 take effect July 1, 2004.

31 DIVISION VIII

32 MEDICAL ASSISTANCE PROGRAM

33 Sec. 98. Section 135C.31A, if enacted by 2003 Iowa Acts,
34 House File 619, section 2, is amended to read as follows:

35 135C.31A ASSESSMENT OF RESIDENTS -- PROGRAM ELIGIBILITY.

1 Beginning July 1, 2003, a health care facility receiving
2 reimbursement through the medical assistance program under
3 chapter 249A shall assist the Iowa commission of veterans
4 affairs in ~~determining, prior to the initial~~ identifying, upon
5 admission of a resident, the prospective resident's
6 eligibility for benefits through the federal department of
7 veterans affairs. The health care facility shall also assist
8 the Iowa commission of veterans affairs in determining such
9 eligibility for residents residing in the facility on July 1,
10 2003. The department of inspections and appeals, in
11 cooperation with the department of human services, shall adopt
12 rules to administer this section, including a provision that
13 ensures that if a resident is eligible for benefits through
14 the federal department of veterans affairs or other third-
15 party payor, the payor of last resort for reimbursement to the
16 health care facility is the medical assistance program. This
17 section shall not apply to the admission of an individual to a
18 state mental health institute for acute psychiatric care.

19 Sec. 99. Section 249A.20A, if enacted by 2003 Iowa Acts,
20 House File 619, section 3, is amended by adding the following
21 new subsection:

22 NEW SUBSECTION. 5A. The department shall adopt rules to
23 provide a procedure under which the department and the
24 pharmaceutical and therapeutics committee may disclose
25 information relating to the prices manufacturers or
26 wholesalers charge for pharmaceuticals. The procedures
27 established shall comply with 42 U.S.C. § 1396r-8 and with
28 chapter 550.

29 Sec. 100. Section 249A.20B, if enacted by 2003 Iowa Acts,
30 House File 619, section 4, is amended by adding the following
31 new subsection:

32 NEW SUBSECTION. 5A. The department of human services
33 shall provide a reimbursement to nursing facilities under this
34 section. The reimbursement amount shall be calculated as a
35 per patient day amount and shall be paid to nursing facilities

1 in addition to the reimbursement payment specified in 2001
2 Iowa Acts, chapter 192, section 4, subsection 2, paragraph
3 "c".

4 Sec. 101. 2003 Iowa Acts, House File 619, section 5, if
5 enacted, is amended by striking the section and inserting in
6 lieu thereof the following:

7 SEC. 5. CASE MANAGEMENT PROGRAM FOR FRAIL ELDERS.

8 1. The general assembly finds that the existing case
9 management program for frail elders administered by the
10 department of elder affairs is an important component of the
11 long-term care system in this state. The program emphasizes
12 the independence and dignity of the individual while providing
13 services in a cost-effective manner.

14 2. The purposes of the case management program for frail
15 elders include all of the following:

16 a. To provide planning, policy development, coordination,
17 and administrative oversight.

18 b. To provide assistance in the form of assessment and
19 care coordination under circumstances in which an elder or the
20 elder's caregiver is experiencing diminished functional
21 capacity or other conditions that require the provision of
22 services by professional service providers.

23 c. To maintain a system that focuses on the delivery of
24 home and community-based services that emphasize individual
25 independence, individual needs and desires, and consumer-
26 driven quality of services.

27 3. It is the intent of the general assembly that the
28 department of elder affairs in collaboration with the
29 department of human services, area agencies on aging, advocacy
30 groups, industry representatives, and consumers submit
31 recommendations to the general assembly by October 1, 2003,
32 regarding the redesigning of the case management program for
33 the frail elderly including preadmission screening
34 methodologies, level of care determinations and ongoing
35 methodologies for the coordination, provision, and delivery of

1 home and community-based services.

2 4. It is also the intent of the general assembly that the
3 department of elder affairs and the department of human
4 services coordinate efforts to resolve issues relating to
5 level of care determinations no later than October 1, 2003.

6 Sec. 102. 2003 Iowa Acts, House File 619, section 9, if
7 enacted, is amended to read as follows:

8 SEC. 9. NURSING FACILITY REIMBURSEMENT. Notwithstanding
9 2001 Iowa Acts, chapter 192, section 4, subsection 2,
10 paragraph "c", and subsection 3, paragraph "a", subparagraph
11 (2), if projected state fund expenditures for reimbursement of
12 nursing facilities for the fiscal year beginning July 1, 2003,
13 in accordance with the reimbursement rate specified in 2001
14 Iowa Acts, chapter 192, section 4, subsection 2, paragraph
15 "c", ~~exceeds~~ exceed \$147,252,856, the department shall adjust
16 the inflation factor of the reimbursement rate calculation to
17 provide reimbursement within the amount projected specified in
18 this section. The department, in consultation with nursing
19 facility representatives, shall review the projections on a
20 quarterly basis to determine if an interim adjustment is
21 necessary in order to provide reimbursement within the amount
22 specified in this section. In reviewing the projections, the
23 department shall consider the savings from the reduction in
24 bed hold payments, elimination of crossover claims, and
25 increases in Medicare part A utilization.

26 Sec. 103. 2003 Iowa Acts, House File 619, section 12,
27 subsections 2 and 3, if enacted, are amended to read as
28 follows:

29 2. The department of human services, in cooperation with
30 the department's fiscal agent and in consultation with a
31 chronic care ~~management-resource-group~~ consortium, shall
32 profile medical assistance recipients within a select number
33 of disease diagnosis categories. The assessment shall focus
34 on those diagnosis areas that present the greatest opportunity
35 for impact to improved care and cost reduction.

1 3. The department of human services, in consultation with
2 a chronic care management-resource-group consortium, shall
3 conduct a chronic disease management pilot project for a
4 select number of individuals who are participants in the
5 medical assistance program. The project shall focus on a
6 select number of chronic diseases which may include congestive
7 heart failure, diabetes, and asthma. The initial pilot
8 project shall be implemented by October 1, 2003.

9 Sec. 104. 2003 Iowa Acts, House File 619, section 12,
10 subsection 4, if enacted, is amended by striking the
11 subsection and inserting in lieu thereof the following:

12 4. The department of human services may procure a sole
13 source contract with a vendor to manage individuals with
14 select chronic diseases following the conclusion of the
15 profiling of medical assistance recipients. The management of
16 chronic diseases for individuals under this subsection may be
17 coordinated with the pilot project established in subsection
18 3.

19 Sec. 105. 2002 Iowa Acts, Second Extraordinary Session,
20 chapter 1003, section 110, is amended by adding the following
21 new paragraph:

22 NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33, up
23 to \$2,400,000 of the funds appropriated in this section that
24 remain unencumbered or unobligated at the close of the fiscal
25 year shall not revert but shall remain available in the
26 succeeding fiscal year to be used for additional field
27 operations, full-time equivalent positions and general
28 administration. Four hundred thousand dollars of this amount
29 shall be used for eight full-time equivalent positions to
30 provide a case manager in each of the judicial districts to
31 provide coordination of services for families that have a
32 history of methamphetamine abuse and \$400,000 of this amount
33 shall be used for general administration.

34 Sec. 106. VETERANS -- DIRECTIVE. The commission of
35 veterans affairs shall work with the commandant of the Iowa

1 veterans home, the department of human services, and the
2 department of inspections and appeals to identify the
3 residents of health care facilities who may be eligible for
4 benefits through the federal department of veterans affairs
5 pursuant to section 135C.31A, if enacted by 2003 Iowa Acts,
6 House File 619.

7 Sec. 107. The section of this division of this Act
8 amending 2002 Iowa Acts, Second Extraordinary Session, chapter
9 1003, section 110, relating to certain federal temporary
10 assistance for needy families block grant funding, takes
11 effect upon enactment.

12 EXPLANATION

13 This bill relates to public expenditure and regulatory
14 matters.

15 MH/MR/DD ALLOWABLE GROWTH -- This division appropriates
16 funding for county mental health, mental retardation, and
17 developmental disabilities services allowed growth for fiscal
18 year 2004-2005.

19 STANDING APPROPRIATIONS -- REDUCTIONS -- This division
20 applies reductions to standing appropriations for the general
21 assembly, at-risk children programs, public transit
22 assistance, and educational excellence program.

23 The division includes an appropriation from the cash
24 reserve fund to the rebuild Iowa infrastructure fund and law
25 is made inapplicable that would otherwise require that the
26 reason for the appropriation be stated, that the appropriation
27 be the only subject of the bill, and that the bill receive a
28 supermajority vote if the appropriation caused the fund
29 balance to drop below a certain level. This appropriation
30 takes effect upon enactment. In addition, the division
31 reduces a standing appropriation from the rebuild Iowa
32 infrastructure fund to the environment first fund for fiscal
33 year 2002-2003, and this reduction takes effect upon
34 enactment.

35 STANDING APPROPRIATIONS -- LIMITATIONS -- This division

1 applies limitations to standing appropriations for
2 compensation of military personnel, nonpublic school
3 transportation, printing of cigarette tax stamps, state share
4 of peace officers' retirement benefits, livestock production
5 credit refunds, reimbursement of homestead property tax
6 credits, reimbursement of agricultural land and family farm
7 tax credits, military service tax credits, state unemployment
8 compensation expenses, interest costs under the federal Cash
9 Management and Improvement Act, the state's deferred
10 compensation program, and elderly and disabled credits.

11 REVENUE ADJUSTMENTS -- APPROPRIATIONS -- This division
12 provides revenue adjustments and appropriations. The division
13 provides for FY 2003-2004 that the interest and earnings from
14 the Iowa economic emergency fund and the cash reserve fund
15 will be credited to the general fund of the state instead of
16 the rebuild Iowa infrastructure fund as provided in Code
17 sections 8.55 and 8.56. For FY 2003-2004, the unexpended
18 balances of state general fund operational appropriations will
19 revert to the state general fund instead of remaining with
20 agencies for use for training and technology purposes as
21 provided in Code section 8.62.

22 Moneys collected from the income tax checkoff for the keep
23 Iowa beautiful fund in FY 2002-2003 and 2003-2004 are
24 appropriated to the state department of transportation for the
25 purposes provided in Code section 314.28 of education for
26 litter prevention, improving waste management and recycling
27 efforts, and beautification projects.

28 Of the \$70 million in gambling revenues that the law
29 provides will be deposited in the endowment for Iowa's health
30 account of the tobacco settlement trust fund, the division
31 provides that \$20 million will instead be deposited in the
32 general fund of the state.

33 The division provides an appropriation to the Iowa
34 department of economic development for assistance to a city or
35 organization hosting the national junior olympics.

1 Code section 8.55, relating to the Iowa economic emergency
2 fund, includes provisions making transfers when the fund has
3 reached its maximum balance. The standing limited transfer to
4 the senior living trust fund is increased to \$118 million.

5 The division delays by one year the effective date of a
6 change in the maximum balances of the cash reserve and Iowa
7 economic emergency funds. Current law provides that effective
8 July 1, 2003, the maximum balances of the two reserve funds
9 will change from each at 5 percent of the adjusted revenue
10 estimate to the cash reserve at 7.5 percent and the Iowa
11 economic emergency fund at 2.5 percent. The bill delays this
12 change until July 1, 2004.

13 For fiscal year 2003-2004 the maximum amount of job credits
14 for the accelerated career education program under Code
15 section 260G.4B is decreased from \$6 million to \$4 million.

16 The division eliminates a standing appropriation from the
17 general fund to the endowment for Iowa's health account for
18 fiscal year 2003-2004.

19 The bill appropriates to the department of workforce
20 development moneys transferred to the state from the federal
21 government under the federal Social Security Act. The moneys
22 are to be used for payment of unemployment compensation
23 benefits and for establishing the unemployment compensation
24 reserve fund created by the division in Code section 96.9; for
25 purposes of automation and technology for the unemployment tax
26 and claims system; and for infrastructure improvements and
27 other costs associated with enhanced services to unemployment
28 benefit claimants for workforce and labor exchange services.
29 The provisions creating the reserve fund also provide for
30 receipt of reserve contributions if the fund balance falls
31 below a certain level.

32 The fiscal year 2002-2003 appropriation to the state racing
33 and gaming commission for purposes of racetrack regulation is
34 increased.

35 COMPENSATION AND BENEFITS -- This division relates to

1 compensation and benefits paid to state employees. The
2 division appropriates moneys for the fiscal year beginning
3 July 1, 2003, to fund salary adjustments for certain contract
4 and noncontract employees.

5 The state board of regents is specifically allocated
6 appropriations to fund increases to employees at the state
7 school for the deaf and the Iowa braille and sight saving
8 school and is to use other sources to fund other employee
9 increases.

10 The division also provides supplemental authorization to
11 fund salaries from trust, revolving, and special funds for
12 which the general assembly has established a budget.

13 State trooper meal allowances are provided for and a salary
14 model coordinator is funded to maintain the state's salary
15 model in conjunction with the legislative fiscal bureau.

16 CORRECTIVE PROVISIONS -- This division provides corrective
17 amendments to legislation passed in the Eightieth General
18 Assembly, 2003 Regular Session.

19 Code section 8A.202, if enacted in House File 534, which
20 relates to information technology services to be provided by
21 the newly created department of administrative services, is
22 amended to incorporate language dealing with electronic agency
23 reports which conforms to the new Code chapter on state
24 archives and records enacted in House File 648. A redundant
25 section of House File 648, which amends a Code chapter
26 repealed in House File 534, is repealed.

27 Code section 99E.9, as amended in 2003 Iowa Acts, House
28 File 171, is amended to correctly refer to national criminal
29 history checks, to conform to other references to those checks
30 in House File 171.

31 Code sections 135.150 and 135.154, enacted in House File
32 396, are amended to correct the name of the director of public
33 health and to specify the division of a Code chapter rather
34 than the division of a state agency.

35 New section 170.6(1), if enacted by House File 624, is

1 amended to provide that failure of a landowner to notify or
2 provide access to the department of agriculture and land
3 stewardship before first releasing whitetail deer on the land
4 is cause for suspension or revocation of certificate to keep
5 whitetail deer as farm deer. House File 624 in another
6 section requires notification and access to be given to the
7 department.

8 Amendments to Code sections 232.71B, 235B.3, and 692A.13,
9 if enacted by 2003 Iowa Acts, House File 558, are amended to
10 insert the word "adult" in order to correct references to the
11 dependent adult abuse registry.

12 Code section 304B.3, if enacted in House File 648, which
13 relates to the membership of the state records commission, is
14 amended to conform to the changes made in House File 534 with
15 respect to the directors of the newly created department of
16 administrative services and other state agencies.

17 Code section 356.7(1), as amended by 2003 Iowa Acts, House
18 File 650, is amended to correct a grammatical error.

19 Code section 459.401(2)(a)(3A), if enacted by House File
20 644, is amended to correct an internal reference to another
21 Code section.

22 Code section 505A.1, as enacted in 2003 Iowa Acts, House
23 File 647, is amended to insert a missing preposition before an
24 internal reference.

25 Code section 508.31A, as amended in 2003 Iowa Acts, House
26 File 647, is amended to correct an internal reference to
27 another paragraph of the Code section.

28 Code section 901.5, as amended by 2003 Iowa Acts, House
29 File 404, and relating to the scheduling of a contempt
30 proceeding for violation of a no-contact order in a criminal
31 case, is amended to make a reference to five days consistent
32 with another provision in the same legislation.

33 A corrective section of Senate File 155, the substantive
34 Code editor's bill, which amends Code section 49.71 relating
35 to the discontinuance of instructional cards for voters, is

1 repealed if 2003 Iowa Acts, House File 614, which more
2 thoroughly amends and updates Code section 49.71, is enacted.

3 2003 Iowa Acts, Senate File 155, one of the Code editor's
4 bills, is amended to repeal section 56 of that bill which
5 contains a corrective reference in Code section 237A.29 to a
6 child care provider suspension sanction. The repeal is in
7 favor of an amendment to the same Code section by 2003 Iowa
8 Acts, Senate File 351, which substantively rewrites the child
9 care provider sanctions in that Code section.

10 The amendment to Code section 56.5 in 2003 Iowa Acts, House
11 File 601, is corrected by specifying that only paragraph "d"
12 of subsection 2 is stricken.

13 House File 624, section 22, if enacted, is corrected to
14 clarify that it is the fence which encloses farm deer on the
15 effective date of House File 624 that is deemed to comply with
16 the construction requirements of the bill.

17 MISCELLANEOUS PROVISIONS -- This division provides
18 miscellaneous provisions.

19 The division amends Code sections 12B.10 and 12B.10A,
20 relating to public funds investment standards and public funds
21 investment maturity and procedural limitations, to provide
22 that the short-term investments of the state board and
23 institutions under the control of the state board of regents
24 cannot have an effective maturity in excess of 63 months.

25 The division amends Code section 12E.12(8) to allow the
26 issuing agency of refunding bonds for tobacco settlement
27 authority bonds, which cannot be used for such refunding, to
28 be used for capital infrastructure improvements at the issuing
29 agency. This provision takes effect upon enactment.

30 Code section 15E.193B(4) is amended to allow the department
31 of economic development to extend the two-year completion
32 period for tax credits for housing projects in enterprise
33 zones if completion of the project is impossible because of
34 substantial loss due to a catastrophe. "Substantial loss"
35 means at least 30 percent of the project's eligible basis.

1 This amendment takes effect upon enactment.

2 The division creates a new Code section 16.181 that
3 establishes a housing trust fund to be administered by the
4 Iowa finance authority. The fund shall be used for the
5 development and preservation of affordable housing for low-
6 income people in the state. The new Code section provides
7 that assets in the housing trust fund shall consist of all of
8 the following:

9 1. Any assets received by the authority from the Iowa
10 housing corporation.

11 2. Any moneys transferred by the authority for deposit in
12 the housing trust fund.

13 3. Any other moneys appropriated by the general assembly
14 and any other moneys available to and obtained or accepted by
15 the authority for placement in the housing trust fund.

16 The new Code section also creates a local housing trust
17 fund program and a project-based housing program within the
18 housing trust fund.

19 The new Code section provides that 60 percent of the assets
20 in the housing trust fund shall be allocated to the local
21 housing trust fund program and 40 percent of the assets are
22 allocated to the project-based housing program. Any assets
23 remaining in the local housing trust fund program on April 1
24 of each fiscal year which have not been awarded to a local
25 housing trust fund may be transferred to the project-based
26 housing program at any time prior to the end of the fiscal
27 year.

28 The division amends Code section 25.1 to provide that the
29 state appeal board shall no longer consider claims for vehicle
30 registration fee refunds. Such refunds are obtained by
31 application to the state department of transportation in
32 certain circumstances when a vehicle is sold, transferred, or
33 junked.

34 Code section 28.9, relating to the school ready children
35 grants account of the Iowa empowerment fund, is amended to

1 require the distribution formula used for the grants to
2 incorporate certain performance components.

3 The division amends Code section 29C.8 by requiring the
4 administrator of the emergency management division of the
5 department of public defense, effective July 1, 2004, to
6 approve and support the development and ongoing operations of
7 an urban search and rescue team within the state. Members of
8 the team when acting under the direction of the administrator
9 or pursuant to a governor's disaster proclamation are
10 considered employees of the state and shall be compensated for
11 disability, workers' compensation, and death benefits as
12 appropriate. The administrator of the emergency management
13 division of the department of public defense must also
14 develop, implement, and support a uniform incident command
15 system to be used by state agencies responding to emergencies
16 and disasters beginning July 1, 2003. A related change is
17 made to Code section 29C.20, pertaining to a contingent fund
18 governed by the executive council for use in responding to
19 disasters and other emergencies, to authorize payment of
20 expenses and claims from the fund beginning July 1, 2004, for
21 authorized urban search and rescue team activities.

22 The division amends section 99G.40(1), if enacted by Senate
23 File 453, to authorize the auditor of state to perform audits
24 on the records and papers of the Iowa lottery authority which
25 is created in that bill.

26 Code sections 260C.14, 261.9, and 262.9 are amended to
27 require community colleges, private colleges, or universities
28 under Iowa's tuition grant program, and the board of regents
29 universities to offer options to students who are members of
30 the national guard or military reserves and are called to
31 active state or federal duty. These options include the
32 withdrawal from registration with a full refund of tuition and
33 fees, course grades be given or incomplete grades be given to
34 be made up later for all of the courses, or course grades be
35 given or incomplete grades be given to be made up later for

1 only some of the courses.

2 Code section 284.13(1) is amended to revive the allocation
3 for the team-based variable pay program administered by the
4 department of education during the 2001-2002 fiscal year by
5 providing a \$500,000 allocation from the appropriation for the
6 student achievement and teacher quality program for each
7 fiscal year of the fiscal period beginning July 1, 2003, and
8 ending June 30, 2005.

9 Code section 294A.25(6)-(10) is amended by striking
10 references to phase III in standing Code language that
11 provides for the allocation of educational excellence moneys
12 to the department of education; striking the subsection used
13 to allocate moneys in prior years for the ambassador to
14 education program, which in FY 2003-2004 is funded from a
15 student achievement and teacher quality program allocation;
16 and striking the subsection used to allocate moneys in prior
17 years for purposes of the Iowa mathematics and science
18 coalition. The amendments provide that the allocations for
19 the kindergarten through grade 12 management information
20 system and for the Iowa braille and sight saving school and
21 the Iowa state school for the deaf will be made prior to the
22 allocations provided to meet the minimum teacher salary
23 requirements and salary improvement requirements of Code
24 chapter 294A.

25 The division amends Code sections 321J.2, 321J.4, and
26 321J.12, as amended by 2003 Iowa Acts, House File 65, to
27 provide that a defendant who has been convicted of a first
28 offense operating-while-intoxicated offense whose driver's
29 license or nonresident operating privileges have been revoked
30 and who seeks a temporary restricted license must install an
31 approved ignition interlock device on all vehicles owned or
32 operated by the defendant. This requirement also applies to a
33 defendant whose driver's license or nonresident operating
34 privileges have been revoked administratively due to chemical
35 test failure.

1 Code section 331.604C(4), if enacted by Senate File 453, is
2 amended to change the name of the fund to which locally
3 collected electronic transaction fees are deposited for
4 purposes of providing electronic access to local records from
5 the "state government electronic transaction" fund to the
6 "local electronic government transaction" fund.

7 Code section 422.45 is amended to add a new subsection 64
8 that exempts from the sales and use taxes the access or
9 service charges assessed by financial institutions on
10 noncustomer point of sale or noncustomer use of automated
11 teller machines.

12 Code section 435.26A, as enacted by 2003 Iowa Acts, Senate
13 File 134, is amended to require certain information be
14 provided when the certificate of title for a manufactured home
15 has been surrendered. The amendment also provides for the
16 procedure for the reissuance of a previously surrendered
17 certificate of title for a manufactured home. The amendments
18 are effective upon enactment.

19 Code sections 453C.1 and 453C.2 are amended to allow
20 cigarette manufacturers that are not members of the master
21 settlement agreement and that are required to place moneys
22 into escrow on account for cigarettes to be sold in the state
23 to receive a refund of any excess escrow amounts remitted
24 because of fewer cigarettes sold than anticipated. The
25 amendments take effect upon enactment.

26 Code section 476.33 is amended to require the utilities
27 board to consider for inclusion in the rates for public
28 utilities the capital infrastructure investments that will not
29 produce significant revenues and will be in service within the
30 test year and the cost of capital charges that will occur
31 within nine months following the test year which are
32 associated with a new generating plant. The utilities board
33 is also directed to initiate and coordinate a review of
34 current ratemaking procedures.

35 The division provides that if Senate File 401, relating to

1 tobacco law compliance is enacted, a tobacco compliance
2 employee training fund is created in Code section 453A.2
3 consisting of the civil penalties charged for violations of
4 the law for sales to underage purchasers. Moneys in the fund
5 are appropriated to the alcoholic beverages division of the
6 department of commerce for the tobacco compliance employee
7 training program created in Senate File 401. This provision
8 takes effect upon enactment.

9 Code section 455D.9 is amended to provide an exception to
10 the prohibition on the land disposal of yard waste if the yard
11 waste is accepted by a sanitary landfill that operates an
12 active methane collection system for the purpose of producing
13 electricity.

14 The division amends Senate File 453, section 49, if
15 enacted, which directs the department of human services to
16 create a work group for the redesign of the medical assistance
17 program. The amendment would add members of the medical
18 assistance advisory council to the work group. The medical
19 assistance advisory council participants will bring valuable
20 expertise in each specialized field or industry that would not
21 be available if the insurance industry is the only stakeholder
22 at the table.

23 The division repeals the following Code sections, involving
24 programs at Iowa state university of science and technology:
25 Code section 266.8, relating to hazardous waste technical
26 research and assistance program, and Code sections 266.24,
27 266.25, and 266.26, relating to the laboratory for the
28 manufacture and distribution of hog-cholera serum, toxins,
29 vaccines, and biological products.

30 The division directs the state committee, if one is formed,
31 to implement the federal Help America Vote Act and the
32 commissioner of elections to report quarterly to the
33 government oversight committees on the status of
34 implementation of the federal Act.

35 The division directs the department of corrections to

1 develop a plan to sell to a municipality a 20-acre tract of
2 undeveloped land located adjacent to the Iowa correctional
3 institution for women. Net proceeds of the sale are to be
4 retained by the department to be used for correctional
5 facilities. This provision takes effect upon enactment.

6 The division allows a city meeting certain population
7 criteria to make application for refund of sales or use tax
8 paid relative to street and sewer construction projects and
9 for the application to be considered to be timely filed,
10 notwithstanding the one-year application period, if it is
11 filed by August 1, 2003. Any refund paid cannot exceed
12 \$15,000. This provision takes effect upon enactment.

13 The division allows a school district located in a county
14 with a certain population to refile for state reimbursement
15 for costs for providing vocational education programs at the
16 secondary level in its district. The amount of reimbursement
17 is limited to 6.5 percent of the costs and to \$6,000 minus any
18 amount previously received from a prior claim for
19 reimbursement of those costs.

20 The division also directs the state department of
21 transportation to conduct a study pertaining to administrative
22 efficiencies to be gained in coordination of school and public
23 transportation. A report must be filed by the end of the 2003
24 calendar year.

25 The division includes language providing that if
26 supplemental payment adjustments are implemented for physician
27 services provided to medical assistance (Medicaid) program
28 recipients at publicly owned acute care teaching hospitals,
29 the department of human services cannot recoup the adjustments
30 unless an amount is transferred by the department to the
31 qualifying physicians that is equivalent to the amount
32 transferred by the state university of Iowa to the department.

33 The division provides for coordination of federal moneys
34 with the projects of the housing trust fund created in this
35 division of the bill.

1 The division requires the Iowa Code editor to change the
2 name of the emergency management division of the department of
3 public defense to the homeland security and emergency
4 management division.

5 MEDICAL ASSISTANCE PROGRAM -- This division amends House
6 File 619 to direct health care facilities to assist the Iowa
7 commission of veterans affairs in identifying residents that
8 may be eligible for rather than actually determining a
9 resident's eligibility for benefits through the federal
10 department of veterans affairs.

11 The division adds a new subsection 5A to new Code section
12 249A.20A, if enacted by House File 619, that directs the
13 department of human services to adopt rules for disclosure of
14 certain information under the medical assistance preferred
15 drug list program to be developed by the department of human
16 services.

17 The division amends Code section 249A.20B, if enacted by
18 House File 619, to provide that under the nursing facility
19 quality assurance assessment, the department of human services
20 is to provide a reimbursement to nursing facilities and is to
21 calculate the amount of the reimbursement as a per patient day
22 amount and pay this amount in addition to the existing
23 reimbursement amount under the case-mix reimbursement rate.

24 The division replaces language in House File 619 relating
25 to the case management program for the frail elderly to
26 provide that it is the intent of the general assembly that the
27 department of elder affairs in collaboration with the
28 department of human services, area agencies on aging, advocacy
29 groups, industry representatives, and consumers to submit
30 recommendations regarding the redesign of the program to the
31 general assembly by October 1, 2003. The new language also
32 provides that it is the intent of the general assembly that
33 the department of elder affairs and the department of human
34 services coordinate efforts to resolve issues relating to
35 level of care determinations no later than October 1, 2003.

1 The division amends House File 619 to provide that with
2 regard to the nursing facility reimbursement, the department
3 of human services, in consultation with nursing facility
4 representatives is to review projections of state general fund
5 expenditures for nursing facility reimbursement on a quarterly
6 basis and is to consider savings from other nursing facility
7 payment policy changes in the review.

8 The division also amends 2003 Iowa Acts, House File 619,
9 relating to chronic care management, to correct references and
10 to provide for contracting for provision of chronic disease
11 management.

12 The division provides for use of a portion of the temporary
13 assistance for needy families moneys carried forward from FY
14 2002-2003, and to direct the commission of veterans affairs to
15 work with the commandant of the Iowa veterans home, the
16 department of human services, and the department of
17 inspections and appeals to identify residents of health care
18 facilities who may be eligible for benefits through the
19 federal department of veterans affairs.

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HOUSE FILE 700

H-1562

1 Amend House File 700 as follows:
2 1. Page 7, by inserting after line 15 the
3 following:
4 "Sec. ____ . Section 8.55, subsection 2, paragraph
5 d, Code 2003, is amended to read as follows:
6 d. Notwithstanding paragraph "a", any moneys in
7 excess of the maximum balance in the economic
8 emergency fund after the distribution of the surplus
9 in the general fund of the state at the conclusion of
10 each fiscal year and after the appropriate amounts
11 have been transferred pursuant to paragraphs "b" and
12 "c" shall not be transferred to the general fund of
13 the state but shall be transferred to the endowment
14 for Iowa's health account of the tobacco settlement
15 trust fund. The total amount transferred, in the
16 aggregate, under this paragraph for all fiscal years
17 shall not exceed the difference between sixty one
18 hundred one million five seven hundred fifty-one
19 thousand dollars and the amounts transferred to the
20 endowment for Iowa's health account to repay the
21 amounts transferred or appropriated from the endowment
22 for Iowa's health account in 2002 Iowa Acts, chapter
23 1165, 2002 Iowa Acts, chapter 1166, 2002 Iowa Acts,
24 chapter 1167, ~~and~~ 2002 Iowa Acts, Second Extraordinary
25 Session, chapter 1003, and 2003 Iowa Acts, House File
26 685."
27 2. By renumbering as necessary.

By HEATON of Henry

H-1562 FILED APRIL 30, 2003

Adopted 5/1/06

HOUSE FILE 700

H-1566

1 Amend House File 700 as follows:
2 1. By striking page 33, line 25 through page 34,
3 line 4.
By WINCKLER of Scott STEVENS of Dickinson
WENDT of Woodbury FREVERT of Palo Alto
LENSING of Johnson MURPHY of Dubuque
MASCHER of Johnson

H-1566 FILED APRIL 30, 2003

Lost 5/1/03

HOUSE FILE 700

H-1573

1 Amend House File 700 as follows:

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

4 "Section 1. Section 426B.5, subsection 2,
5 paragraph d, subparagraphs (1) and (6), Code 2003, are
6 amended to read as follows:

7 (1) A county must apply to the board for
8 assistance from the risk pool on or before ~~April 1~~
9 January 25 to cover an unanticipated net expenditure
10 amount in excess of the county's current fiscal year
11 budgeted net expenditure amount for the county's
12 services fund. The risk pool board shall make its
13 final decisions on or before February 25 regarding
14 acceptance or rejection of the applications for
15 assistance and the total amount accepted shall be
16 considered obligated. For purposes of applying for
17 risk pool assistance and for repaying unused risk pool
18 assistance, the current fiscal year budgeted net
19 expenditure amount shall be deemed to be the higher of
20 either the budgeted net expenditure amount in the
21 management plan approved under section 331.439 for the
22 fiscal year in which the application is made or the
23 prior fiscal year's net expenditure amount.

24 (6) The total amount of risk pool assistance shall
25 be limited to the amount available in the risk pool
26 for a fiscal year. If the total amount of eligible
27 assistance exceeds the amount available in the risk
28 pool the amount of assistance paid shall be prorated
29 among the counties eligible for assistance. Moneys
30 remaining unexpended or unobligated in the risk pool
31 ~~at the close of a fiscal year shall remain available~~
32 ~~for distribution in the succeeding fiscal year~~
33 following the risk pool board's decisions made
34 pursuant to subparagraph (1) shall be distributed to
35 the counties eligible to receive funding from the
36 allowed growth factor adjustment appropriation for the
37 fiscal year using the distribution methodology
38 applicable to that appropriation."

39 2. Page 1, by inserting after line 25 the
40 following:

41 "Sec. _____. 2002 Iowa Acts, chapter 1175, section
42 104, subsections 2, 4 and 5, as amended by 2003 Iowa
43 Acts, House File 667, section 41, are amended to read
44 as follows:

45 2. The following formula amounts shall be utilized
46 only to calculate preliminary distribution amounts for
47 fiscal year 2003-2004 under this section by applying
48 the indicated formula provisions to the formula
49 amounts and producing a preliminary distribution total
50 for each county:

H-1573

1 a. For calculation of an allowed growth factor
2 adjustment amount for each county in accordance with
3 the formula in section 331.438, subsection 2,
4 paragraph "b":

5 \$ 12,000,000

6 b. For calculation of a distribution amount for
7 eligible counties from the per capita expenditure
8 target pool created in the property tax relief fund in
9 accordance with the requirements in section 426B.5,
10 subsection 1:

11 \$ 12,492,712

12 14,492,000

13 c. For calculation of a distribution amount for
14 counties from the mental health and developmental
15 disabilities (MH/DD) community services fund in
16 accordance with the formula provided in the
17 appropriation made for the MH/DD community services
18 fund for the fiscal year beginning July 1, 2003:

19 \$ 17,727,890

20 4. After applying the applicable statutory
21 distribution formulas to the amounts indicated in
22 subsection 2 for purposes to produce preliminary
23 distribution totals, the department of human services
24 shall apply a withholding factor to adjust an eligible
25 individual county's preliminary distribution total.
26 An ending balance percentage for each county shall be
27 determined by expressing the county's ending balance
28 on a modified accrual basis under generally accepted
29 accounting principles for the fiscal year beginning
30 July 1, 2002, in the county's mental health, mental
31 retardation, and developmental disabilities services
32 fund created under section 331.424A, as a percentage
33 of the county's gross expenditures from that fund for
34 that fiscal year. The withholding factor for a county
35 shall be the following applicable percent:

36 a. For an ending balance percentage of less than
37 10 percent, a withholding factor of 0 percent. In
38 addition to the county's adjusted distribution total,
39 a county that is subject to this paragraph "a" shall
40 receive an inflation adjustment equal to 2.6 percent
41 of the gross expenditures reported for the county's
42 services fund for that fiscal year.

43 b. For an ending balance percentage of 10 through
44 24 percent, a withholding factor of 25 percent.

45 c. For an ending balance percentage of 25 through
46 34 percent, a withholding factor of 60 percent.

47 ~~d. For an ending balance percentage of 35 through~~
48 ~~44 percent, a withholding factor of 85 percent.~~

49 ~~e. d.~~ For an ending balance percentage of 45 35
50 percent or more, a withholding factor of 100 percent.

H-1573

Page 3

1 5. The total withholding amounts applied pursuant
2 to subsection 4 shall be equal to a withholding target
3 amount of ~~-\$7,419,074~~ and the appropriation enacted by
4 the ~~Eightieth~~ General Assembly, 2003 Session, for the
5 MH/DD community services fund shall be reduced by the
6 amount necessary to attain the withholding target
7 amount \$9,418,362. If the department of human
8 services determines that the amount to be withheld in
9 accordance with subsection 4 is not equal to the
10 target withholding amount, the department shall adjust
11 the withholding factors listed in subsection 4 as
12 necessary to achieve the withholding target amount.
13 However, in making such adjustments to the withholding
14 factors, the department shall strive to minimize
15 changes to the withholding factors for those ending
16 balance percentage ranges that are lower than others
17 and shall not adjust the zero withholding factor or
18 the inflation adjustment percentage specified in
19 subsection 4, paragraph "a".

By CARROLL of Poweshiek

H-1573 FILED APRIL 30, 2003 - *Adopted 5/1/03*

HOUSE FILE 700

H-1572

1 Amend House File 700 as follows:
2 1. Page 12, line 17, by striking the figure
3 "25,000,000" and inserting the following:
4 "28,000,000".
5 2. Page 13, by inserting after line 13 the
6 following:
7 "Of the amount appropriated in this section,
8 \$2,668,000 shall be allocated to the judicial branch
9 for the purpose of providing increases in salaries for
10 judicial branch employees."

By HORBACH of Tama
HEATON of Henry

H-1572 FILED APRIL 30, 2003

Adopted 5/1/03

HOUSE FILE 700

H-1574

1 Amend House File 700 as follows:

2 1. Page 10, by inserting after line 25 the
3 following:

4 "Sec. _____. Section 427B.19A, subsection 1, as
5 amended by 2003 Iowa Acts, Senate File 453, if
6 enacted, is amended to read as follows:

7 1. The industrial machinery, equipment and
8 computers property tax replacement fund is created.
9 For the fiscal year beginning July 1, 1996, through
10 the fiscal year ending June 30, 2004, there is
11 appropriated annually from the general fund of the
12 state to the department of revenue and finance to be
13 credited to the industrial machinery, equipment and
14 computers property tax replacement fund, an amount
15 sufficient to implement this division. However, for
16 the fiscal year beginning July 1, 2003, the amount
17 appropriated to the department of revenue and finance
18 to be credited to the industrial machinery, equipment
19 and computers tax replacement fund is ~~ten~~ eleven
20 million two hundred eighty-one thousand six hundred
21 eight-five dollars."

22 2. Page 11, by inserting after line 32 the
23 following:

24 "Sec. _____. FRANCHISE TAX REVENUE ALLOCATION.

25 There is appropriated from the franchise tax revenues
26 deposited in the general fund of the state to the
27 department of revenue and finance for the fiscal year
28 beginning July 1, 2003, and ending June 30, 2004,
29 \$8,800,000 to be allocated as follows:

30 1. Sixty percent to the general fund of the city
31 from which the tax is collected.

32 2. Forty percent to the county from which the tax
33 is collected.

34 If the financial institution maintains one or more
35 offices for the transaction of business, other than
36 its principal office, a portion of its franchise tax
37 shall be allocated to each office, based upon a
38 reasonable measure of the business activity of each
39 office. The director of revenue and finance shall
40 prescribe, for each type of financial institution, a
41 method of measuring the business activity of each
42 office. Financial institutions shall furnish all
43 necessary information for this purpose at the request
44 of the director. The allocation shall be distributed
45 quarterly.

46 Sec. _____. 2003 Iowa Acts, Senate File 453, section
47 28, if enacted, is repealed."

By SCHICKEL of Cerro Gordo

RAECKER of Polk

TJEPKES of Webster

HOFFMAN of Crawford

H-1574 FILED APRIL 30, 2003

H-1575

1 Amend House File 700 as follows:

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

4 "Sec. _____. 2003 Iowa Acts, House File 289, section
5 1, is amended by striking the section and inserting in
6 lieu thereof the following:

7 SECTION 1. Section 12C.1, subsection 2, paragraph
8 e, Code 2003, as amended by 2003 Iowa Acts, Senate
9 File 395, is amended by adding the following new
10 subparagraph:

11 NEW SUBPARAGRAPH. (6) Moneys placed in a
12 depository for the purpose of completing an electronic
13 financial transaction pursuant to section 8A.222 or
14 331.427."

15 2. Page 19, by inserting after line 8 the
16 following:

17 "Sec. _____. Section 99G.10, subsection 2, if
18 enacted by 2003 Iowa Acts, Senate File 453, section
19 72, is amended to read as follows:

20 2. Subject to the approval of the board, the chief
21 executive officer shall have the sole power to
22 designate particular employees as key personnel, but
23 may take advice from the department of personnel in
24 making any such designations. All key personnel shall
25 be exempt from the merit system described in chapter
26 ~~19A~~ 8A, article 4. The chief executive officer and
27 the board shall have the sole power to employ,
28 classify, and fix the compensation of key personnel.
29 All other employees shall be employed, classified, and
30 compensated in accordance with ~~chapters 19A~~ chapter
31 8A, article 4, and chapter 20.

32 Sec. _____. Section 99G.22, subsection 1, if enacted
33 by 2003 Iowa Acts, Senate File 453, is amended to read
34 as follows:

35 1. The authority shall investigate the financial
36 responsibility, security, and integrity of any lottery
37 system vendor who is a finalist in submitting a bid,
38 proposal, or offer as part of a major procurement
39 contract. Before a major procurement contract is
40 awarded, the division of criminal investigation of the
41 department of public safety shall conduct a background
42 investigation of the vendor to whom the contract is to
43 be awarded. The chief executive officer and board
44 shall consult with the division of criminal
45 investigation and shall provide for the scope of the
46 background investigation and due diligence to be
47 conducted in connection with major procurement
48 contracts. At the time of submitting a bid, proposal,
49 or offer to the authority on a major procurement
50 contract, the authority shall require that each vendor

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1 submit to the division of criminal investigation
2 appropriate investigation authorization to facilitate
3 this investigation, together with an advance of funds
4 to meet the anticipated investigation costs. If the
5 division of criminal investigation determines that
6 additional funds are required to complete an
7 investigation, the vendor will be so advised. The
8 background investigation by the division of criminal
9 investigation may include a national criminal history
10 ~~record~~ check through the federal bureau of
11 investigation. The screening of vendors or their
12 employees through the federal bureau of investigation
13 shall be conducted by submission of fingerprints
14 through the state criminal history ~~record~~ repository
15 to the federal bureau of investigation.

16 Sec. _____. Section 99G.37, subsection 2, if enacted
17 by 2003 Iowa Acts, Senate File 453, section 90, is
18 amended to read as follows:

19 2. In any bidding process, the authority may
20 administer its own bidding and procurement or may
21 utilize the services of the department of ~~general~~
22 administrative services, ~~or its successor~~, or other
23 state agency.

24 Sec. _____. Section 99G.38, subsection 3, if enacted
25 by 2003 Iowa Acts, Senate File 453, section 91, is
26 amended to read as follows:

27 3. The state of Iowa offset program, as provided
28 in section ~~421.17~~ 8A.504, shall be available to the
29 authority to facilitate receipt of funds owed to the
30 authority."

31 3. Page 19, by inserting after line 34 the
32 following:

33 "Sec. _____. Section 231.56A, if enacted by 2003
34 Iowa Acts, Senate File 4165, section 1, is amended to
35 read as follows:

36 231.56A ELDER ABUSE INITIATIVE, EMERGENCY SHELTER,
37 AND SUPPORT SERVICES PROJECTS.

38 1. Through the state's service contract process
39 adopted pursuant to section 8.47, the department shall
40 identify area agencies on aging that have demonstrated
41 the ability to provide a collaborative response to the
42 immediate needs of elders in the area agency on aging
43 service area for the purpose of implementing elder
44 abuse initiative, emergency shelter, and support
45 services projects. The projects shall be implemented
46 only in the counties within an area agency on aging
47 service area that have a multidisciplinary team
48 established pursuant to section 235B.1.

49 2. The target population of the projects shall be
50 any elder residing in the service area of an area

1 agency on aging who meets both of the following
2 conditions:
3 a. Is the subject of a report of suspected
4 dependent adult abuse pursuant to chapter 235B.
5 b. Is not receiving assistance under a county
6 management plan approved pursuant to section 331.439.
7 3. The area agencies on aging implementing the
8 projects shall identify allowable emergency shelter
9 and support services, state funding, outcomes,
10 reporting requirements, and approved community
11 resources from which services may be obtained under
12 the projects. The area agency on aging shall identify
13 at least one provider of case management services for
14 the project area.
15 4. The area agencies on aging shall implement the
16 projects and shall coordinate the provider network
17 through the use of referrals or other engagement of
18 community resources to provide services to elders.
19 5. The department shall award funds to the area
20 agencies on aging in accordance with the state's
21 service contract process. Receipt and expenditures of
22 moneys under the projects are subject to examination,
23 including audit, by the department.
24 6. This section shall not be construed and is not
25 intended as, and shall not imply, a grant of
26 entitlement for services to individuals who are not
27 otherwise eligible for the services or for utilization
28 of services that do not currently exist or are not
29 otherwise available."
30 4. Page 20, by inserting after line 26 the
31 following:
32 "Sec. ____ . Section 321.69, subsection 9, as
33 amended by 2003 Acts, House File 502, section 3, is
34 amended to read as follows:
35 9. This Except for subsection 9A, this section
36 does not apply to motor trucks and truck tractors with
37 a gross vehicle weight rating of sixteen thousand
38 pounds or more, vehicles more than nine model years
39 old, motorcycles, motorized bicycles, and special
40 mobile equipment. This section does apply to motor
41 homes. The requirement in subsection 1 that the new
42 certificate of title and registration receipt shall
43 state on the face of the title the total cumulative
44 dollar amount of damage does not apply to a vehicle
45 with a certificate of title bearing a designation that
46 the vehicle was previously titled on a salvage
47 certificate of title pursuant to section 321.52,
48 subsection 4, paragraph "b", or to a vehicle with a
49 certificate of title bearing a "REBUILT" or "SALVAGE"
50 designation pursuant to section 321.24, subsection 4

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Page 4

1 or 5. This Except for subsection 9A, this section
2 does not apply to new motor vehicles with a true
3 mileage, as defined in section 321.71, of one thousand
4 miles or less, unless such vehicle has incurred damage
5 as defined in subsection 2."

6 5. Page 22, by inserting after line 31 the
7 following:

8 "Sec. ____ . 2003 Iowa Acts, Senate File 453,
9 section 44, subsection 8, if enacted, is amended to
10 read as follows:

11 8. STATUTORY REQUIREMENTS. The requirements of
12 sections ~~18.6~~ 8A.311 and 72.3 and the administrative
13 rules implementing section 8.47 are not applicable to
14 the services procurement process used to implement the
15 outcomes-based service system redesign in accordance
16 with this section. The department of human services
17 may enter into competitive negotiations and proposal
18 modifications with each successful contractor as
19 necessary to implement the provisions of this
20 section."

21 6. Page 23, by inserting after line 22 the
22 following:

23 " ____ . The sections of this division of this Act
24 amending sections 12C.1, 99G.10, 99G.37, and 99G.38
25 take effect only if House File 534 is enacted by the
26 Eightieth General Assembly, 2003 Regular Session."

27 7. Title page, line 3, by inserting after the
28 word "appropriations," the following: "modifying
29 sales and use taxes,".

30 8. By renumbering as necessary.

By DIX of Butler

H-1575 FILED APRIL 30, 2003

Adopted 5/1/03

HOUSE FILE 700

H-1588

1 Amend House File 700 as follows:

2 1. Page 41, line 6, by striking the words "for
3 the purpose" and inserting the following: "that
4 produces electricity."

5 2. Page 41, by striking lines 7 through 14.

By BELL of Jasper

GREINER of Washington

FREEMAN of Buena Vista

H-1588 FILED MAY 1, 2003

ADOPTED

HOUSE FILE 700

H-1577

1 Amend House File 700 as follows:

2 1. Page 3, line 1, by striking the word "fifty-
3 six" and inserting the following: "sixty-six".

4 2. Page 7, by inserting after line 3 the
5 following:

6 "Sec. ____ . CASH RESERVE. There is appropriated
7 from the cash reserve fund to the general fund of the
8 state for the fiscal year beginning July 1, 2003, and
9 ending June 30, 2004, the sum of \$10,000,000."

10 3. Page 34, by striking lines 6 through 28 and
11 inserting the following: "are amended to read as
12 follows:

13 6. For the fiscal year beginning July 1, ~~2001~~
14 ~~2003~~, and ending June 30, ~~2002~~ 2004, to the department
15 of education from phase III moneys, the amount of
16 seventy-five thousand dollars to administer the
17 ambassador to education position in accordance with
18 section 256.45.

19 10. For the fiscal year beginning July 1, ~~2001~~
20 ~~2003~~, and ending June 30, ~~2002~~ 2004, to the department
21 of education from phase III moneys the amount of
22 forty-seven thousand dollars for the Iowa mathematics
23 and science coalition."

By WISE of Lee
DANDEKAR of Linn
BELL of Jasper

H-1577 FILED APRIL 30, 2003

HOUSE FILE 700

H-1580

1 Amend House File 700 as follows:

2 1. Page 42, by inserting after line 20, the
3 following:

4 "Sec. 200. There is appropriated from the general
5 fund of the state to the state election fund of the
6 secretary of state, as established by the department
7 of management, for the fiscal period beginning July 1,
8 2002, and ending June 30, 2005, the following amount,
9 or so much thereof as is necessary, for implementation
10 of Pub. L. No. 107-252, the Help America Vote Act of
11 2002, to be expended in accordance with the plan
12 submitted by the governor to the federal election
13 assistance commission as established by Pub. L. No.
14 107-252, section 201, and to provide a match of the
15 federal appropriation allocated to Iowa pursuant to
16 Pub. L. No. 107-252:
17 \$ 1,500,000".

18 2. Page 46, by inserting after line 30 the
19 following:

20 "10. Section 200, making an appropriation to the
21 state election fund of the secretary of state."

22 3. By renumbering as necessary.

By MASCHER of Johnson

H-1580 FILED MAY 1, 2003

LOST

HOUSE FILE 700

H-1581

- 1 Amend House File 700 as follows:
- 2 1. Page 42, by striking lines 13 through 20.
- 3 2. By renumbering as necessary.

By JACOBS of Polk

H-1581 FILED MAY 1, 2003
WITHDRAWN

HOUSE FILE 700

H-1583

- 1 Amend the amendment, H-1575, to House File 700 as
- 2 follows:
- 3 1. Page 1, by inserting after line 1 the
- 4 following:
- 5 "____. Page 8, line 33, by striking the words "one
- 6 hundred"."
- 7 2. By renumbering as necessary.

By DIX of Butler

H-1583 FILED MAY 1, 2003
ADOPTED

HOUSE FILE 700

H-1586

- 1 Amend House File 700 as follows:
- 2 1. Page 2, by striking lines 23 through 30.

By FALLON of Polk

H-1586 FILED MAY 1, 2003
LOST

HOUSE FILE 700

H-1587

- 1 Amend House File 700 as follows:
- 2 1. Page 44, by inserting after line 22 the
- 3 following:
- 4 "Sec. ____ CLASSIFICATION OF PICKUP TRUCKS. The
- 5 state department of transportation shall study a new
- 6 classification system and definition of pickup trucks
- 7 used for farm purposes or for commercial and business
- 8 purposes. Any recommendations and findings of the
- 9 state department of transportation shall be reported
- 10 to the general assembly by January 1, 2004."

By FALLON of Polk

H-1587 FILED MAY 1, 2003
WITHDRAWN

HOUSE FILE 700

H-1589

- 1 Amend House File 700 as follows:
- 2 1. Page 50, line 32, by inserting after the word
- 3 "methamphetamine" the following: "or crack cocaine".

By BERRY of Black Hawk

H-1589 FILED MAY 1, 2003
LOST

H-1582

1 Amend House File 700 as follows:

2 1. Page 5, by inserting after line 10 the
3 following:

4 "Sec. _____. REDUCTION IN CREDITS NOT APPLICABLE.
5 The provision in section 25B.7 relating to the
6 proration of the property tax credits does not apply
7 with respect to the amount of state reimbursement for
8 property tax credits under this division."

9 2. Page 5, line 22, by inserting after the figure
10 "8.62," the following: "except for the balances of
11 charter agencies, as defined in section 7J.1, if
12 enacted by 2003 Iowa Acts, Senate File 453,".

13 3. Page 6, by inserting after line 11 the
14 following:

15 "Sec. _____. REBUILD IOWA INFRASTRUCTURE FUND.
16 Notwithstanding section 8.57, subsection 5, there is
17 appropriated from the rebuild Iowa infrastructure fund
18 created in section 8.57, subsection 5, to the general
19 fund of the state during the fiscal year beginning
20 July 1, 2003, and ending June 30, 2004, the following
21 amount:

22 \$ 10,000,000

23 Sec. _____. IOWA LAW ENFORCEMENT ACADEMY. 2003 Iowa
24 Acts, Senate File 439, section 10, subsection 1,
25 unnumbered paragraph 2, if enacted, is amended to read
26 as follows:

27 For salaries, support, maintenance, miscellaneous
28 purposes, including jailer training and technical
29 assistance, and for not more than the following full-
30 time equivalent positions:

31 \$ ~~1,002,629~~

32 1,047,629

33 FTEs 30.05

34 Sec. _____. MILITARY PAY DIFFERENTIAL. There is
35 appropriated from the cash reserve fund to the
36 department of revenue and finance or its successor
37 agency for the period beginning March 19, 2003, and
38 ending June 30, 2003, the following amount, or so much
39 thereof as is necessary, for the purposes designated:

40 For a military pay differential program and health
41 insurance retention program for individuals activated
42 for the armed services of the United States, for
43 employees on the central payroll system:

44 \$ 1,810,000

45 Of the funds appropriated in this section, up to
46 \$10,000 is transferred to the Iowa department of
47 public health for allocation to community mental
48 health centers to provide counseling services to
49 persons who are members of the national guard and
50 reservists activated but as yet not sent to combat

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1 zones and to the persons' family members. The
2 sessions shall be provided on a first come, first
3 served basis and shall be limited to three visits per
4 family.

5 The department or agency receiving funds under this
6 section shall report monthly to the fiscal committee
7 of the legislative council on the use of the funds.

8 Notwithstanding section 8.33, unencumbered or
9 unobligated funds remaining on June 30, 2003, from the
10 appropriation made in this section shall not revert
11 but shall remain available to be used for the purposes
12 designated in the following fiscal year.

13 Sec. ____ ASSISTED LIVING PROGRAMS.
14 Notwithstanding section 231C.6, any fees remaining on
15 June 30, 2003, in the assisted living program fund
16 created pursuant to section 231C.6 are appropriated to
17 the department of inspections and appeals for the
18 fiscal year beginning July 1, 2003, and ending June
19 30, 2004, to carry out the purposes of chapter 231C."

20 4. Page 7, by inserting after line 3 the
21 following:

22 "Sec. ____ COUNTY HOSPITALS. There is
23 appropriated from the general fund of the state to the
24 department of human services for the fiscal year
25 beginning July 1, 2003, and ending June 30, 2004, the
26 following amount, or so much thereof as is necessary,
27 for the purpose designated:

28 For support of operational expenses of county
29 hospitals in counties having a population of two
30 hundred twenty-five thousand or more:

31 \$ 312,000

32 Sec. ____ WORKFORCE DEVELOPMENT. There is
33 appropriated from the general fund of the state to the
34 Iowa department of workforce development for the
35 fiscal year beginning July 1, 2003, and ending June
36 30, 2004, the following amount, or so much thereof as
37 is necessary, for the purpose designated:

38 For salaries and support and for the following
39 full-time equivalent positions.

40 \$ 250,000

41 FTEs 5.00

42 The appropriation in this section shall be used for
43 four OSHA inspectors and one workers' compensation
44 compliance officer. The appropriation in this section
45 is contingent upon the enactment of 2003 Iowa Acts,
46 Senate File 344, by the Eightieth General Assembly,
47 2003 Regular Session."

48 5. Page 9, by inserting after line 19 the
49 following:

50 "Sec. ____ Section 256D.4, subsection 2,

1 unnumbered paragraph 1, Code 2003, is amended to read
2 as follows:

3 ~~For each fiscal year in the fiscal period beginning~~
4 ~~July 1, 2001, and ending June 30, 2003, moneys~~ Moneys
5 appropriated pursuant to section 256D.5, subsection 3,
6 shall be allocated to school districts as follows:

7 Sec. ____ . Section 256D.5, subsection 3, Code 2003,
8 is amended to read as follows:

9 3. For each fiscal year of the fiscal period
10 beginning July 1, 2001, and ending June 30, ~~2003~~ 2004,
11 the sum of thirty million dollars."

12 6. Page 10, by inserting after line 25 the
13 following:

14 "Sec. ____ . Section 294A.25, subsection 10, Code
15 2003, is amended to read as follows:

16 10. For ~~the each~~ fiscal year ~~beginning July 1,~~
17 ~~2001, and ending June 30, 2002,~~ to the department of
18 education ~~from phase III moneys~~ the amount of forty-
19 seven thousand dollars for the Iowa mathematics and
20 science coalition."

21 7. Page 11, by inserting after line 5 the
22 following:

23 "Sec. ____ . 2002 Iowa Acts, chapter 1173, section
24 18, is amended to read as follows:

25 SEC. 18. POOLED TECHNOLOGY FUNDING -- PRIOR
26 ALLOCATIONS -- NONREVERSION. Notwithstanding section
27 8.33, moneys appropriated and allocated in 2001 Iowa
28 Acts, chapter 189, section 5, subsection 1, which
29 remain unobligated or unexpended at the close of the
30 fiscal year for which they were appropriated shall not
31 revert, but shall remain available for expenditure for
32 the purposes for which they were appropriated and
33 allocated, for the fiscal year period beginning July
34 1, 2002, and ending June 30, ~~2003~~ 2004."

35 8. Page 11, by inserting after line 32 the
36 following:

37 "Sec. ____ . 2003 Iowa Acts, House File 655, section
38 24, if enacted, is amended to read as follows:

39 SEC. 24. READY TO WORK PROGRAM COORDINATOR. There
40 is appropriated from the ~~surplus funds in the long-~~
41 ~~term disability reserve fund and the workers'~~
42 compensation trust fund to the department of personnel
43 for the fiscal year beginning July 1, 2003, and ending
44 June 30, 2004, the following amount, or so much
45 thereof as is necessary, to be used for the purposes
46 designated:

47 For the salary, support, and miscellaneous expenses
48 for the ready to work program and coordinator:

49 \$ 89,416

50 ~~The moneys appropriated pursuant to this section~~

1 ~~shall be taken in equal proportions from the long term~~
2 ~~disability reserve fund and the workers' compensation~~
3 ~~trust fund.~~

4 Sec. ____ . 2003 Iowa Acts, House File 655, section
5 34, if enacted, is amended to read as follows:

6 SEC. 34. READY TO WORK PROGRAM COORDINATOR. There
7 is appropriated from ~~the surplus funds in the long-~~
8 ~~term disability reserve fund and the workers'~~
9 compensation trust fund to the department of
10 administrative services for the fiscal year beginning
11 July 1, 2003, and ending June 30, 2004, the following
12 amount, or so much thereof as is necessary, to be used
13 for the purposes designated:

14 For the salary, support, and miscellaneous expenses
15 for the ready to work program and coordinator:

16 \$ 89,416

17 ~~The moneys appropriated pursuant to this section~~
18 ~~shall be taken in equal proportions from the long term~~
19 ~~disability reserve fund and the workers' compensation~~
20 ~~trust fund.~~

21 Sec. ____ . CONTINGENT CASH RESERVE APPROPRIATION.

22 1. There is appropriated from the cash reserve
23 fund to the general fund of the state for the fiscal
24 year beginning July 1, 2002, and ending June 30, 2003,
25 for the purposes of reducing or preventing any
26 overdraft on or deficit in the general fund of the
27 state, an amount not to exceed \$50,000,000.

28 2. The appropriation made in subsection 1 is
29 contingent upon all of the following having occurred:

30 a. The revenue estimating conference estimate of
31 general fund receipts made during the last quarter of
32 the fiscal year was or the actual fiscal year receipts
33 and accruals were at least one-half of one percent
34 less than the comparable estimate made during the
35 third quarter of the fiscal year.

36 b. The governor has implemented the uniform
37 reductions in appropriations required in section 8.31
38 as a result of paragraph "a" and such reduction was
39 insufficient to prevent an overdraft on or deficit in
40 the general fund of the state or the governor did not
41 implement uniform reductions in appropriations because
42 of the lateness of the estimated or actual receipts
43 and accruals under paragraph "a".

44 c. The balance of the general fund of the state at
45 the end of the fiscal year prior to the appropriation
46 made in subsection 1 was negative.

47 d. The governor has issued an official
48 proclamation and has notified the cochairpersons of
49 the fiscal committee of the legislative council and
50 the legislative services agency that the contingencies

1 in paragraphs "a" through "c" have occurred and the
2 reasons why the uniform reductions specified in
3 paragraph "b" were insufficient or were not
4 implemented to prevent an overdraft on or deficit in
5 the general fund of the state.

6 3. If an appropriation is made pursuant to
7 subsection 1 for a fiscal year, there is appropriated
8 from the general fund of the state to the cash reserve
9 fund for the following fiscal year, the amount of the
10 appropriation made pursuant to subsection 1."

11 9. Page 12, by inserting after line 2 the
12 following:

13 "____. The section amending 2002 Iowa Acts, chapter
14 1173, section 18, relating to the nonreversion of
15 pooled technology funding.

16 _____. The section appropriating moneys from the
17 cash reserve fund for the military pay differential
18 program. This section applies retroactively to March
19 19, 2003.

20 _____. The section appropriating moneys from the
21 assisted living program fund.

22 _____. The section making the contingent
23 appropriation from the cash reserve fund."

24 10. Page 13, by inserting after line 9 the
25 following:

26 "____. The collective bargaining agreement
27 negotiated pursuant to chapter 20 for employees in the
28 patient care bargaining unit.

29 _____. The collective bargaining agreement
30 negotiated pursuant to chapter 20 for employees in the
31 science bargaining unit."

32 11. Page 23, by inserting after line 34 the
33 following:

34 "Sec. _____. Section 7J.1, subsection 1, if enacted
35 by 2003 Iowa Acts, Senate File 453, is amended to read
36 as follows:

37 7J.1 CHARTER AGENCIES.

38 1. DESIGNATION OF CHARTER AGENCIES -- PURPOSE.

39 The governor may, by executive order, designate ~~up to~~
40 ~~five~~ state departments or agencies, as described in
41 section 7E.5, other than the department of
42 administrative services, if the department is
43 established in law, or the department of management,
44 as a charter agency by July 1, 2003. The designation
45 of a charter agency shall be for a period of five
46 years which shall terminate as of June 30, 2008. The
47 purpose of designating a charter agency is to grant
48 the agency additional authority as provided by this
49 chapter while reducing the total appropriations to the
50 agency.

1 Sec. _____. Section 7J.1, subsection 3, paragraph a,
2 if enacted by 2003 Iowa Acts, Senate File 453, is
3 amended to read as follows:

4 a. It is the intent of the general assembly that
5 state general fund operating appropriations to a
6 charter agency for any the fiscal year beginning July
7 1, 2003, and ending June 30, 2004, shall be reduced,
8 ~~with a target reduction of ten percent for each~~
9 ~~charter agency,~~ from the appropriation that would
10 otherwise have been enacted for that charter agency
11 which, along with any additional generated revenue to
12 the general fund of the state attributed to the
13 reinvention process as determined by the department of
14 management, over that already committed to the general
15 fund of the state by a charter agency, will achieve an
16 overall target of fifteen million dollars.

17 Sec. _____. Section 7J.2, if enacted by 2003 Iowa
18 Acts, Senate File 453, is amended to read as follows:

19 7J.2 CHARTER AGENCY ~~LOAN~~ GRANT FUND.

20 1. A charter agency ~~loan~~ grant fund is created in
21 the state treasury under the control of the department
22 of management for the purpose of providing funding to
23 support innovation by those state agencies designated
24 as charter agencies in accordance with section 7J.1.
25 Innovation purposes shall include but are not limited
26 to training, development of outcome measurement
27 systems, management system modifications, and other
28 modifications associated with transition of operations
29 to charter agency status. Moneys in the fund are
30 appropriated to the department of management for the
31 purposes described in this subsection.

32 2. A charter agency requesting a ~~loan~~ grant from
33 the fund shall complete an application process
34 designated by the director of the department of
35 management. ~~Minimum loan requirements for charter~~
36 ~~agency requests shall be determined by the director.~~

37 ~~3. In order for the fund to be self-supporting,~~
38 ~~the director of the department of management shall~~
39 ~~establish repayment schedules for each loan awarded.~~
40 ~~An agency shall repay the loan over a period not to~~
41 ~~exceed five years with interest, at a rate to be~~
42 ~~determined by the director.~~

43 ~~4. 3.~~ Notwithstanding section 12C.7, subsection 2,
44 interest or earnings on moneys deposited in the
45 charter agency ~~loan~~ grant fund shall be credited to
46 the charter agency ~~loan~~ grant fund. Notwithstanding
47 section 8.33, moneys credited to the charter agency
48 ~~loan~~ grant fund shall not revert to the fund from
49 which appropriated at the close of a fiscal year.

50 Sec. _____. Section 8.23, subsection 1, paragraph a,

1 Code 2003, is amended by striking the paragraph.

2 Sec. ____ . Section 8.31, Code 2003, is amended to
3 read as follows:

4 8.31 ~~QUARTERLY REQUISITIONS -- ALLOTMENTS OF~~
5 ~~APPROPRIATIONS -- EXCEPTIONS -- MODIFICATIONS.~~

6 1. a. Before an appropriation ~~for administration,~~
7 ~~operation and maintenance of any department or~~
8 ~~establishment shall become~~ becomes available, ~~there~~
9 ~~shall be submitted~~ the department or establishment
10 shall submit to the director of the department of
11 management, ~~not less than twenty days before the~~
12 ~~beginning of each quarter of each fiscal year, a~~
13 ~~requisition for an allotment of the amount estimated~~
14 ~~to be necessary to carry on its work~~ appropriation
15 according to dates identified in the requisition
16 during the ensuing quarter fiscal year by which
17 portions of the appropriation will be needed. The
18 department or establishment shall submit the
19 requisition by June 1, prior to the start of a fiscal
20 year or by another date identified by the director.
21 The requisition shall contain details of proposed
22 expenditures as may be required by the director ~~of the~~
23 ~~department of management~~ subject to review by the
24 governor.

25 b. The director of the department of management
26 shall approve the allotments subject to review by the
27 governor, unless it is found that the estimated budget
28 resources during the fiscal year are insufficient to
29 pay all appropriations in full, in which event such
30 allotments may be modified to the extent the governor
31 may deem necessary in order that there shall be no
32 overdraft or deficit in the several funds of the state
33 at the end of the fiscal year, and the director shall
34 submit copies of the allotments thus approved or
35 modified to the head of the department or
36 establishment concerned, who shall set up such
37 allotments on the books and be governed accordingly in
38 the control of expenditures.

39 ~~Allotments of appropriations made for equipment,~~
40 ~~land, permanent improvements, and other capital~~
41 ~~projects may, however, be allotted in one amount by~~
42 ~~major classes or projects for which they are~~
43 ~~expendable without regard to quarterly periods. For~~
44 ~~fiscal years beginning on or after July 1, 1989,~~
45 ~~allotments of appropriations for equipment, land,~~
46 ~~permanent improvements, and other capital projects,~~
47 ~~except where contracts have been entered into with~~
48 ~~regard to the acquisition or project prior to July 1,~~
49 ~~1989, shall not be allotted in one amount but shall be~~
50 ~~allotted at quarterly periods as provided in this~~

1 section.

2 2. Allotments ~~thus~~ made in accordance with
3 subsection 1 may be subsequently modified by the
4 director of the department of management at the
5 direction of the governor either upon the written
6 request of the head of the department or establishment
7 concerned, or in the event the governor finds that the
8 estimated budget resources during the fiscal year are
9 insufficient to pay all appropriations in full, upon
10 the governor's own initiative to the extent the
11 governor may deem necessary in order that there shall
12 be no overdraft or deficit in the several funds of the
13 state at the end of the fiscal year; and the head of
14 the department or establishment shall be given notice
15 of a modification in the same way as in the case of
16 original allotments.

17 3. ~~Provided, however, that the~~ The allotment
18 requests of all departments and establishments
19 collecting governmental fees and other revenue which
20 supplement a state appropriation shall attach to the
21 summary of requests a statement showing how much of
22 the proposed allotments are to be financed from ~~(1)~~
23 state appropriations, ~~(2)~~ stores, and ~~(3)~~ repayment
24 receipts.

25 4. The procedure to be employed in controlling the
26 expenditures and receipts of the state fair board and
27 the institutions under the state board of regents,
28 whose collections are not deposited in the state
29 treasury, is that outlined in section 421.31,
30 subsection 6.

31 5. If the governor determines that the estimated
32 budget resources during the fiscal year are
33 insufficient to pay all appropriations in full, the
34 reductions shall be uniform and prorated between all
35 departments, agencies and establishments upon the
36 basis of their respective appropriations.

37 6. Allotments from appropriations for the foreign
38 trade offices of the department of economic
39 development, if the appropriations are described by
40 line item in the department's appropriation Act or
41 another Act, may be made ~~without regard to quarterly~~
42 ~~periods~~ as is necessary to take advantage of the most
43 favorable foreign currency exchange rates.

44 Sec. ____ . Section 8.57, subsection 1, paragraph c,
45 Code 2003, is amended to read as follows:

46 c. The amount appropriated in this section is not
47 subject to the provisions of section 8.31, relating to
48 ~~quarterly~~ requisitions and allotment, or to section
49 8.32, relating to conditional availability of
50 appropriations."

1 12. Page 24, by inserting after line 9 the
2 following:

3 "Sec. _____. Section 12C.27, Code 2003, is amended
4 by striking the section and inserting in lieu thereof
5 the following:

6 12C.27 FAILURE TO MAINTAIN REQUIRED COLLATERAL.

7 If treasurer of state determines that a bank fails
8 to comply with chapter 12C.22, subsections 2 and 3,
9 the treasurer of state may restrict that bank from
10 accepting uninsured public funds and shall notify the
11 office of thrift supervision, the office of the
12 comptroller of the currency, or the superintendent as
13 applicable, who may take such action against the bank,
14 its board of directors and officers as permitted by
15 law."

16 13. Page 24, by inserting after line 30 the
17 following:

18 "Sec. _____. Section 15E.42, subsection 3, Code
19 2003, is amended to read as follows:

20 3. "Investor" means an individual making a cash
21 investment in a qualifying business or an individual
22 taxed on income from a revocable trust's cash
23 investment in a qualifying business or a person making
24 a cash investment in a community-based seed capital
25 fund. "Investor" does not include a person which is a
26 current or previous owner, member, or shareholder in a
27 qualifying business.

28 Sec. _____. Section 15E.43, subsection 1, paragraph
29 a, Code 2003, is amended to read as follows:

30 a. For tax years beginning on or after January 1,
31 2002, a tax credit shall be allowed against the taxes
32 imposed in chapter 422, division II, for a portion of
33 an individual taxpayer's equity investment, as
34 provided in subsection 2, in a qualifying business.
35 An individual shall not claim a tax credit under this
36 paragraph of a partnership, limited liability company,
37 S corporation, estate, or trust electing to have
38 income taxed directly to the individual. However, an
39 individual receiving income from a revocable trust's
40 investment in a qualified business may claim a tax
41 credit under this paragraph against the taxes imposed
42 in chapter 422, division II, for a portion of the
43 revocable trust's equity investment, as provided in
44 subsection 2, in a qualified business.

45 Sec. _____. Section 15E.43, subsection 1, Code 2003,
46 is amended by adding the following new paragraph:

47 NEW PARAGRAPH. d. In the case of a tax credit
48 allowed against the taxes imposed in chapter 422,
49 division II, where the taxpayer died prior to
50 redeeming the entire tax credit, the remaining credit

1 can be redeemed on the decedent's final income tax
2 return.

3 Sec. _____. Section 15E.45, subsection 2, paragraph
4 c, Code 2003, is amended to read as follows:

5 c. The fund has no fewer than ten ~~individual~~
6 investors who are not affiliates, with no single
7 investor and affiliates of that investor together
8 owning a total of more than twenty-five percent of the
9 ownership interests outstanding in the fund.

10 Sec. _____. Section 15E.51, subsection 4, Code 2003,
11 is amended to read as follows:

12 4. A taxpayer shall not claim a tax credit under
13 this section if the taxpayer is a venture capital
14 investment fund allocation manager for the Iowa fund
15 of funds created in section 15E.65 or an investor that
16 receives a tax credit for ~~an~~ the same investment in a
17 community-based seed capital fund as defined in 2002
18 Iowa Acts, House File 2271.

19 Sec. _____. Section 15E.66, Code 2003, is amended by
20 adding the following new subsection:

21 NEW SUBSECTION. 8. At such time that the Iowa
22 capital investment corporation requests the issuance
23 of tax credits with respect to an investment in the
24 Iowa fund of funds and prior to issuing such tax
25 credits, the board shall consider the terms of the
26 investment and the terms of the proposed tax credit
27 certificate and shall assess the level of risk that
28 the tax credits will be redeemed and the likelihood
29 that the investment will result in returns in excess
30 of amounts payable to designated investors which may
31 be reinvested in the Iowa fund of funds revolving fund
32 as provided in section 15E.65. In making this
33 determination, the board shall compare how alternative
34 investment structures would affect the level of risk
35 that the tax credits will be redeemed and the
36 likelihood that the investment will cause excess
37 returns to be generated in the Iowa fund of funds for
38 reinvestment in the revolving fund. The board may
39 issue tax credits with respect to a particular
40 investment in the Iowa fund of funds consistent with
41 the provisions hereof if it determines that the Iowa
42 capital investment corporation has structured the
43 investments in the Iowa fund of funds in an
44 appropriate manner to minimize the risk that the tax
45 credits will be redeemed and to maximize the amount
46 available to be reinvested in the Iowa fund of funds
47 revolving fund. A member of the board shall not incur
48 any liability with respect to any decision to issue
49 tax credits or to refuse to issue tax credits or with
50 respect to the performance of the investments in the

1 Iowa fund of funds."

2 14. Page 29, line 21, by inserting after the
3 figure "29C.6" the following: "and disaster medical
4 assistance teams when acting under the provisions of
5 section 135.153".

6 15. Page 30, by inserting after line 27 the
7 following:

8 "Sec. _____. Section 80B.5, Code 2003, is amended to
9 read as follows:

10 80B.5 ADMINISTRATION.

11 The administration of the Iowa law enforcement
12 academy and council Act shall be vested in the office
13 of the governor. ~~A director of the academy and such~~
14 ~~staff~~ Staff as may be necessary for ~~it~~ the law
15 enforcement academy to function shall be employed
16 pursuant to the Iowa merit system.

17 Sec. _____. NEW SECTION. 80B.5A DIRECTOR.

18 The governor shall appoint the director of the Iowa
19 law enforcement academy, subject to senate
20 confirmation, to a four-year term beginning and ending
21 as provided in section 69.19."

22 16. By striking page 30, line 28, through page
23 31, line 17, and inserting the following:

24 "Sec. _____. Section 99G.9, subsection 3, paragraph
25 j, if enacted by 2003 Iowa Acts, Senate File 453, is
26 amended by striking the paragraph.

27 Sec. _____. Section 99G.40, subsection 5, if enacted
28 by 2003 Iowa Acts, Senate File 453, is amended to read
29 as follows:

30 5. The authority shall adopt the same fiscal year
31 as that used by state government and shall be audited
32 annually by the auditor of state or a certified public
33 accounting firm appointed by the auditor. The auditor
34 of state or a designee conducting an audit under this
35 chapter shall have access and authority to examine any
36 and all records of licensees necessary to determine
37 compliance with this chapter and the rules adopted
38 pursuant to this chapter. The cost of audits and
39 examinations conducted by the auditor of state or a
40 designee shall be paid for by the authority."

41 17. Page 31, by inserting before line 18 the
42 following:

43 "Sec. _____. Section 257.11, subsection 5, paragraph
44 b, Code 2003, is amended to read as follows:

45 b. A school district which establishes a regional
46 academy shall be eligible to assign its resident
47 pupils attending classes at the academy a weighting of
48 one-tenth of the percentage of the pupil's school day
49 during which the pupil attends classes at the regional
50 academy. For the purposes of this subsection,

1 "regional academy" means an educational institution
2 established by a school district to which multiple
3 schools send pupils in grades ~~seven~~ nine through
4 twelve, and may include a virtual academy. A regional
5 academy shall include in its curriculum advanced-level
6 courses and may include in its curriculum vocational-
7 technical ~~programs~~ courses. The maximum amount of
8 additional weighting for which a school district
9 establishing a regional academy shall be eligible is
10 an amount corresponding to fifteen additional pupils.
11 The minimum amount of additional weighting for which a
12 school district establishing a regional academy shall
13 be eligible is an amount corresponding to ten
14 additional pupils if the academy provides both
15 advanced-level courses and vocational technical
16 courses. However, if the sum of the funding amount
17 calculated for all districts operating regional
18 academies under this subsection exceeds one million
19 dollars for the school year beginning July 1, 2004,
20 and each succeeding fiscal year, the director of the
21 department of management shall prorate the amount
22 calculated for each district. The proration shall be
23 based upon the amount calculated for each district
24 when compared to the sum of the amount for all
25 districts.

26 Sec. ____ . NEW SECTION. 174.24 LIABILITY OF
27 COUNTY FAIR SOCIETY.

28 A society, as defined in section 174.1, shall be
29 immune from liability for any damages incurred at a
30 county fair held by the society if the damages were
31 incurred on or at an exhibit, leased facility,
32 amusement ride, or an activity not under the control
33 of the society, if the county fair requires the vendor
34 in control of the exhibit, leased facility, amusement
35 ride, or other activity to obtain liability insurance
36 of at least three hundred thousand dollars. An
37 officer or employee of a society, as defined in
38 section 174.1, shall not be held liable for punitive
39 damages as a result of acts in the performance of the
40 officer's or employee's duties, unless reckless
41 misconduct is proven."

42 18. Page 34, by inserting after line 4 the
43 following:

44 "Sec. ____ . Section 284.13, subsection 1, paragraph
45 g, unnumbered paragraph 1, Code 2003, is amended to
46 read as follows:

47 For each fiscal year in which funds are
48 appropriated for purposes of this chapter, the moneys
49 remaining after distribution as provided in paragraphs
50 "a" through "f" and "h" shall be allocated to school

1 districts for salaries and career development in
2 accordance with the following formula:"

3 19. Page 34, by striking lines 5 and 6 and
4 inserting the following:

5 "Sec. ____ . Section 294A.25, subsection 6, Code
6 2003, is amended by striking the subsection."

7 20. Page 37, by inserting after line 35 the
8 following:

9 "Sec. ____ . Section 331.605C, subsections 1 and 2,
10 if enacted by 2003 Iowa Acts, Senate File 453, are
11 amended to read as follows:

12 1. For the fiscal year beginning July 1, 2003, and
13 ending June 30, 2004, the recorder shall collect a fee
14 of five dollars for each recorded transaction,
15 regardless of the number of pages, for which a fee is
16 paid pursuant to section 331.604 to be used for the
17 purposes of planning and implementing electronic
18 recording and electronic transactions in each county
19 and developing county and statewide internet websites
20 to provide electronic access to records and
21 information.

22 2. Beginning July 1, 2004, the recorder shall
23 collect a fee of one dollar for each recorded
24 transaction, regardless of the number of pages, for
25 which a fee is paid pursuant to section 331.604 to be
26 used for the purpose of paying the county's ongoing
27 costs of maintaining the systems developed and
28 implemented under subsection 1."

29 21. Page 38, by inserting after line 26 the
30 following:

31 "Sec. ____ . Section 331.605C, if enacted by 2003
32 Iowa Acts, Senate File 453, is amended by adding the
33 following new subsection:

34 NEW SUBSECTION. 7. The treasurer of state shall
35 no later than December 1, 2003, submit a report to the
36 general assembly detailing the amount of funds
37 collected statewide pursuant to this section. The
38 report shall include the total revenue currently being
39 collected pursuant to section 310.604 and the total
40 which has been collected pursuant to that section for
41 the past three years. Funds collected under
42 subsection 4 shall not be distributed until such time
43 as the general assembly has approved the
44 implementation of the statewide website."

45 22. Page 38, by inserting after line 33 the
46 following:

47 "Sec. ____ . Section 423.4, Code 2003, is amended by
48 adding the following new subsection:

49 NEW SUBSECTION. 9A. Vehicles subject to
50 registration which are transferred from a corporation

1 that is primarily engaged in the business of leasing
2 vehicles subject to registration to a corporation that
3 is primarily engaged in the business of leasing
4 vehicles subject to registration when the transferor
5 and transferee corporations are part of the same
6 controlled group for federal income tax purposes."

7 23. Page 39, by striking line 23 and inserting
8 the following: "apply for a ~~bonded~~ certificate of
9 title under ~~chapter 321~~ section 321.42. If".

10 24. Page 39, by inserting after line 27 the
11 following:

12 "Sec. ____ . Section 452A.2, Code 2003, is amended
13 by adding the following new subsection:

14 NEW SUBSECTION. 20A. "Nonterminal storage
15 facility" means a facility where motor fuel or special
16 fuel, other than liquefied petroleum gas, is stored
17 that is not supplied by a pipeline or a marine vessel.
18 "Nonterminal storage facility" includes a facility
19 that manufactures products such as alcohol, biofuel,
20 blend stocks, or additives which may be used as motor
21 fuel or special fuel, other than liquefied petroleum
22 gas, for operating motor vehicles or aircraft."

23 25. Page 40, line 5, by inserting after the word
24 "subsection." the following: "Notwithstanding section
25 8.33, any unexpended balance in the fund at the end of
26 the fiscal year shall be retained in the fund."

27 26. Page 42, by inserting after line 1 the
28 following:

29 "Sec. ____ . Section 505.7, Code 2003, is amended by
30 adding the following new subsection:

31 NEW SUBSECTION. 9. The commissioner may retain
32 funds collected during the fiscal year beginning July
33 1, 2003, pursuant to any settlement, enforcement
34 action, or other legal action authorized under federal
35 or state law for the purpose of reimbursing costs and
36 expenses of the division.

37 Sec. ____ . Section 518.18, unnumbered paragraph 2,
38 Code 2003, is amended to read as follows:

39 1. Two The applicable percent of the gross amount
40 of premiums received during the preceding calendar
41 year, after deducting the amount returned upon the
42 canceled policies, certificates, and rejected
43 applications; and after deducting premiums paid for
44 windstorm or hail reinsurance on properties
45 specifically reinsured; ~~provided, however, that.~~
46 However, the reinsurer of such windstorm or hail risks
47 shall pay ~~two~~ the applicable percent of the gross
48 amount of reinsurance premiums received upon such
49 risks after deducting the amounts returned upon
50 canceled policies, certificates, and rejected

1 applications. For purposes of this section,
2 "applicable percent" means the same as specified in
3 section 432.1, subsection 4.

4 2. Except as provided in subsection 3, the premium
5 tax shall be paid on or before March 1 of the year
6 following the calendar year for which the tax is due.
7 The commissioner of insurance may suspend the
8 certificate of authority of a county mutual insurance
9 association that fails to pay its premium tax on or
10 before the due date.

11 3. a. Each county mutual insurance association
12 transacting business in this state whose Iowa premium
13 tax liability for the preceding calendar year was one
14 thousand dollars or more shall remit on or before June
15 1, on a prepayment basis, an amount equal to one-half
16 of the premium tax liability for the preceding
17 calendar year.

18 b. In addition to the prepayment amount in
19 paragraph "a", each association shall remit on or
20 before June 30, on a prepayment basis, an additional
21 amount equal to the following percent of the premium
22 tax liability for the preceding calendar year as
23 follows:

24 (1) For prepayment in the 2003 and 2004 calendar
25 years, eleven percent.

26 (2) For prepayment in the 2005 calendar year,
27 twenty-six percent.

28 (3) For prepayment in the 2006 and subsequent
29 calendar years, fifty percent.

30 c. The sums prepaid by a county mutual insurance
31 association under this subsection shall be allowed as
32 credits against its premium tax liability for the
33 calendar year during which the payments are made. If
34 a prepayment made under this subsection exceeds the
35 annual premium tax liability, the excess shall be
36 allowed as a credit against subsequent prepayment or
37 tax liabilities. The commissioner of insurance may
38 suspend the certificate of authority of an association
39 that fails to make a prepayment on or before the due
40 date.

41 Sec. ____. Section 518A.35, Code 2003, is amended
42 to read as follows:

43 518A.35 ANNUAL TAX.

44 1. A state mutual insurance association doing
45 business under this chapter shall on or before the
46 first day of March, each year, pay to the director of
47 revenue and finance, or a depository designated by the
48 director, a sum equivalent to ~~two~~ the applicable
49 percent of the gross receipts from premiums and fees
50 for business done within the state, including all

1 insurance upon property situated in the state without
2 including or deducting any amounts received or paid
3 for reinsurance. However, a company reinsuring
4 windstorm or hail risks written by county mutual
5 insurance associations is required to pay ~~a two~~ the
6 applicable percent tax on the gross amount of
7 reinsurance premiums received upon such risks, but
8 after deducting the amount returned upon canceled
9 policies and rejected applications covering property
10 situated within the state, and dividends returned to
11 policyholders on property situated within the state.
12 For purposes of this section, "applicable percent"
13 means the same as specified in section 432.1,
14 subsection 4.

15 2. Except as provided in subsection 3, the premium
16 tax shall be paid on or before March 1 of the year
17 following the calendar year for which the tax is due.
18 The commissioner of insurance may suspend the
19 certificate of authority of a state mutual insurance
20 association that fails to pay its premium tax on or
21 before the due date.

22 3. a. Each state mutual insurance association
23 transacting business in this state whose Iowa premium
24 tax liability for the preceding calendar year was one
25 thousand dollars or more shall remit on or before June
26 1, on a prepayment basis, an amount equal to one-half
27 of the premium tax liability for the preceding
28 calendar year.

29 b. In addition to the prepayment amount in
30 paragraph "a", each association shall remit on or
31 before June 30, on a prepayment basis, an additional
32 amount equal to the following percent of the premium
33 tax liability for the preceding calendar year as
34 follows:

35 (1) For prepayment in the 2003 and 2004 calendar
36 years, eleven percent.

37 (2) For prepayment in the 2005 calendar year,
38 twenty-six percent.

39 (3) For prepayment in the 2006 and subsequent
40 calendar years, fifty percent.

41 c. The sums prepaid by a state mutual insurance
42 association under this subsection shall be allowed as
43 credits against its premium tax liability for the
44 calendar year during which the payments are made. If
45 a prepayment made under this subsection exceeds the
46 annual premium tax liability, the excess shall be
47 allowed as a credit against subsequent prepayment or
48 tax liabilities. The commissioner of insurance may
49 suspend the certificate of authority of an association
50 that fails to make a prepayment on or before the due

1 date.

2 Sec. _____. 2003 Iowa Acts, Senate File 453, section
3 30, if enacted, is amended by striking the section and
4 inserting in lieu thereof the following:

5 SEC. 30. CHARGE FOR RENT. For the fiscal year
6 beginning July 1, 2003, and ending June 30, 2004, the
7 department of administrative services, if established
8 in 2003 Iowa Acts, House File 534, shall transfer
9 \$900,000 to the general fund of the state from the
10 rent fund if established under section 8A.123 in 2003
11 Iowa Acts, House File 534.

12 Sec. _____. 2003 Iowa Acts, Senate File 453, section
13 35, if enacted, is amended to read as follows:

14 SEC. 35. CHARTER AGENCY APPROPRIATIONS.

15 1. Notwithstanding any provision of law to the
16 contrary, the total operating appropriations
17 reductions as allowed under section 7J.1 from the
18 general fund of the state to those departments and
19 agencies designated as charter agencies and additional
20 revenue to the general fund of the state attributed to
21 the reinvention process as determined by the
22 department of management above that already committed
23 to the general fund of the state generated for the
24 fiscal year beginning July 1, 2003, and ending June
25 30, 2004, as provided by the appropriation to those
26 agencies as enacted by the Eightieth General Assembly,
27 2003 Regular Session, shall be reduced by total
28 \$15,000,000. The department of management shall apply
29 the appropriation reductions, with a target of a 10
30 percent reduction for each charter agency, as
31 necessary to which along with additional generated
32 revenue shall achieve the overall reduction amount and
33 shall make this information available to the
34 legislative fiscal committee and the legislative
35 fiscal bureau. It is the intent of the general
36 assembly that appropriations to a charter agency in
37 subsequent fiscal years shall be similarly adjusted
38 from the appropriation that would otherwise have been
39 enacted.

40 2. There is appropriated from the general fund of
41 the state to the department of management for the
42 fiscal year beginning July 1, 2003, and ending June
43 30, 2004, the following amount, or so much thereof as
44 is necessary, to be used for the purposes designated:

45 For deposit in the charter agency ~~loan~~ grant fund
46 created in section 7J.2:

47 \$ 3,000,000

48 ~~3. For the fiscal year beginning July 1, 2003, and~~
49 ~~ending June 30, 2004, if the actual amount of revenue~~
50 ~~received by a charter agency exceeds the revenue~~

1 amount budgeted for that charter agency by the
2 governor and the general assembly, the charter agency
3 may consider the excess amount to be repayment
4 receipts as defined in section 8.2.

5 Sec. _____. Notwithstanding section 8.33,
6 unencumbered and unobligated funds remaining from the
7 appropriation made in 1996 Iowa Acts, chapter 1218,
8 section 13, subsection 2, paragraph "a", subparagraph
9 (2), as amended by 1997 Iowa Acts, chapter 215,
10 section 3, and from the appropriation made in 1997
11 Iowa Acts, chapter 215, section 4, subsection 1, shall
12 not revert but shall be available for the purposes
13 designated in those provisions until the close of the
14 fiscal year beginning July 1, 2003."

15 27. Page 42, by inserting after line 10 the
16 following:

17 "Sec. _____. 2003 Iowa Acts, Senate File 453,
18 section 121, if enacted, is amended to read as
19 follows:

20 SEC. 121. EFFECTIVE DATE. This division of this
21 Act, creating the Iowa lottery authority, takes effect
22 ~~September~~ July 1, 2003."

23 28. Page 42, by inserting after line 12 the
24 following:

25 "Sec. _____. USE OF TEAM-BASED VARIABLE PAY MONEYS
26 FOR FY 2003-2004. Notwithstanding section 284.13,
27 subsection 1, paragraph a, of the moneys reserved for
28 purposes of team-based variable pay for the fiscal
29 year beginning July 1, 2003, and ending June 30, 2004,
30 the sum of two hundred thousand dollars shall be used
31 for purposes of the reading instruction pilot program
32 established pursuant to 2003 Iowa Acts, House File
33 549, if enacted."

34 29. Page 45, by inserting after line 9 the
35 following:

36 "Sec. _____. FULL-SIZE OFF-HIGHWAY VEHICLE
37 REGISTRATION PROGRAM -- PLAN. The department of
38 natural resources and the state department of
39 transportation, in consultation with the Iowa
40 association of four wheel drive clubs, shall develop a
41 plan for the establishment of a registration program
42 for full-size off-highway vehicles for the purposes of
43 regulating the recreational use of full-size off-
44 highway vehicles and establishing a full-size off-
45 highway vehicle recreation area in the state. The
46 plan shall include an analysis of the number of full-
47 size off-highway vehicles expected to be registered
48 prior to the establishment of a full-size off-highway
49 vehicle recreation area and the number of
50 registrations expected after the establishment of such

1 a facility. The plan shall also include optimum
2 locations for a full-size off-highway vehicle
3 recreation area, estimated costs, if any, for
4 maintenance of the area, and any other issues the
5 departments and the association deem to be of
6 importance in the planning process. The plan, which
7 shall include any proposed legislation for
8 implementation of the plan, shall be submitted to the
9 legislative services agency and the general assembly
10 no later than January 1, 2004.

11 Sec. _____. ELIMINATION OF POSITION -- IOWA LAW
12 ENFORCEMENT ACADEMY DIRECTOR. The merit position of
13 director of the Iowa law enforcement academy referred
14 to in section 80B.5, Code 2003, is eliminated
15 effective April 30, 2004."

16 30. Page 46, by inserting after line 2 the
17 following:

18 "Sec. _____. SMALLPOX VACCINATIONS. It is the
19 intent of the general assembly that public safety
20 workers, smallpox response teams, and others who will
21 be required to be vaccinated pursuant to the federal
22 Homeland Security Act be protected from both health-
23 related and other results of the federally required
24 vaccination. The emergency management division of the
25 Iowa department of public defense and local
26 governments should work with employees in the public
27 safety areas or response teams to achieve the
28 following:

- 29 1. Vaccinations should be given only on a
30 voluntary basis.
- 31 2. Extensive screening should be employed to
32 protect those workers who would be at risk from
33 current health conditions if vaccinated.
- 34 3. Reprisals or discrimination for workers not
35 voluntarily receiving vaccinations should be
36 prohibited.
- 37 4. Public employers should protect employees from
38 loss of income or seniority as a result of side
39 effects from vaccinations. Homeland security moneys
40 received by the emergency management division of the
41 Iowa department of public defense from the federal
42 government should include a set-aside to purchase
43 supplemental insurance for public safety or response
44 employees to cover those reactions not covered by
45 traditional employer-provided health insurance.
- 46 5. Disability or long-term reactions from
47 vaccinations should be considered a work-related
48 injury and should be covered by local or state
49 policies governing disability.
- 50 6. Vaccinations should be scheduled at staggered

1 times to allow for normal loss of staff time because
2 of vaccination-related illnesses without seriously
3 hampering public safety service.

4 7. Vaccinations administered in Iowa should meet
5 the requirements of the federal Needlestick Safety and
6 Prevention Act of 2000 that requires safety features
7 in the use of needles to administer medicine.

8 8. The emergency management division of the Iowa
9 department of public defense should coordinate efforts
10 to ensure adequate supplies of vaccinia immune
11 globulin and cidofovir and other appropriate medical
12 care and pharmaceuticals to protect those employees
13 who suffer reactions to vaccinations."

14 31. Page 46, by inserting after line 13 the
15 following:

16 "_____. The amendments to sections 8.23, 8.31, and
17 8.57 which are first applicable to appropriations made
18 for the fiscal year beginning July 1, 2003."

19 32. Page 46, by inserting after line 14 the
20 following:

21 "_____. The amendments to sections 15E.42, 15E.43,
22 15E.45, and 15E.51, which apply retroactively to
23 January 1, 2002, for tax years beginning on or after
24 that date."

25 33. Page 46, by inserting after line 21 the
26 following:

27 "_____. The amendments to sections 518.18 and
28 518A.35."

29 34. Page 46, by inserting after line 26 the
30 following:

31 "The sections of this division of this Act amending
32 section 80B.5 and enacting section 80B.5A are
33 applicable to the appointment of the director of the
34 Iowa law enforcement academy for the term beginning
35 May 1, 2004."

36 35. Title page, line 3, by inserting after the
37 word "appropriations," the following: "modifying the
38 investment tax credits and premiums taxes on mutual
39 insurance associations,".

40 36. By renumbering, relettering, or redesignating
41 and correcting internal references as necessary.

By DIX of Butler

H-1584

1 Amend House File 700 as follows:

2 1. Page 51, by inserting after line 11 the
3 following:

4 "DIVISION

5 Sec. 201. PURPOSE AND DEFINITIONS.

6 1. PURPOSE. The general assembly finds that the
7 Iowa communications network is a valuable state asset
8 that has served the people of the state well, but
9 which requires significant ongoing financial support
10 from the state in the form of annual appropriations.
11 The operation of a telecommunications network is a
12 function that can be and generally is conducted by
13 private enterprise. It is in the public interest to
14 sell the Iowa communications network to a qualified
15 private business enterprise that will commit to
16 provide the same secure low-cost high-quality service
17 to state and federal agencies and military
18 installations now provided by the network. Through
19 such a sale, the state would eliminate the need for
20 ongoing annual appropriations while preserving the key
21 benefits enjoyed by the state under the present state
22 ownership of the network. The state also expects to
23 obtain sufficient proceeds from such a sale to cover
24 existing obligations and to realize additional
25 proceeds above the level of such obligations. Given
26 the current depressed state of the telecommunications
27 industry, the state can reasonably be expected to
28 maximize sales proceeds by allowing a purchaser a
29 period of time in which to assemble financing for its
30 purchase. During the interim between enactment of
31 this division of this Act and completion of a sale,
32 the services of a private-enterprise manager with
33 experience operating telecommunications networks can
34 reasonably be expected to reduce the costs of
35 operating the Iowa communications network, thereby
36 lowering or possibly eliminating annual
37 appropriations.

38 2. DEFINITIONS. As used in this division of this
39 Act, unless the context otherwise requires:

40 a. "Board" means the state network privatization
41 board.

42 b. "Commission" means the Iowa telecommunications
43 and technology commission established in section 8D.3
44 to oversee the operations of the network.

45 c. "Management contract" means an agreement
46 between the board and the manager for services to
47 oversee and operate the network on behalf of the
48 state.

49 d. "Manager" means the private entity selected by
50 the board to oversee and operate the network on behalf

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1 of the state.

2 e. "Network" means the Iowa or state
3 communications network as defined in section 8D.2.

4 f. "Out-of-pocket expenses" means moneys paid to
5 an unaffiliated third party for engineering, legal,
6 consulting, or other services or goods by a manager or
7 purchaser.

8 g. "Purchaser" means the entity that is selected
9 by the board to purchase the network from the state.

10 h. "Required third-party approval" means any
11 consent, conveyance, approval, or waiver that must be
12 granted by a private, governmental, or quasi-
13 governmental third party in order for the purchaser to
14 receive clear title to all network assets and the
15 right to use the network assets free of adverse
16 claims. Required third-party approvals include but
17 are not limited to all of the following:

18 (1) Approvals of assignments to the purchaser of
19 the state's rights under leases or contracts between
20 the state and the third party.

21 (2) Conveyance to the purchaser of property that
22 the third party currently leases to the state on a
23 term with less than fifteen years remaining.

24 (3) Release of restrictions in contracts that
25 require that the state operate the network.

26 i. "Sales contract" means the contract between the
27 state as seller, represented by the board, and the
28 purchaser, for sale of the network to the purchaser.

29 Sec. 202. STATE NETWORK PRIVATIZATION BOARD
30 CREATED -- DUTIES.

31 1. A state network privatization board is created.
32 The board shall consist of the following members:

33 a. A chairperson member appointed by the
34 legislative council, subject to confirmation by the
35 senate.

36 b. A member, who shall not be of the same
37 political party as the chairperson, appointed by the
38 governor subject to confirmation by the senate.

39 c. The adjutant general or the adjutant general's
40 designee.

41 2. The board shall do all of the following:

42 a. Issue a request for proposals from qualified
43 entities interested in serving as the manager of the
44 network. This request for proposals shall be issued
45 by July 1, 2004, and responses to the request for
46 proposals shall be due by August 1, 2004.

47 b. Select a manager and enter into a management
48 contract with the manager by October 1, 2004. The
49 management contract shall provide for the continuation
50 of all services currently being provided to state and

1 federal agencies and military installations pursuant
2 to chapter 8D, at the rates specified therein, for the
3 duration of the contract. The contract shall also
4 specify the manager's authority in relation to the
5 duties of the commission during the period between
6 execution of the management contract and closing of
7 the sale of the network. The commission shall
8 establish a dispute resolution process regarding rate
9 increases, quality of service issues, and other areas
10 of dispute involving network subscribers. The
11 commission shall also make recommendations regarding
12 imposition of an ongoing dispute resolution and
13 appeals process commencing with the closing of the
14 sale of the network.

15 c. Issue a request for proposals from qualified
16 entities for the purchase of the network. This
17 request for proposals shall be issued by January 1,
18 2005, and responses to the request for proposals shall
19 be due by May 1, 2005.

20 d. Utilizing the criteria set forth in sections
21 203 and 204 of this Act, select a purchaser and enter
22 into a sales contract with the purchaser by October 1,
23 2005.

24 e. Immediately upon execution of the management
25 contract and the sales contract by the majority of the
26 board, transmit the executed contract to the general
27 assembly and to the governor. The board shall have
28 full authority to enter into the management contract
29 and the sales contract on behalf of the state,
30 provided that the general assembly by legislation
31 enacted regarding the specific purchase and approved
32 by the governor, within thirty days after transmittal
33 to the general assembly and the governor in the case
34 of the management contract, and within sixty days
35 after transmittal to the general assembly and the
36 governor in the case of the sales contract, may
37 disapprove the board's action, in which case the
38 disapproved contract shall have no force and effect.
39 In the event of such disapproval, the state shall pay
40 the manager or the purchaser, as the case may be,
41 reasonable out-of-pocket expenses incurred in
42 preparing a proposal and performing prior to
43 disapproval, but such expenses shall not exceed two
44 hundred thousand dollars in the case of disapproval of
45 the management contract and five hundred thousand
46 dollars in the case of disapproval of the sales
47 contract. In the event that multiple management
48 contracts or sales contracts have been executed, the
49 two hundred thousand dollars and five hundred thousand
50 dollars shall be distributed pro rata among all

1 management contracts and sales contracts executed.

2 f. Cause the sales contract to require closing by
3 October 1, 2007, allowing time for the state to obtain
4 third-party approvals as required by section 206 of
5 this Act, including the filing of any necessary
6 eminent domain actions, and for the purchaser to
7 secure financing.

8 g. Execute all necessary documents relating to the
9 closing of the sale of the network. The board may
10 direct any other applicable official to assist in the
11 execution of necessary documents relating to the
12 closing.

13 h. Require by written directive that all state
14 officials provide information and records concerning
15 the network to the board, to the manager, or to a
16 person submitting a proposal to purchase the network,
17 whenever the board requires such provision of such
18 records and other information.

19 i. Take all other steps necessary and proper as
20 needed to carry out its responsibilities enumerated in
21 this subsection. The board may adopt necessary rules
22 pursuant to chapter 17A to administer this division of
23 this Act.

24 Sec. 203. MINIMUM QUALIFICATIONS OF PURCHASER.

25 The purchaser shall meet the following requirements:

26 1. The principal place of business of the
27 purchaser and any parent of the purchaser shall be
28 located in the state of Iowa.

29 2. For national security reasons, and because of
30 the extensive military use of the network, the
31 purchaser shall possess national security approval.

32 Sec. 204. CRITERIA FOR SELECTION OF PURCHASER.

33 After issuing a request for proposals for the purchase
34 of the network and considering the proposals received,
35 the board shall select the highest and best offer for
36 purchase of the network from those persons submitting
37 proposals which meet all of the following criteria:

38 1. Satisfy the minimum qualifications of this
39 division of this Act.

40 2. Submit a proposal in compliance with the
41 request for proposals.

42 3. Demonstrate a likelihood of being able to
43 obtain any financing necessary to close the
44 transaction. However, the board shall not require
45 that the purchaser have a commitment for financing to
46 award the contract, but shall allow the purchaser at
47 least one year to obtain any necessary financing. The
48 board may also in its discretion consider proposals
49 involving financing of the sale by the state.

50 4. Agree to continue all services currently being

1 provided to state and federal agencies and military
2 installations for the next ten years, with any annual
3 rate increase not to exceed five percent per year,
4 provided that the purchaser shall not be required to
5 supply at such restricted prices a quantity or quality
6 of service greater than that provided by the network
7 as of execution of the contract for sale of the
8 network.

9 Sec. 205. CLOSING OF SALE. Any debt of the state
10 related to the network or other liens against network
11 assets shall be discharged out of the state's proceeds
12 of closing, so that the purchaser receives marketable
13 title to the network. The purchaser shall receive
14 bills of sale, in the case of personal property, and
15 deeds, in the case of real property, transferring all
16 network assets to the purchaser. The state shall also
17 transfer its interest in right-of-way and leases and
18 easements for uses of rights-of-way.

19 Sec. 206. THIRD-PARTY APPROVALS.

20 1. The state shall exercise all reasonable efforts
21 to obtain each required third-party approval,
22 including where necessary by use of eminent domain
23 proceedings. To the extent feasible, the state may
24 pay the costs of obtaining required third-party
25 approvals out of the proceeds of sale rather than from
26 the general fund of the state. In the event the state
27 fails to obtain a required third-party approval, the
28 purchaser may terminate the sales contract without
29 penalty and shall be reimbursed by the state for
30 reasonable out-of-pocket expenses incurred in
31 preparing its proposal and fulfilling its obligations
32 under the sales contract, not to exceed two million
33 dollars.

34 2. The board and the purchaser shall develop a
35 list of required third-party approvals and persons who
36 may have claims that would constitute required third-
37 party approvals if valid. The board shall mail to
38 each person on the list at their last known address a
39 notice that provides a description of the sale and
40 invites the recipient to submit a claim on a form
41 developed by the board by a deadline set by the board.
42 The claim or interest of any person who fails to
43 timely file a claim shall be deemed discharged and
44 forfeited, and such person shall be forever barred and
45 estopped from taking any action against the state or
46 purchaser that would in any way interfere with the
47 purchaser's use of the network. In addition, the
48 board shall publish the notice in newspapers of
49 general circulation in the state of Iowa, and failure
50 to file a timely claim shall bar all persons whose

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1 rights could constitutionally be affected by such
2 notice, just as if such person had been mailed notice.
3 3. Any eminent domain or other proceeding to
4 obtain a required third-party approval shall be
5 promptly filed by the attorney general at the request
6 of the board and shall be added to the calendar of any
7 trial or appellate court of this state so that the
8 deadline in section 202 of this Act for closing the
9 sale can be met.

10 Sec. 207. REMOVAL OF RESTRICTIONS -- REPEAL OF
11 CHAPTER 8D. Chapter 8D is repealed, effective as of
12 the date of the closing of the sale of the network
13 under this division of this Act, as certified by the
14 chairperson of the board to the governor.

15 Sec. 208. ASSISTANCE OF OTHER STATE AGENCIES.

16 1. The attorney general shall provide legal advice
17 to the board.

18 2. All other state agencies shall provide whatever
19 assistance may reasonably be required by the board in
20 carrying out its duties under this division of this
21 Act."

22 2. By renumbering as necessary.

By DIX of Butler

JENKINS of Black Hawk

H-1584 FILED MAY 1, 2003

ADOPTED

HOUSE FILE 700

H-1591

1 Amend House File 700 as follows:

2 1. Page 11, by inserting after line 32 the
3 following:

4 "Sec. ____ . HOUSING TRUST FUND APPROPRIATION --
5 INTENT. It is the intent of the general assembly that
6 an additional \$800,000 be appropriated for the fiscal
7 year beginning July 1, 2004, for deposit in the
8 housing trust fund created in section 16.181, if
9 enacted by this Act."

By MURPHY of Dubuque

H-1591 FILED MAY 1, 2003

LOST

H-1590

1 Amend House File 700 as follows:

2 1. Page 12, line 10, by striking the word "There"
3 and inserting the following: "Notwithstanding section
4 8.56, subsections 3 and 4, there is appropriated from
5 the cash reserve fund to the salary adjustment fund,
6 for distribution by the department of management as
7 provided in this section, for the fiscal year
8 beginning July 1, 2003, and ending June 30, 2004, the
9 amount of \$19,000,000.

10 In addition, there".

11 2. Page 12, line 17, by striking the word ", or"
12 and inserting the following: ". The amounts
13 appropriated in this section, or so much thereof".

14 3. Page 12, line 18, by inserting after the word
15 "necessary," the following: "shall be used".

16 4. Page 13, by inserting before line 14 the
17 following:

18 "Sec. ____ . STATE COURTS -- JUSTICES, JUDGES, AND
19 MAGISTRATES.

20 1. The salary rates specified in subsection 2 are
21 for the fiscal year beginning July 1, 2003, effective
22 for the pay period beginning June 20, 2003, and for
23 subsequent fiscal years until otherwise provided by
24 the general assembly. The salaries provided for in
25 this section shall be paid from funds allocated to the
26 judicial branch from the salary adjustment fund
27 pursuant to this division of this Act or if the
28 appropriation is not sufficient, from the funds
29 appropriated to the judicial branch pursuant to any
30 Act of the general assembly.

31 2. The following annual salary rates shall be paid
32 to the persons holding the judicial positions
33 indicated during the fiscal year beginning July 1,
34 2003, effective with the pay period beginning June 20,
35 2003, and for subsequent pay periods.

36	a. Chief justice of the supreme court:		
37	.....	\$	127,040
38	b. Each justice of the supreme court:		
39	.....	\$	122,500
40	c. Chief judge of the court of appeals:		
41	.....	\$	122,380
42	d. Each associate judge of the court of appeals:		
43	.....	\$	117,850
44	e. Each chief judge of a judicial district:		
45	.....	\$	116,760
46	f. Each district judge except the chief judge of a		
47	judicial district:		
48	\$	112,010
49	g. Each district associate judge:		
50	\$	97,610

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1	h. Each associate juvenile judge:		
2	\$	97,610
3	i. Each associate probate judge:		
4	.....	\$	97,610
5	j. Each judicial magistrate:		
6	.....	\$	29,100
7	k. Each senior judge:		
8	.....	\$	6,500

9 3. Persons receiving the salary rates established
10 under this section shall not receive any additional
11 salary adjustments provided by this Act.

12 Sec. ____ . ELECTIVE EXECUTIVE OFFICIALS.

13 1. The annual salary rates specified in this
14 section are effective for the fiscal year beginning
15 July 1, 2003, with the pay period beginning June 20,
16 2003, and for subsequent fiscal years until otherwise
17 provided by the general assembly. The salaries
18 provided for in this section shall be paid from funds
19 appropriated to the department or agency specified in
20 this section from the salary adjustment fund or if the
21 appropriation is not sufficient, from the funds
22 appropriated to the department or agency pursuant to
23 any Act of the general assembly.

24 2. The following annual salary rates shall be paid
25 to the person holding the position indicated:

26	a. OFFICE OF THE GOVERNOR		
27	(1) Salary for the governor:		
28	.....	\$	109,640
29	(2) Salary for the lieutenant governor:		
30	.....	\$	78,250
31	b. DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP		
32	Salary for the secretary of agriculture:		
33	.....	\$	114,000
34	c. DEPARTMENT OF JUSTICE		
35	Salary for the attorney general:		
36	.....	\$	114,000
37	d. OFFICE OF THE AUDITOR OF STATE		
38	Salary for the auditor of state:		
39	.....	\$	114,000
40	e. OFFICE OF THE SECRETARY OF STATE		
41	Salary for the secretary of state:		
42	.....	\$	114,000
43	f. OFFICE OF THE TREASURER OF STATE		
44	Salary for the treasurer of state:		
45	.....	\$	114,000

46 Sec. ____ . APPOINTED STATE OFFICERS.

47 1. a. The governor shall establish a salary for
48 appointed nonelected persons in the executive branch
49 of state government holding a position enumerated in
50 this section within the range provided, by

1 considering, among other items, the experience of the
 2 individual in the position, changes in the duties of
 3 the position, the incumbent's performance of assigned
 4 duties, and subordinates' salaries. However, the
 5 attorney general shall establish the salary for the
 6 consumer advocate, the secretary of state shall
 7 establish the salary for the administrator of the
 8 division of professional licensing and regulation, the
 9 chief justice of the supreme court shall establish the
 10 salary for the state court administrator, the ethics
 11 and campaign disclosure board shall establish the
 12 salary of the executive director, and the state fair
 13 board shall establish the salary of the secretary of
 14 the state fair board, each within the salary range
 15 provided in this section.

16 b. The governor, in establishing salaries as
 17 provided in this section, shall take into
 18 consideration other employee benefits which may be
 19 provided for an individual including, but not limited
 20 to, housing.

21 c. A person whose salary is established pursuant
 22 to this section and who is a full-time, year-round
 23 employee of the state shall not receive any other
 24 remuneration from the state or from any other source
 25 for the performance of that person's duties unless the
 26 additional remuneration is first approved by the
 27 governor or authorized by law. However, this
 28 provision does not exclude the reimbursement for
 29 necessary travel and expenses incurred in the
 30 performance of duties or fringe benefits normally
 31 provided to employees of the state.

32 2. The annual salary ranges specified in this
 33 section are effective for the positions specified in
 34 this section for the fiscal year beginning July 1,
 35 2003, and for subsequent fiscal years until otherwise
 36 provided by the general assembly. The governor or
 37 other person designated in subsection 1 shall
 38 determine the salary to be paid to the person
 39 indicated at a rate within the salary ranges indicated
 40 from funds appropriated by the general assembly for
 41 that purpose.

42 3. The following are salary ranges 1 through 5 for
 43 the fiscal year beginning July 1, 2003, effective with
 44 the pay period beginning June 20, 2003:

45 SALARY RANGES		<u>Minimum</u>	<u>Maximum</u>
46 a.	Range 1	\$ 8,800	\$ 30,460
47 b.	Range 2	\$ 32,200	\$ 61,470
48 c.	Range 3	\$ 44,100	\$ 71,670
49 d.	Range 4	\$ 53,100	\$ 81,940
50 e.	Range 5	\$ 62,400	\$ 92,250

1 4. The following are range 1 positions: There are
2 no range 1 positions for the fiscal year beginning
3 July 1, 2003.

4 5. The following are range 2 positions:
5 administrator of the arts division of the department
6 of cultural affairs, administrators of the division of
7 persons with disabilities, the division on the status
8 of women, the division on the status of African-
9 Americans, the division of deaf services, and the
10 division of Latino affairs of the department of human
11 rights, and administrator of the division of
12 professional licensing and regulation of the office of
13 secretary of state.

14 6. The following are range 3 positions:
15 administrator of the division of criminal and juvenile
16 justice planning of the department of human rights,
17 administrator of the division of community action
18 agencies of the department of human rights, executive
19 director of the commission of veterans affairs, and
20 chairperson and members of the employment appeal board
21 of the department of inspections and appeals.

22 7. The following are range 4 positions:
23 superintendent of credit unions, and chairperson, vice
24 chairperson, and members of the board of parole.

25 8. The following are range 5 positions: state
26 public defender, drug policy coordinator, labor
27 commissioner, workers' compensation commissioner,
28 administrator of the alcohol beverages division of the
29 department of commerce, and administrator of the
30 historical division of the department of cultural
31 affairs.

32 9. The following are salary ranges 6 through 9 for
33 the fiscal year beginning July 1, 2003, effective with
34 the pay period beginning June 20, 2003:

35 SALARY RANGES		<u>Minimum</u>	<u>Maximum</u>
36 a. Range 6		\$ 48,200	\$ 81,940
37 b. Range 7		\$ 66,000	\$ 92,980
38 c. Range 8		\$ 70,800	\$107,890
39 d. Range 9		\$ 79,000	\$128,710

40 10. The following are range 6 positions: director
41 of the department of human rights, director of the
42 Iowa state civil rights commission, executive director
43 of the college student aid commission, director of the
44 department for the blind, and executive director of
45 the ethics and campaign disclosure board.

46 11. The following are range 7 positions: director
47 of the department of cultural affairs, director of the
48 department of elder affairs, and director of the law
49 enforcement academy.

50 12. The following are range 8 positions: the

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1 \$ 77,840
2 b. Two members of the public employment relations
3 board:
4 \$ 72,510"
5 5. By renumbering as necessary.

By MURPHY of Dubuque

H-1590 FILED MAY 1, 2003

LOST

HOUSE FILE 700

H-1592

1 Amend House File 700 as follows:
2 1. Page 49, by inserting after line 5, the
3 following:
4 "Sec. ____ . 2003 Iowa Acts, House File 619, section
5 7, subsection 4, paragraph b, if enacted, is amended
6 to read as follows:
7 b. Pharmacies and providers that are enrolled in
8 the medical assistance program shall make available
9 drug acquisition cost information, product
10 availability information, and other information deemed
11 necessary by the department for the determination of
12 reimbursement rates and the efficient operation of the
13 pharmacy benefit. Pharmacies and providers shall
14 produce and submit the requested information in the
15 manner and format requested by the department or its
16 designee at no cost to the department or designee.
17 Pharmacies and providers shall submit information to
18 the department or its designee within thirty days
19 following receipt of a request for information unless
20 the department or its designee grants an extension
21 upon written request of the pharmacy or provider.
22 Notwithstanding the required provision of information
23 by pharmacies and providers under this paragraph, if
24 the department is able to obtain any of the
25 information required to be provided under this
26 paragraph in an alternative manner, through which the
27 department is ensured of the validity and accuracy of
28 the information and of the timely submission of the
29 information, the department may instead obtain the
30 information in the alternative manner. Chapter 550
31 shall apply to the information provided by pharmacies
32 and providers under this paragraph."
33 2. By renumbering as necessary.

By CARROLL of Poweshiek

H-1592 FILED MAY 1, 2003

ADOPTED

1 administrator of the state racing and gaming
2 commission of the department of inspections and
3 appeals, director of the department of inspections and
4 appeals, superintendent of banking, administrator of
5 the division of emergency management of the department
6 of public defense, commandant of the veterans home,
7 director of the department of general services,
8 director of the department of personnel, administrator
9 of the public broadcasting division of the department
10 of education, commissioner of insurance, executive
11 director of the Iowa finance authority, consumer
12 advocate, director of the department of natural
13 resources, and chairperson of the utilities board.

14 The other members of the utilities board shall receive
15 an annual salary within a range of not less than 90
16 percent but not more than 95 percent of the annual
17 salary of the chairperson of the utilities board.

18 13. The following are range 9 positions: director
19 of the department of administrative services, if
20 established, director of the department of education,
21 director of the department of corrections, director of
22 human services, director of the Iowa department of
23 economic development, director of the information
24 technology department, executive director of the Iowa
25 telecommunications and technology commission, chief
26 executive officer of the Iowa public employees'
27 retirement system, commissioner of public safety,
28 executive director of the state board of regents,
29 director of the state department of transportation,
30 director of the department of workforce development,
31 director of revenue and finance, lottery commissioner,
32 director of public health, the state court
33 administrator, secretary of the state fair board, and
34 the director of the department of management.

35 Sec. ____ . PUBLIC EMPLOYMENT RELATIONS BOARD.

36 1. The salary rates specified in this section are
37 effective for the fiscal year beginning July 1, 2003,
38 with the pay period beginning June 20, 2003, and for
39 subsequent fiscal years until otherwise provided by
40 the general assembly. The salaries provided for in
41 this section shall be paid from funds appropriated to
42 the public employment relations board from the salary
43 adjustment fund, or if the appropriation is not
44 sufficient from funds appropriated to the public
45 employment relations board pursuant to any other Act
46 of the general assembly.

47 2. The following annual salary rates shall be paid
48 to the persons holding the positions indicated:

49 a. Chairperson of the public employment relations
50 board:

HOUSE FILE 700

H-1596

- 1 Amend House File 700 as follows:
- 2 1. Page 25, line 6, by inserting after the word
- 3 "any" the following: "current or future".

By HUSER of Polk

H-1596 FILED MAY 1, 2003

ADOPTED

HOUSE FILE 700

H-1598

- 1 Amend the amendment, H-1590, to House File 700 as
- 2 follows:
- 3 1. Page 1, line 9, by striking the figure
- 4 "19,000,000" and inserting the following:
- 5 "16,000,000".

By MURPHY of Dubuque

H-1598 FILED MAY 1, 2003

ADOPTED

HOUSE FILE 700

H-1599

- 1 Amend the amendment, H-1574, to House File 700 as
- 2 follows:
- 3 1. Page 1, by striking lines 19 and 20 and
- 4 inserting the following: "and computers tax
- 5 replacement fund is ~~ten~~ twenty million eighty-one
- 6 thousand six hundred".
- 7 2. Page 1, by striking lines 24 through 45.

By WISE of Lee

BELL of Jasper

COHOON of Des Moines

WINCKLER of Scott

LYKAM of Scott

FORD of Polk

OSTERHAUS of Jackson

MASCHER of Johnson

MURPHY of Dubuque

JOCHUM of Dubuque

H-1599 FILED MAY 1, 2003

LOST

HOUSE FILE 700

H-1593

1 Amend House File 700 as follows:

2 1. Page 24, by inserting after line 30 the
3 following:

4 "Sec. ____ . NEW SECTION. 12F.1 IOWA ECONOMIC
5 STIMULUS FUND -- CREATED.

6 1. a. The Iowa economic stimulus fund is created
7 in the state treasury under the control of the
8 treasurer of state. Moneys received from the federal
9 government or other sources for the purposes of
10 economic stimulus or temporary fiscal assistance for
11 state and local governments shall be deposited in the
12 fund.

13 b. If any moneys received from the federal
14 government for the purpose of economic stimulus are
15 designated for the medical assistance program, the
16 funds shall be used to supplant nongeneral fund
17 appropriations to the medical assistance program.

18 2. Moneys deposited in the fund shall be used only
19 as provided in appropriations from the fund for the
20 purposes specified in the appropriation.

21 3. The fund shall be separate from the general
22 fund of the state. The moneys in the fund are not
23 subject to section 8.33 and shall not be transferred,
24 used, obligated, appropriated, or otherwise
25 encumbered, except to provide for the purpose of this
26 section. Notwithstanding section 12C.7, subsection 2,
27 interest or earnings on moneys deposited in the fund
28 shall be credited to the fund."

29 2. By renumbering as necessary.

By HEATON of Henry

H-1593 FILED MAY 1, 2003

ADOPTED

HOUSE FILE 700

H-1595

1 Amend the amendment, H-1582, to House File 700 as
2 follows:

3 1. By striking page 10, line 19 through page 11,
4 line 1.

5 2. By renumbering as necessary.

By WINCKLER of Scott

H-1595 FILED MAY 1, 2003

ADOPTED

HOUSE FILE 700

H-1597

1 Amend House File 700 as follows:

2 1. Page 34, by inserting after line 28, the
3 following:

4 "Sec. ____ . Section 321.109, subsection 1,
5 unnumbered paragraph 1, Code 2003, is amended to read
6 as follows:

7 The annual fee for all motor vehicles, including
8 vehicles designated by manufacturers as station
9 wagons, and ~~1993 and subsequent model years for~~
10 multipurpose vehicles, except motor trucks, motor
11 homes, ambulances, hearses, motorcycles, and motor
12 bicycles, and ~~1992 and older model years for~~
13 ~~multipurpose vehicles,~~ shall be equal to one percent
14 of the value as fixed by the department plus forty
15 cents for each one hundred pounds or fraction thereof
16 of weight of vehicle, as fixed by the department. The
17 weight of a motor vehicle, fixed by the department for
18 registration purposes, shall include the weight of a
19 battery, heater, bumpers, spare tire, and wheel.
20 Provided, however, that for any new vehicle purchased
21 in this state by a nonresident for removal to the
22 nonresident's state of residence the purchaser may
23 make application to the county treasurer in the county
24 of purchase for a transit plate for which a fee of ten
25 dollars shall be paid. And provided, however, that
26 for any used vehicle held by a registered dealer and
27 not currently registered in this state, or for any
28 vehicle held by an individual and currently registered
29 in this state, when purchased in this state by a
30 nonresident for removal to the nonresident's state of
31 residence, the purchaser may make application to the
32 county treasurer in the county of purchase for a
33 transit plate for which a fee of three dollars shall
34 be paid. The county treasurer shall issue a
35 nontransferable certificate of registration for which
36 no refund shall be allowed; and the transit plates
37 shall be void thirty days after issuance. Such
38 purchaser may apply for a certificate of title by
39 surrendering the manufacturer's or importer's
40 certificate or certificate of title, duly assigned as
41 provided in this chapter. In this event, the
42 treasurer in the county of purchase shall, when
43 satisfied with the genuineness and regularity of the
44 application, and upon payment of a fee of ten dollars,
45 issue a certificate of title in the name and address
46 of the nonresident purchaser delivering the same to
47 the person entitled to the title as provided in this
48 chapter. ~~The provisions of this subsection relating~~
49 ~~to multipurpose vehicles are effective January 1,~~
50 ~~1993, for all 1993 and subsequent model years. The~~

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1 ~~annual registration fee for multipurpose vehicles that~~
2 ~~are 1992 model years and older shall be in accordance~~
3 ~~with section 321.124.~~

4 Sec. _____. Section 321.113, subsection 5, paragraph
5 a, Code 2003, is amended to read as follows:

6 a. If a 1993 model year or older motor vehicle,
7 other than a multipurpose vehicle, has been titled in
8 the same person's name since the vehicle was new or
9 the title to the vehicle was transferred prior to
10 January 1, 2002, the part of the registration fee that
11 is based on the value of the vehicle shall be ten
12 percent of the rate as fixed when the motor vehicle
13 was new.

14 Sec. _____. Section 321.113, subsection 5, paragraph
15 b, unnumbered paragraph 1, Code 2003, is amended to
16 read as follows:

17 If the title of a 1993 model year or older motor
18 vehicle is transferred to a new owner or if such a
19 motor vehicle is brought into the state on or after
20 January 1, 2002, or if a vehicle is a 1993 model year
21 or older multipurpose vehicle, the registration fee
22 shall not be based on the weight and list price of the
23 motor vehicle, but shall be as follows:

24 Sec. _____. Section 321.124, subsection 3,
25 unnumbered paragraph 1, Code 2003, is amended to read
26 as follows:

27 The annual registration fee for motor homes and
28 ~~1992 and older model years for multipurpose vehicles~~
29 is as follows:

30 Sec. _____. Section 321.124, subsection 3, paragraph
31 h, Code 2003, is amended by striking the paragraph."

32 2. Page 46, by inserting after line 30 the
33 following:

34 "Sec. _____. EFFECTIVE DATE. The sections of this
35 division of this Act amending sections 321.109,
36 321.113, and 321.124 take effect January 1, 2004, for
37 new registrations and for registration periods
38 beginning on or after that date."

39 3. By renumbering as necessary.

By CONNORS of Polk
FALLON of Polk

HOUSE FILE 700

H-1600

1 Amend House File 700 as follows:

2 1. Page 38, by inserting before line 1 the
3 following:

4 "Sec. ____ . Section 331.264, subsection 1, if
5 enacted by 2003 Iowa Acts, Senate File 390, section
6 25, is amended to read as follows:

7 1. A local government organization review
8 committee may be created in a county having a
9 population in excess of one hundred thousand. The
10 committee shall be composed of the following members:

11 a. Three city council members appointed by the
12 city council of each participating city with a
13 population of twenty-five thousand or more.

14 b. Three county supervisors appointed by the
15 county board of supervisors.

16 c. One city council member appointed by each
17 participating city with a population of less than
18 twenty-five thousand.

19 d. One member shall be appointed by each state
20 legislator whose legislative district is located in
21 the county if a majority of the constituents of that
22 legislative district reside in the county. However,
23 if a county does not have a state representative's
24 legislative district which has a majority of a state
25 representative's constituency residing in the county,
26 the state representative having the largest plurality
27 of constituents residing in the county shall appoint a
28 member. The member appointed by each state legislator
29 shall be a person who is not holding elected office
30 and who is a resident of the legislative district of
31 the state legislator. If any portion more than one-
32 half of the population of a legislative district is in
33 the unincorporated area of the county, the member
34 appointed by that legislator shall be a resident of
35 the unincorporated area of the county.

36 e. ~~Three members~~ One member appointed by the
37 township trustees of all the townships in the county
38 ~~and an additional member appointed by the township~~
39 ~~trustees~~ for each five percent of the total population
40 of the county residing in the unincorporated area of
41 the county. The members shall be residents of the
42 unincorporated area of the county and shall be persons
43 who are not holding elected office other than that of
44 township trustee. The county auditor shall determine
45 the date and location for a meeting of the township
46 trustees of all the townships in the county at which
47 meeting the appointments shall be made and shall
48 provide written notice of the meeting to the trustees.
49 The meeting shall be held in accordance with chapter
50 21.

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1 Organization and expenses of the committee are
2 subject to section 331.234 as if the committee were a
3 city-county consolidation or community commonwealth
4 commission. Sections 69.16 and 69.16A shall not apply
5 to the committee. However, a city allowed more than
6 one appointment shall balance its appointments in
7 accordance with sections 69.16 and 69.16A, when
8 possible."

9 2. Page 46, by inserting after line 30 the
10 following:

11 "10. The section amending section 331.264, if
12 enacted by 2003 Iowa Acts, Senate File 390."

13 3. By renumbering as necessary.

By ELGIN of Linn

H-1600 FILED MAY 1, 2003

WITHDRAWN

H-1602

1 Amend House File 700 as follows:
2 1. Page 30, by inserting after line 27 the
3 following:
4 "Sec. _____. Section 96.7, subsection 12, paragraph
5 a, Code 2003, is amended to read as follows:
6 a. An employer other than a governmental entity or
7 a nonprofit organization, subject to this chapter,
8 shall pay an administrative contribution surcharge
9 equal in amount to one-tenth of one percent of federal
10 taxable wages, as defined in section 96.19, subsection
11 37, paragraph "b", subject to the surcharge formula to
12 be developed by the department under this paragraph.
13 The department shall develop a surcharge formula that
14 provides a target revenue level of no greater than six
15 million five hundred twenty-five thousand dollars
16 annually for calendar years 2003, 2004, and 2005 and a
17 target revenue level of no greater than three million
18 two hundred sixty-two thousand five hundred dollars
19 for calendar year 2006 and each subsequent calendar
20 year. The department shall reduce the administrative
21 contribution surcharge established for any calendar
22 year proportionate to any federal government funding
23 that provides an increased allocation of moneys for
24 workforce development offices, under the federal
25 employment services financing reform legislation. Any
26 administrative contribution surcharge revenue that is
27 collected in calendar year ~~2002~~ 2003, 2004, or 2005 in
28 excess of six million five hundred twenty-five
29 thousand dollars or in calendar year 2006 or a
30 subsequent calendar year in excess of three million
31 two hundred sixty-two thousand five hundred dollars
32 shall be deducted from the amount to be collected in
33 the subsequent calendar year 2003 before the
34 department establishes the administrative contribution
35 surcharge. The department shall recompute the amount
36 as a percentage of taxable wages, as defined in
37 section 96.19, subsection 37, and shall add the
38 percentage surcharge to the employer's contribution
39 rate determined under this section. The percentage
40 surcharge shall be capped at a maximum of seven
41 dollars per employee. The department shall adopt
42 rules prescribing the manner in which the surcharge
43 will be collected. Interest shall accrue on all
44 unpaid surcharges under this subsection at the same
45 rate as on regular contributions and shall be
46 collectible in the same manner. Interest accrued and
47 collected under this paragraph and interest earned and
48 credited to the fund under paragraph "b" shall be used
49 by the department only for the purposes set forth in
50 paragraph "c".

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Page 2

1 Sec. _____. Section 96.7, subsection 12, paragraph
2 d, Code 2003, is amended to read as follows:
3 d. This subsection is repealed July 1, ~~2003~~ 2006,
4 and the repeal is applicable to contribution rates for
5 calendar year ~~2004~~ 2007 and subsequent calendar
6 years."
7 2. Page 46, by inserting after line 15 the
8 following:
9 "_____. The amendment to section 96.7."

By T. TAYLOR of Linn

H-1602 FILED MAY 1, 2003

LOST

HOUSE FILE 700

H-1606

1 Amend the amendment, H-1600, to House File 700 as
2 follows:
3 1. Page 1, line 9, by striking the words "one
4 hundred" and inserting the following: "two hundred
5 fifty".

By HOGG of Linn

H-1606 FILED MAY 1, 2003

OUT OF ORDER

HOUSE FILE 700

H-1608

1 Amend House File 700 as follows:
2 1. Page 13, line 29, by inserting after the word
3 "governor." the following: "However, commencing July
4 1, 2003, the consumer advocate shall receive an annual
5 salary in the same salary range as the chairperson and
6 members of the utilities board."
7 2. By renumbering as necessary.

By DIX of Butler

H-1608 FILED MAY 1, 2003

ADOPTED

H-1604

1 Amend House File 700 as follows:

2 1. Page 31, by inserting after line 17, the
3 following:

4 "Sec. ____ Section 256.7, subsection 7, unnumbered
5 paragraph 5, Code 2003, is amended to read as follows:
6 For the purpose of the rules adopted by the state
7 board, telecommunications means narrowcast
8 communications through systems that are directed
9 toward a narrowly defined audience, ~~and~~ includes
10 interactive live communications, and includes internet
11 web-based applications.

12 Sec. ____ Section 256.9, subsection 50, Code 2003,
13 is amended to read as follows:

14 50. Develop core knowledge and skill criteria
15 ~~models~~, based upon the Iowa teaching standards, for
16 the evaluation, the advancement, and for teacher
17 career development purposes pursuant to chapter 284.
18 The ~~model~~ criteria shall further define the
19 characteristics of quality teaching as established by
20 the Iowa teaching standards. The director, in
21 consultation with the board of educational examiners,
22 shall also develop a transition plan for
23 implementation of the career development standards
24 developed pursuant to section 256.7, subsection 25,
25 with regard to licensure renewal requirements. The
26 plan shall include a requirement that practitioners be
27 allowed credit for career development completed prior
28 to implementation of the career development standards
29 developed pursuant to section 256.7, subsection 25.

30 Sec. 101. Section 256D.9, Code 2003, is amended to
31 read as follows:

32 256D.9 FUTURE REPEAL.

33 This chapter is repealed effective July 1, 2003
34 2004."

35 2. By striking page 33, line 25 through page 34,
36 line 4 and inserting the following:

37 "Sec. ____ Section 284.2, subsections 1 and 3,
38 Code 2003, are amended to read as follows:

39 1. "Beginning teacher" means an individual serving
40 under an initial ~~provisional~~ license, issued by the
41 board of educational examiners under chapter 272, who
42 is assuming a position as a classroom teacher. For
43 purposes of the beginning teacher mentoring and
44 induction program created pursuant to section 284.5,
45 "beginning teacher" also includes preschool teachers
46 who are licensed by the board of educational examiners
47 under chapter 272 and are employed by a school
48 district or area education agency.

49 3. "Comprehensive evaluation" means a summative
50 evaluation of a beginning teacher conducted by an

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1 evaluator for purposes of determining a beginning
2 teacher's level of competency, ~~relative to the Iowa~~
3 ~~teaching standards and for recommendation for~~
4 ~~licensure based upon models developed pursuant to~~
5 ~~section 256.9, subsection 50~~ the Iowa teaching
6 standards, and to determine whether the teacher's
7 practice meets the school district expectations for a
8 career teacher.

9 Sec. ____ . Section 284.3, subsection 2, paragraphs
10 a and b, Code 2003, are amended to read as follows:

11 a. ~~By July 1, 2002, for~~ For purposes of
12 comprehensive evaluations for beginning teachers
13 required to allow beginning teachers to progress to
14 career teachers, standards and criteria that are the
15 Iowa teaching standards specified in subsection 1 and
16 the ~~model~~ criteria for the Iowa teaching standards
17 developed by the department in accordance with section
18 256.9, subsection 50. These standards and criteria
19 shall be set forth in an instrument provided by the
20 department. The comprehensive evaluation and
21 instrument are not subject to negotiations or
22 grievance procedures pursuant to chapter 20 or
23 determinations made by the board of directors under
24 section 279.14. A local school board and its
25 certified bargaining representative may negotiate,
26 pursuant to chapter 20, evaluation and grievance
27 procedures for beginning teachers that are not in
28 conflict with this chapter. If, in accordance with
29 section 279.19, a beginning teacher appeals the
30 determination of a school board to an adjudicator
31 under section 279.17, the adjudicator selected shall
32 have successfully completed training related to the
33 Iowa teacher standards, the ~~model~~ criteria adopted by
34 the state board of education in accordance with
35 subsection 3, ~~as enacted by this Act,~~ and any
36 additional training required under rules adopted by
37 the public employment relations board in cooperation
38 with the state board of education.

39 b. By July 1, ~~2004~~ 2005, for purposes of
40 performance reviews for teachers other than beginning
41 teachers, evaluations that contain, at a minimum, the
42 Iowa teaching standards specified in subsection 1, as
43 well as the ~~model~~ criteria for the Iowa teaching
44 standards developed by the department in accordance
45 with section 256.9, subsection 50. A local school
46 board and its certified bargaining representative may
47 negotiate, pursuant to chapter 20, additional teaching
48 standards and criteria. A local school board and its
49 certified bargaining representative may negotiate,
50 pursuant to chapter 20, evaluation and grievance

1 procedures for teachers other than beginning teachers
2 that are not in conflict with this chapter.

3 Sec. _____. Section 284.3, subsection 3, Code 2003,
4 is amended to read as follows:

5 3. The state board shall adopt by rule pursuant to
6 chapter 17A the ~~model~~ criteria developed by the
7 department in accordance with section 256.9,
8 subsection 50.

9 Sec. _____. Section 284.4, subsection 1, paragraphs
10 c and d, Code 2003, are amended to read as follows:

11 c. Provide, beginning in the ~~fourth~~ fifth year of
12 participation, the equivalent of two additional
13 contract days, outside of instruction time, than were
14 provided in the school year preceding the first year
15 of participation, to provide additional time for
16 teacher career development that aligns with student
17 learning and teacher development needs, including the
18 integration of technology into curriculum development,
19 in order to achieve attendance center and district-
20 wide student achievement goals outlined in the
21 district comprehensive school improvement plan.

22 School districts are encouraged to develop strategies
23 for restructuring the school calendar to provide for
24 the most effective professional development, evaluate
25 their current career development alignment with their
26 student achievement goals and research-based
27 instructional strategies, and implement district
28 career development plans. A school district that
29 provides the equivalent of ten or more contract days
30 for career development is exempt from this paragraph.

31 d. Adopt a district and teacher career development
32 ~~program plans~~ in accordance with this chapter.

33 Sec. _____. Section 284.5, subsection 6, Code 2003,
34 is amended to read as follows:

35 6. Upon completion of the program, the beginning
36 teacher shall be comprehensively evaluated to
37 determine if the teacher meets expectations to move to
38 the career level. The school district or area
39 education agency that employs the beginning teacher
40 shall recommend for ~~an educational~~ a standard license
41 a beginning teacher who is determined through a
42 comprehensive evaluation to demonstrate competence in
43 the Iowa teaching standards. A school district or
44 area education agency may offer a beginning teacher a
45 third year of participation in the program if, after
46 conducting a comprehensive evaluation, the school
47 district determines that the teacher is likely to
48 successfully complete the mentoring and induction
49 program by the end of the third year of eligibility.
50 A teacher granted a third year of eligibility shall

1 develop a teacher's mentoring and induction program
2 plan in accordance with this chapter and shall undergo
3 a comprehensive evaluation at the end of the third
4 year. The board of educational examiners shall grant
5 a one-year extension of the beginning teacher's
6 ~~provisional~~ initial license upon notification by the
7 school district that the teacher will participate in a
8 third year of the school district's program.

9 Sec. _____. Section 284.6, subsection 5, Code 2003,
10 is amended to read as follows:

11 5. The teacher's evaluator shall annually meet
12 with the teacher to review progress in meeting the
13 goals in the teacher's individual plan. The teacher
14 shall present to the evaluator evidence of progress.
15 The purpose of the meeting shall be to review the
16 teacher's progress in meeting career development goals
17 in the plan and to review collaborative work with
18 other staff on student achievement goals and to modify
19 as necessary the teacher's individual plan to reflect
20 the individual teacher's and the school district's
21 needs and the individual's progress in meeting the
22 goals in the plan. The ~~teacher's supervisor~~ evaluator
23 shall review, modify, or accept modifications made to
24 the teacher's individual plan.

25 Sec. _____. Section 284.7, subsection 1, paragraph
26 a, subparagraph (1), subparagraph subdivision (b),
27 Code 2003, is amended to read as follows:

28 (b) Holds a ~~provisional~~ an initial teacher license
29 issued by the board of educational examiners.

30 Sec. _____. Section 284.7, subsection 2, paragraph
31 a, subparagraph (1), Code 2003, is amended to read as
32 follows:

33 (1) A career II teacher is a teacher who meets the
34 requirements of subsection 1, paragraph "b", has met
35 the requirements established by the school district
36 that employs the teacher, and is evaluated by the
37 school district as demonstrating the competencies of a
38 career II teacher. The teacher shall have
39 successfully completed a ~~comprehensive evaluation~~
40 performance review in order to be classified as a
41 career II teacher.

42 Sec. _____. Section 284.7, subsection 4, Code 2003,
43 is amended to read as follows:

44 4. If a ~~comprehensive evaluation~~ performance
45 review for a teacher is conducted in the fifth year of
46 the teacher's status at the career level, and
47 indicates that the teacher's practice no longer meets
48 the standards for that level, a ~~comprehensive~~
49 evaluation performance review shall be conducted in
50 the next following school year. If the ~~comprehensive~~

1 ~~evaluation~~ performance review establishes that the
2 teacher's practice fails to meet the standards for
3 that level, the teacher shall be ineligible for any
4 additional pay increase other than a cost-of-living
5 increase.

6 Sec. _____. Section 284.7, subsection 6, paragraph
7 a, Code 2003, is amended to read as follows:

8 a. ~~For the school year beginning July 1, 2002, and~~
9 ~~ending June 30, 2003, if~~ If the licensed employees of
10 a school district or area education agency receiving
11 funds pursuant to section 284.13, subsection 1,
12 paragraph "g" or "h", for purposes of this section,
13 are organized under chapter 20 for collective
14 bargaining purposes, the board of directors and the
15 certified bargaining representative for the licensed
16 employees shall mutually agree upon a formula for
17 distributing the funds among the teachers employed by
18 the school district or area education agency.
19 However, the school district must comply with the
20 salary minimums provided for in this section. The
21 parties shall follow the negotiation and bargaining
22 procedures specified in chapter 20 except that if the
23 parties reach an impasse, neither impasse procedures
24 agreed to by the parties nor sections 20.20 through
25 20.22 shall apply and the funds shall be paid as
26 provided in paragraph "b". Negotiations under this
27 section are subject to the scope of negotiations
28 specified in section 20.9. If a board of directors
29 and the certified bargaining representative for
30 licensed employees have not reached mutual agreement
31 ~~by July 15, 2002,~~ for the distribution of funds
32 received pursuant to section 284.13, subsection 1,
33 paragraph "g" or "h", by July 15 of the fiscal year
34 for which the funds are distributed, paragraph "b" of
35 this subsection shall apply.

36 Sec. _____. Section 284.8, subsection 2, Code 2003,
37 is amended to read as follows:

38 2. If a supervisor or an evaluator determines, at
39 any time, as a result of a teacher's performance that
40 the teacher is not meeting district expectations under
41 the Iowa teaching standards specified in section
42 284.3, subsection 1, paragraphs "a" through "g", the
43 ~~model~~ criteria for the Iowa teaching standards
44 developed by the department in accordance with section
45 256.9, subsection 50, ~~or~~ and any other standards or
46 criteria established in the collective bargaining
47 agreement, the evaluator shall, at the direction of
48 the teacher's supervisor, recommend to the district
49 that the teacher participate in an intensive
50 assistance program. The intensive assistance program

1 and its implementation are not subject to negotiation
2 or grievance procedures established pursuant to
3 chapter 20. By July 1, ~~2004~~ 2005, all school
4 districts must be prepared to offer an intensive
5 assistance program.

6 Sec. _____. Section 284.9, subsection 3, Code 2003,
7 is amended to read as follows:

8 3. To assure fairness and consistency in the
9 evaluation process, the review panels may perform
10 random audits of the comprehensive evaluations and
11 performance reviews conducted by evaluators throughout
12 the state, and may randomly review ~~performance-based~~
13 ~~evaluation models~~ how the evaluators are evaluating
14 teachers based upon the Iowa teaching standards
15 ~~developed by school districts in accordance with~~
16 ~~section 284.3, subsection 2. The review of the~~
17 ~~evaluation models shall ensure that the model is at~~
18 ~~least equivalent to the state models developed~~
19 ~~pursuant to section 256.9, subsection 50.~~

20 Sec. _____. Section 284.10, subsections 4 and 5,
21 Code 2003, are amended to read as follows:

22 4. By July 1, ~~2003~~, a A higher education
23 institution approved by the state board to provide an
24 administrator preparation program shall incorporate
25 the evaluator training program into the program
26 offered by the institution.

27 5. ~~Beginning July 1, 2003, the~~ The board of
28 educational examiners shall require certification as a
29 condition of issuing or renewing an administrator's
30 license.

31 Sec. _____. Section 284.13, subsection 1, paragraph
32 a, Code 2003, is amended by striking the paragraph."

33 3. Page 42, line 11, by striking the word and
34 figure "and 266.26" and inserting the following:
35 "266.26, and 284.11".

36 4. Page 45, by inserting after line 9, the
37 following:

38 "Sec. _____. MINIMUM TEACHER SALARY REQUIREMENTS --
39 FY 2003-2004.

40 1. Notwithstanding section 284.7, subsection 1,
41 paragraph "a", subparagraph (2), the minimum teacher
42 salary paid by a school district or area education
43 agency for purposes of teacher compensation in
44 accordance with chapter 284, for the fiscal year
45 beginning July 1, 2003, and ending June 30, 2004,
46 shall be the minimum salary amount the school district
47 or area education agency paid to a first-year
48 beginning teacher or, the minimum salary amount the
49 school district or area education agency would have
50 paid a first-year beginning teacher if the school

1 district or area education agency had participated in
2 the program in the 2001-2002 school year, in
3 accordance with section 284.7, subsection 1, Code
4 Supplement 2001. If the school district or area
5 education agency did not employ a first-year beginning
6 teacher in the 2001-2002 school year, the minimum
7 salary is the amount that the district would have paid
8 a first-year beginning teacher under chapter 284 in
9 the 2001-2002 school year.

10 2. Notwithstanding section 284.7, subsection 1,
11 paragraph "b", subparagraph (2), the minimum career
12 teacher salary paid to a career teacher who was a
13 beginning teacher in the 2001-2002 school year, by a
14 school district or area education agency participating
15 in the student achievement and teacher quality
16 program, for the school year beginning July 1, 2003,
17 and ending June 30, 2004, shall be, unless the school
18 district has a minimum career teacher salary that
19 exceeds thirty thousand dollars, one thousand dollars
20 greater than the minimum salary amount the school
21 district or area education agency paid to a first-year
22 beginning teacher if the school district or area
23 education agency participated in the program during
24 the 2001-2002 school year, or the minimum salary
25 amount the school district or area education agency
26 would have paid a first-year beginning teacher if the
27 school district or area education agency had
28 participated in the program in the 2001-2002 school
29 year, in accordance with section 284.7, subsection 1,
30 Code Supplement 2001.

31 3. Notwithstanding section 284.7, subsection 1,
32 paragraph "b", subparagraph (2), and except as
33 provided in subsection 2, the minimum career teacher
34 salary paid by a school district or area education
35 agency participating in the student achievement and
36 teacher quality program, for purposes of teacher
37 compensation in accordance with chapter 284, for the
38 school year beginning July 1, 2003, and ending June
39 30, 2004, shall be the minimum salary amount the
40 school district or area education agency paid to a
41 career teacher if the school district or area
42 education agency participated in the program during
43 the 2001-2002 school year, or, the minimum salary
44 amount the school district or area education agency
45 would have paid a career teacher if the school
46 district or area education agency had participated in
47 the program in the 2001-2002 school year, in
48 accordance with section 284.7, subsection 1, Code
49 Supplement 2001."

50 5. Page 46, by inserting after line 30 the

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Page 8

1 following:

2 "___". Section 101 of this division of this Act,
3 relating to the repeal of chapter 256D, being deemed
4 of immediate importance, takes effect upon enactment."

5 6. By renumbering, redesignating, and correcting
6 internal references as necessary.

By WINCKLER of Scott
WISE of Lee

H-1604 FILED MAY 1, 2003

LOST

HOUSE FILE 700

H-1605

1 Amend House File 700 as follows:

2 1. Page 24, by inserting after line 9 the
3 following:

4 "Sec. _____. Section 12D.1, unnumbered paragraph 1,
5 Code 2003, is amended to read as follows:

6 The general assembly finds that the general welfare
7 and well-being of the state are directly related to
8 educational levels and skills of the citizens of the
9 state, and that a vital and valid public purpose is
10 served by the creation and implementation of programs
11 which encourage and make possible the attainment of
12 higher education by the greatest number of citizens of
13 the state. The state has limited resources to provide
14 additional programs for higher education funding and
15 the continued operation and maintenance of the state's
16 public institutions of higher education and the
17 general welfare of the citizens of the state will be
18 enhanced by establishing a program which allows
19 citizens of the state to invest money in a public
20 trust for future application to the payment of higher
21 education costs. The creation of the means of
22 encouragement for citizens to invest in such a program
23 represents the carrying out of a vital and valid
24 public purpose. In order to make available to the
25 citizens of the state an opportunity to fund future
26 higher education needs, it is necessary that a public
27 trust be established in which moneys may be invested
28 for future educational use. ~~It is also necessary to~~
29 ~~establish an endowment fund which may be funded with~~
30 ~~public funds, among other sources, the income from~~
31 ~~which will be made available to participants in the~~
32 ~~trust to enhance their savings invested for the~~
33 ~~payment of future higher education costs.~~

34 Sec. _____. Section 12D.1, subsections 5 and 13,
35 Code 2003, are amended by striking the subsections.

36 Sec. _____. Section 12D.2, subsections 4, 8, 10, 11,
37 and 12, Code 2003, are amended to read as follows:

38 4. Accept any grants, gifts, legislative
39 appropriations, and other moneys from the state, any
40 unit of federal, state, or local government, or any
41 other person, firm, partnership, or corporation which
42 the treasurer of state shall deposit into the
43 administrative fund, ~~the endowment fund,~~ or the
44 program fund.

45 ~~8. Solicit and accept for the benefit of the~~
46 ~~endowment fund gifts, grants, and other moneys,~~
47 ~~including legislative appropriations and grants from~~
48 ~~any federal, state, or local governmental agency.~~

49 10. Make payments to institutions of higher
50 education, participants, or beneficiaries pursuant to

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1 participation agreements on behalf of beneficiaries.

2 11. Make refunds to participants upon the
3 termination of participation agreements and partial
4 nonqualified distributions to participants pursuant to
5 the provisions, limitations, and restrictions set
6 forth in this chapter.

7 12. Invest moneys from ~~the endowment fund and the~~
8 program fund in any investments which are determined
9 by the treasurer of state to be appropriate.

10 Sec. ____ . Section 12D.3, subsections 2 and 3, Code
11 2003, are amended to read as follows:

12 2. Beneficiaries designated in participation
13 agreements may be designated ~~from date of birth up to,~~
14 ~~but not including, their eighteenth birthday at any~~
15 ~~age. A substitute beneficiary may be older than age~~
16 ~~eighteen provided that the substitute beneficiary is~~
17 ~~not older than the original beneficiary.~~

18 3. ~~A participant's account balance shall be~~
19 ~~refunded to the participant, less endowment fund~~
20 ~~earnings, and less a refund penalty levied by the~~
21 ~~trust against account balance earnings, if any, in the~~
22 ~~event an account balance remains in the account for a~~
23 ~~thirty day period following the beneficiary's~~
24 ~~thirtieth birthday.~~

25 Sec. ____ . Section 12D.4, Code 2003, is amended by
26 striking the section and inserting in lieu thereof the
27 following:

28 12D.4 PROGRAM AND ADMINISTRATIVE FUNDS --
29 INVESTMENT AND PAYMENTS.

30 1. The treasurer of state shall segregate moneys
31 received by the trust into two funds: the program
32 fund and the administrative fund.

33 2. All moneys paid by participants in connection
34 with participation agreements shall be deposited as
35 received into separate accounts within the program
36 fund.

37 3. Contributions to the trust made by participants
38 may only be made in the form of cash.

39 4. A participant or beneficiary shall not provide
40 investment direction regarding program contributions
41 or earnings held by the trust.

42 5. Moneys accrued by participants in the program
43 fund of the trust may be used for payments to any
44 institution of higher education. Payments may be made
45 to the institution, the participant, or the
46 beneficiary.

47 Sec. ____ . Section 12D.5, Code 2003, is amended by
48 striking the section and inserting in lieu thereof the
49 following:

50 12D.5 CANCELLATION OF AGREEMENTS.

1 A participant may cancel a participation agreement
2 at will. Upon cancellation of a participation
3 agreement, a participant shall be entitled to the
4 return of the participant's account balance.

5 Sec. _____. Section 12D.6, subsection 3, Code 2003,
6 are amended by striking the subsection.

7 Sec. _____. Section 12D.9, subsection 1, paragraphs
8 c, d, and e, Code 2003, are amended to read as
9 follows:

10 c. Pursuant to section 12D.4, subsection ~~1~~
11 ~~paragraph "b"~~ 2, a separate account is established for
12 each beneficiary.

13 d. Pursuant to section 12D.4, subsection ~~1~~
14 ~~paragraph "f"~~ 3, contributions may only be made in the
15 form of cash.

16 e. Pursuant to section 12D.4, subsection ~~1~~
17 ~~paragraph "g"~~ 4, a participant or beneficiary shall
18 not provide investment direction regarding program
19 contributions or earnings held by the trust.

20 Sec. _____. Section 12D.9, subsection 1, paragraph
21 f, Code 2003, is amended by striking the paragraph.

22 Sec. _____. Section 12D.9, subsection 2, Code 2003,
23 is amended to read as follows:

24 2. State income tax treatment of the Iowa
25 educational savings plan trust shall be as provided in
26 section 422.7, subsections ~~32~~ and ~~33~~ and ~~34~~ and
27 ~~section 422.35, subsection 14.~~

28 Sec. _____. Section 12D.10, subsection 1, Code 2003,
29 is amended to read as follows:

30 1. The assets of the trust, including the program
31 fund ~~and the endowment fund~~, shall at all times be
32 preserved, invested, and expended solely and only for
33 the purposes of the trust and shall be held in trust
34 for the participants and beneficiaries.

35 Sec. _____. Section 422.7, subsection 34, Code 2003,
36 is amended by striking the subsection.

37 Sec. _____. Section 422.35, subsection 14, Code
38 2003, is amended by striking the subsection."

39 2. Page 46, by inserting after line 13 the
40 following:

41 "_____. The amendments to sections 12D.1, 12D.2,
42 12D.3, 12D.4, 12D.5, 12D.6, 12D.9, 12D.10, 422.7, and
43 422.35, which shall apply retroactively to January 1,
44 2003, for tax years beginning on or after that date."

By MURPHY of Dubuque

HOUSE FILE 700

H-1607

1 Amend the amendment, H-1600, to House File 700 as
2 follows:
3 1. Page 1, by striking lines 8 and 9, and
4 inserting the following: "committee may be created in
5 a county. The".
6 2. Page 1, line 36, by striking the words "~~Three~~
7 ~~members~~ One member" and inserting the following:
8 "Three members".
9 3. Page 1, by striking lines 38 and 39, and
10 inserting the following: "and an additional member
11 appointed by the township trustees for each five
12 percent of the total population".

By HOGG of Linn

H-1607 FILED MAY 1, 2003
OUT OF ORDER

HOUSE FILE 700

H-1609

1 Amend the amendment, H-1600, to House File 700 as
2 follows:
3 1. Page 1, by inserting after line 3, the
4 following:
5 ""Sec. ____ . Section 331.235, subsection 3, Code
6 2003, as amended by 2003 Iowa Acts, Senate File 390,
7 section 5, if enacted, is amended to read as follows:
8 3. Within twenty months after organization, the
9 commission shall submit the final report to the board.
10 If the commission is created pursuant to section
11 331.264, subsection 4, the commission shall submit the
12 final report to the board within five months after
13 submission of the preliminary report to the board
14 pursuant to section 331.264, subsection 3. A
15 commission created pursuant to section 331.264,
16 subsection 4, may adopt a motion granting itself a
17 sixty-day extension of time for submission of its
18 final report. If the commission recommends a charter
19 including a form of government other than the existing
20 form of government, the final report shall include the
21 full text and an explanation of the proposed charter,
22 a statement of alternatives considered including but
23 not limited to the potential for agreements under
24 chapter 28E, a statement of whether the elected
25 officers shall be elected on a partisan or nonpartisan
26 basis, an analysis of the fiscal impact of the
27 proposed charter, any comments deemed desirable by the
28 commission, and any minority reports. The final
29 report may recommend no change to the existing form of
30 government and that no charter be submitted to the
31 electorate, in which case, the report shall state the
32 reasons for and against a change in the existing form
33 of government. The final report shall be made
34 available to the residents of the county upon request.
35 A summary of the final report shall be published in
36 the official newspapers of the county and in a
37 newspaper of general circulation in each participating
38 city."

By HOGG of Linn

H-1609 FILED MAY 1, 2003
OUT OF ORDER

HOUSE FILE 700

H-1610

1 Amend the amendment, H-1600, to House File 700 as
2 follows:

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

5 "Sec. _____. Section 331.247, subsection 4, as
6 amended by 2003 Iowa Acts, Senate File 390, section
7 11, if enacted, is amended by striking the subsection
8 and inserting in lieu thereof the following:

9 "4. The consolidation charter is adopted only if
10 all of the following apply:

11 a. A majority of the votes cast in the
12 unincorporated area of the county approves the
13 proposal.

14 b. A majority of the votes cast in the entire
15 county approves the proposal.

16 c. A majority of the votes cast in at least one
17 city named on the ballot approves the proposal.

18 Sec. _____. Section 331.260, subsection 2,
19 unnumbered paragraph 1, as amended by 2003 Iowa Acts,
20 Senate File 390, section 20, if enacted, is amended to
21 read as follows:

22 A charter proposing a community commonwealth as an
23 alternative form of government may be submitted to the
24 voters only by a commission established under section
25 331.232. A majority vote by the commission is
26 required for the submission of a charter proposing a
27 community commonwealth as an alternative form of local
28 government. The commission submitting a community
29 commonwealth form of government shall issue a final
30 report and proposal. ~~Adoption of the proposed~~
31 ~~community commonwealth charter requires the approval~~
32 ~~of a majority of the votes cast in the entire county.~~
33 ~~A city named on the ballot is included in the~~
34 ~~community commonwealth if the proposed community~~
35 ~~commonwealth charter is approved by a majority of the~~
36 ~~votes cast in the city. The community commonwealth~~
37 charter is adopted only if all of the following apply:

38 a. A majority of the votes cast in the
39 unincorporated area of the county approves the
40 proposal.

41 b. A majority of the votes cast in the entire
42 county approves the proposal.

43 c. A majority of the votes cast in at least one
44 city named on the ballot approves the proposal."

45 2. By renumbering as necessary.

By MERTZ of Kossuth

H-1610 FILED MAY 1, 2003

OUT OF ORDER

Adopted 5/1/03

HOUSE FILE 700

H-1612

1 Amend House File 700 as follows:

2 1. By striking everything after the enacting
3 clause and inserting the following:

4 "DIVISION I

5 MH/MR/DD ALLOWED GROWTH

6 Section 1. Section 426B.5, subsection 2, paragraph
7 d, subparagraphs (1) and (6), Code 2003, are amended
8 to read as follows:

9 (1) A county must apply to the board for
10 assistance from the risk pool on or before ~~April 1~~
11 January 25 to cover an unanticipated net expenditure
12 amount in excess of the county's current fiscal year
13 budgeted net expenditure amount for the county's
14 services fund. The risk pool board shall make its
15 final decisions on or before February 25 regarding
16 acceptance or rejection of the applications for
17 assistance and the total amount accepted shall be
18 considered obligated. For purposes of applying for
19 risk pool assistance and for repaying unused risk pool
20 assistance, the current fiscal year budgeted net
21 expenditure amount shall be deemed to be the higher of
22 either the budgeted net expenditure amount in the
23 management plan approved under section 331.439 for the
24 fiscal year in which the application is made or the
25 prior fiscal year's net expenditure amount.

26 (6) The total amount of risk pool assistance shall
27 be limited to the amount available in the risk pool
28 for a fiscal year. If the total amount of eligible
29 assistance exceeds the amount available in the risk
30 pool the amount of assistance paid shall be prorated
31 among the counties eligible for assistance. Moneys
32 remaining unexpended or unobligated in the risk pool
33 ~~at the close of a fiscal year shall remain available~~
34 ~~for distribution in the succeeding fiscal year~~
35 following the risk pool board's decisions made
36 pursuant to subparagraph (1) shall be distributed to
37 the counties eligible to receive funding from the
38 allowed growth factor adjustment appropriation for the
39 fiscal year using the distribution methodology
40 applicable to that appropriation.

41 Sec. 2. COUNTY MENTAL HEALTH, MENTAL RETARDATION,
42 AND DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR
43 ADJUSTMENT AND ALLOCATIONS -- FISCAL YEAR 2004-2005.

44 1. There is appropriated from the general fund of
45 the state to the department of human services for the
46 fiscal year beginning July 1, 2004, and ending June
47 30, 2005, the following amount, or so much thereof as
48 is necessary, to be used for the purpose designated:

49 For distribution to counties of the county mental
50 health, mental retardation, and developmental

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1 disabilities allowed growth factor adjustment, as
2 provided in this section in lieu of the provisions of
3 section 331.438, subsection 2, and section 331.439,
4 subsection 3, and chapter 426B:

5 \$ 23,738,749

6 2. The funding appropriated in this section is the
7 allowed growth factor adjustment for fiscal year 2004-
8 2005, and is allocated as follows:

9 a. For distribution as provided by law:

10 \$ 21,738,749

11 b. For deposit in the risk pool created in the
12 property tax relief fund and for distribution in
13 accordance with section 426B.5, subsection 2:

14 \$ 2,000,000

15 Sec. 3. 2002 Iowa Acts, chapter 1175, section 104,
16 subsections 2, 4 and 5, as amended by 2003 Iowa Acts,
17 House File 667, section 41, are amended to read as
18 follows:

19 2. The following formula amounts shall be utilized
20 only to calculate preliminary distribution amounts for
21 fiscal year 2003-2004 under this section by applying
22 the indicated formula provisions to the formula
23 amounts and producing a preliminary distribution total
24 for each county:

25 a. For calculation of an allowed growth factor
26 adjustment amount for each county in accordance with
27 the formula in section 331.438, subsection 2,
28 paragraph "b":

29 \$ 12,000,000

30 b. For calculation of a distribution amount for
31 eligible counties from the per capita expenditure
32 target pool created in the property tax relief fund in
33 accordance with the requirements in section 426B.5,
34 subsection 1:

35 \$ ~~12,492,712~~
36 14,492,000

37 c. For calculation of a distribution amount for
38 counties from the mental health and developmental
39 disabilities (MH/DD) community services fund in
40 accordance with the formula provided in the
41 appropriation made for the MH/DD community services
42 fund for the fiscal year beginning July 1, 2003:

43 \$ 17,727,890

44 4. After applying the applicable statutory
45 distribution formulas to the amounts indicated in
46 subsection 2 for purposes to produce preliminary
47 distribution totals, the department of human services
48 shall apply a withholding factor to adjust an eligible
49 individual county's preliminary distribution total.
50 An ending balance percentage for each county shall be

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1 determined by expressing the county's ending balance
2 on a modified accrual basis under generally accepted
3 accounting principles for the fiscal year beginning
4 July 1, 2002, in the county's mental health, mental
5 retardation, and developmental disabilities services
6 fund created under section 331.424A, as a percentage
7 of the county's gross expenditures from that fund for
8 that fiscal year. The withholding factor for a county
9 shall be the following applicable percent:

10 a. For an ending balance percentage of less than
11 10 percent, a withholding factor of 0 percent. In
12 addition to the county's adjusted distribution total,
13 a county that is subject to this paragraph "a" shall
14 receive an inflation adjustment equal to 2.6 percent
15 of the gross expenditures reported for the county's
16 services fund for that fiscal year.

17 b. For an ending balance percentage of 10 through
18 24 percent, a withholding factor of 25 percent.

19 c. For an ending balance percentage of 25 through
20 34 percent, a withholding factor of 60 percent.

21 ~~d. For an ending balance percentage of 35 through~~
22 ~~44 percent, a withholding factor of 85 percent.~~

23 ~~e. d.~~ For an ending balance percentage of 45 35
24 percent or more, a withholding factor of 100 percent.

25 5. The total withholding amounts applied pursuant
26 to subsection 4 shall be equal to a withholding target
27 amount of ~~-\$7,419,074 and the appropriation enacted by~~
28 ~~the Eightieth General Assembly, 2003 Session, for the~~
29 ~~MH/DD community services fund shall be reduced by the~~
30 ~~amount necessary to attain the withholding target~~
31 ~~amount \$9,418,362.~~ If the department of human
32 services determines that the amount to be withheld in
33 accordance with subsection 4 is not equal to the
34 target withholding amount, the department shall adjust
35 the withholding factors listed in subsection 4 as
36 necessary to achieve the withholding target amount.
37 However, in making such adjustments to the withholding
38 factors, the department shall strive to minimize
39 changes to the withholding factors for those ending
40 balance percentage ranges that are lower than others
41 and shall not adjust the zero withholding factor or
42 the inflation adjustment percentage specified in
43 subsection 4, paragraph "a".

44 DIVISION II

45 STANDING APPROPRIATIONS -- REDUCTIONS

46 Sec. 4. GENERAL ASSEMBLY. The appropriations made
47 pursuant to section 2.12 for the expenses of the
48 general assembly and legislative agencies for the
49 fiscal year beginning July 1, 2003, and ending June
50 30, 2004, are reduced by the following amount:

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1 \$ 2,000,000

2 Sec. 5. REBUILD IOWA INFRASTRUCTURE FUND.

3 Notwithstanding section 8.56, subsection 4, there is
4 appropriated from the cash reserve fund to the rebuild
5 Iowa infrastructure fund created in section 8.57 for
6 the fiscal year beginning July 1, 2002, and ending
7 June 30, 2003, the following amount:

8 \$ 2,150,000

9 Sec. 6. ENVIRONMENT FIRST FUND. Notwithstanding
10 the amount of the standing appropriation from the
11 rebuild Iowa infrastructure fund under section 8.57A,
12 subsection 4, there is appropriated from the rebuild
13 Iowa infrastructure fund to the environment first
14 fund, in lieu of the appropriation made in section
15 8.57A, for the fiscal year beginning July 1, 2002, and
16 ending June 30, 2003, the following amount:

17 \$ 18,445,000

18 Sec. 7. AT-RISK CHILDREN PROGRAMS.

19 Notwithstanding the standing appropriation in section
20 279.51, subsection 1, the amount appropriated from the
21 general fund of the state under section 279.51,
22 subsection 1, to the department of education for the
23 fiscal year beginning July 1, 2003, and ending June
24 30, 2004, is reduced by the following amount:

25 \$ 1,000,000

26 The amount of the reduction in this section shall
27 be prorated among the programs specified in section
28 279.51, subsection 1, paragraphs "a", "b", and "c".

29 Sec. 8. PUBLIC TRANSIT ASSISTANCE APPROPRIATION.

30 Notwithstanding section 312.2, subsection 14, the
31 amount appropriated from the general fund of the state
32 under section 312.2, subsection 14, to the state
33 department of transportation for public transit
34 assistance under chapter 324A for the fiscal year
35 beginning July 1, 2003, and ending June 30, 2004, is
36 reduced by the following amount:

37 \$ 1,298,675

38 Sec. 9. Section 294A.25, subsection 1, Code 2003,
39 is amended to read as follows:

40 1. For the fiscal year beginning July 1, ~~2000~~
41 2003, and for each succeeding year, there is
42 appropriated from the general fund of the state to the
43 department of education the amount of ~~eighty~~ eighty five-six
44 million eight hundred ninety-one thousand three
45 hundred thirty-six dollars to be used to improve
46 teacher salaries. The moneys shall be distributed as
47 provided in this section.

48 Sec. 10. EFFECTIVE DATE. The sections of this
49 division of this Act relating to the appropriations
50 made to the rebuild Iowa infrastructure fund and

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1 environment first fund for the fiscal year beginning
2 July 1, 2002, being deemed of immediate importance,
3 take effect upon enactment.

4 DIVISION III

5 STANDING APPROPRIATIONS -- LIMITATIONS

6 Sec. 11. Notwithstanding the standing
7 appropriations in the following designated sections
8 for the fiscal year beginning July 1, 2003, and ending
9 June 30, 2004, the amounts appropriated from the
10 general fund of the state pursuant to those sections
11 for the following designated purposes shall not exceed
12 the following amounts:

13 1. For compensation of officers and enlisted
14 persons and their expenses while on state active duty
15 as authorized in section 29A.27:
16 \$ 432,450

17 2. For payment for nonpublic school transportation
18 under section 285.2:
19 \$ 7,799,550

20 If total approved claims for reimbursement for
21 nonpublic school pupil transportation claims exceed
22 the amount appropriated in this section, the
23 department of education shall prorate the amount of
24 each claim.

25 3. For printing cigarette tax stamps under section
26 453A.7:
27 \$ 110,055

28 4. For the state's share of the cost of the peace
29 officers' retirement benefits under section 411.20:
30 \$ 2,816,189

31 5. For payment of livestock production credit
32 refunds under section 422.121:
33 \$ 1,815,735

34 6. For reimbursement for the homestead property
35 tax credit under section 425.1:
36 \$105,585,004

37 7. For reimbursement for the agricultural land and
38 family farm tax credits under section 426.1:
39 \$ 35,497,624

40 8. For reimbursement for the military service tax
41 credit under section 426A.1A:
42 \$ 2,569,712

43 9. For administration expenses of the state
44 unemployment compensation law under chapter 96:
45 \$ 450,000

46 10. For payment of certain interest costs due the
47 federal government under the federal Cash Management
48 and Improvement Act under section 421.31:
49 \$ 550,000

50 11. For funding the state's deferred compensation

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1 program established for state employees under section
2 509A.12:

3 \$ 56,501

4 Sec. 12. ELDERLY AND DISABLED CREDIT.

5 Notwithstanding the standing appropriation in section
6 425.39, the amount appropriated from the general fund
7 of the state under section 425.39, for the fiscal year
8 beginning July 1, 2003, and ending June 30, 2004, for
9 purposes of implementing the elderly and disabled
10 credit and reimbursement portion of the extraordinary
11 property tax and reimbursement division of chapter
12 425, shall not exceed \$16,651,800. The director shall
13 pay, in full, all claims to be paid during the fiscal
14 year beginning July 1, 2003, for reimbursement of rent
15 constituting property taxes paid. If the amount of
16 claims for credit for property taxes due to be paid
17 during the fiscal year beginning July 1, 2003, exceeds
18 the amount remaining after payment to renters, the
19 director of revenue and finance shall prorate the
20 payments to the counties for the property tax credit.
21 In order for the director to carry out the
22 requirements of this section, notwithstanding any
23 provision to the contrary in sections 425.16 through
24 425.39, claims for reimbursement for rent constituting
25 property taxes paid filed before May 1, 2004, shall be
26 eligible to be paid in full during the fiscal year
27 ending June 30, 2004, and those claims filed on or
28 after May 1, 2004, shall be eligible to be paid during
29 the fiscal year beginning July 1, 2004, and the
30 director is not required to make payments to counties
31 for the property tax credit before June 15, 2004.

32 Sec. 13. REDUCTION IN CREDITS NOT APPLICABLE. The
33 provision in section 25B.7 relating to the proration
34 of the property tax credits does not apply with
35 respect to the amount of state reimbursement for
36 property tax credits under this division.

37 DIVISION IV

38 REVENUE ADJUSTMENTS -- APPROPRIATIONS

39 Sec. 14. IOWA ECONOMIC EMERGENCY AND RESERVE FUNDS
40 -- EARNINGS. Notwithstanding section 8.55, subsection
41 4, and section 8.56, subsection 1, for the fiscal year
42 beginning July 1, 2003, and ending June 30, 2004, the
43 interest and earnings on moneys deposited in the Iowa
44 economic emergency fund and the cash reserve fund
45 shall be credited to the general fund of the state.

46 Sec. 15. USE OF REVERSIONS. Notwithstanding
47 section 8.62, if on June 30, 2004, a balance of an
48 operational appropriation, as defined in section 8.62,
49 except for the balances of charter agencies, as
50 defined in section 7J.1, if enacted by 2003 Iowa Acts,

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1 Senate File 453, remains unexpended or unencumbered,
2 the balance shall revert to the general fund of the
3 state as provided in section 8.33.

4 Sec. 16. KEEP IOWA BEAUTIFUL FUND. For the fiscal
5 years beginning July 1, 2002, and July 1, 2003, moneys
6 credited to the keep Iowa beautiful fund in accordance
7 with section 422.12A are appropriated to the state
8 department of transportation to be used for the
9 purposes provided in section 314.28.

10 Sec. 17. ENDOWMENT FOR IOWA'S HEALTH. For the
11 fiscal year beginning July 1, 2003, and ending June
12 30, 2004, of the \$70,000,000 to be deposited in the
13 endowment for Iowa's health account of the tobacco
14 settlement trust fund under 2001 Iowa Acts, chapter
15 174, section 1, subsection 1, the following amount
16 shall instead be deposited in the general fund of the
17 state:

18 \$ 20,000,000

19 Sec. 18. JUNIOR OLYMPICS. There is appropriated
20 from the general fund of the state to the department
21 of economic development for the fiscal year beginning
22 July 1, 2003, and ending June 30, 2004, the following
23 amount, or so much thereof as is necessary, to be used
24 for the purpose designated:

25 For providing assistance to a city or nonprofit
26 organization hosting the national junior olympics:

27 \$ 50,000

28 Sec. 19. REBUILD IOWA INFRASTRUCTURE FUND.
29 Notwithstanding section 8.57, subsection 5, there is
30 appropriated from the rebuild Iowa infrastructure fund
31 created in section 8.57, subsection 5, to the general
32 fund of the state during the fiscal year beginning
33 July 1, 2003, and ending June 30, 2004, the following
34 amount:

35 \$ 10,000,000

36 Sec. 20. IOWA LAW ENFORCEMENT ACADEMY. 2003 Iowa
37 Acts, Senate File 439, section 10, subsection 1,
38 unnumbered paragraph 2, if enacted, is amended to read
39 as follows:

40 For salaries, support, maintenance, miscellaneous
41 purposes, including jailer training and technical
42 assistance, and for not more than the following full-
43 time equivalent positions:

44 \$ ~~1,002,629~~

45 1,047,629

46 FTEs 30.05

47 Sec. 21. MILITARY PAY DIFFERENTIAL. There is
48 appropriated from the cash reserve fund to the
49 department of revenue and finance or its successor
50 agency for the period beginning March 19, 2003, and

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1 ending June 30, 2003, the following amount, or so much
2 thereof as is necessary, for the purposes designated:

3 For a military pay differential program and health
4 insurance retention program for individuals activated
5 for the armed services of the United States, for
6 employees on the central payroll system:

7 \$ 1,810,000

8 Of the funds appropriated in this section, up to
9 \$10,000 is transferred to the Iowa department of
10 public health for allocation to community mental
11 health centers to provide counseling services to
12 persons who are members of the national guard and
13 reservists activated but as yet not sent to combat
14 zones and to the persons' family members. The
15 sessions shall be provided on a first come, first
16 served basis and shall be limited to three visits per
17 family.

18 The department or agency receiving funds under this
19 section shall report monthly to the fiscal committee
20 of the legislative council on the use of the funds.

21 Notwithstanding section 8.33, unencumbered or
22 unobligated funds remaining on June 30, 2003, from the
23 appropriation made in this section shall not revert
24 but shall remain available to be used for the purposes
25 designated in the following fiscal year.

26 Sec. 22. ASSISTED LIVING PROGRAMS.
27 Notwithstanding section 231C.6, any fees remaining on
28 June 30, 2003, in the assisted living program fund
29 created pursuant to section 231C.6 are appropriated to
30 the department of inspections and appeals for the
31 fiscal year beginning July 1, 2003, and ending June
32 30, 2004, to carry out the purposes of chapter 231C.

33 Sec. 23. COUNTY HOSPITALS. There is appropriated
34 from the general fund of the state to the department
35 of human services for the fiscal year beginning July
36 1, 2003, and ending June 30, 2004, the following
37 amount, or so much thereof as is necessary, for the
38 purpose designated:

39 For support of operational expenses of county
40 hospitals in counties having a population of two
41 hundred twenty-five thousand or more:

42 \$ 312,000

43 Sec. 24. WORKFORCE DEVELOPMENT. There is
44 appropriated from the general fund of the state to the
45 Iowa department of workforce development for the
46 fiscal year beginning July 1, 2003, and ending June
47 30, 2004, the following amount, or so much thereof as
48 is necessary, for the purpose designated:

49 For salaries and support and for the following
50 full-time equivalent positions.

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1	\$	250,000
2	FTEs	5.00

3 The appropriation in this section shall be used for
 4 four OSHA inspectors and one workers' compensation
 5 compliance officer. The appropriation in this section
 6 is contingent upon the enactment of 2003 Iowa Acts,
 7 Senate File 344, by the Eightieth General Assembly,
 8 2003 Regular Session.

9 Sec. 25. UNEMPLOYMENT TRUST FUND. There is
 10 appropriated from moneys transferred to the state on
 11 March 13, 2002, pursuant to section 903(d) of the
 12 federal Social Security Act, as amended, to the
 13 department of workforce development, the following
 14 amount, to be deposited, under the direction of the
 15 department of workforce development, in the
 16 unemployment compensation fund for the payment of
 17 unemployment benefits and for the establishment of the
 18 unemployment compensation reserve fund:
 19

.....	\$	40,000,000
-------	----	------------

20 Sec. 26. UNEMPLOYMENT TAX AND CLAIM SYSTEM. There
 21 is appropriated from moneys transferred to the state
 22 on March 13, 2002, pursuant to section 903(d) of the
 23 federal Social Security Act, as amended, to the
 24 department of workforce development, the following
 25 amount for purposes of automation and technology for
 26 the unemployment tax and claim system:
 27

.....	\$	20,000,000
-------	----	------------

28 Sec. 27. ENHANCED SERVICES TO CLAIMANTS. There is
 29 appropriated from moneys transferred to the state on
 30 March 13, 2002, pursuant to section 903(d) of the
 31 federal Social Security Act, as amended, to the
 32 department of workforce development the following
 33 amount for purposes of infrastructure improvements and
 34 the administrative and technology costs associated
 35 with enhanced services to unemployment benefit
 36 claimants for workforce and labor exchange services:
 37

.....	\$	20,700,000
-------	----	------------

38 Sec. 28. FEDERAL FISCAL RELIEF FUNDING. If the
 39 one hundred eighth United States Congress enacts an
 40 economic stimulus package that includes the provision
 41 of discretionary funding to the state to provide state
 42 or local government fiscal relief, the funding shall
 43 be deposited in the fund created by section 8.41.

44 Sec. 29. Section 8.55, subsection 2, paragraph c,
 45 Code 2003, is amended to read as follows:

46 c. Notwithstanding paragraph "a", any moneys in
 47 excess of the maximum balance in the economic
 48 emergency fund after the distribution of the surplus
 49 in the general fund of the state at the conclusion of
 50 each fiscal year and after the appropriate amount has

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1 been transferred pursuant to paragraph "b", shall not
2 be transferred to the general fund of the state but
3 shall be transferred to the senior living trust fund.
4 The total amount transferred, in the aggregate, under
5 this paragraph for all fiscal years shall not exceed
6 ~~fifty-one one hundred eighteen million five hundred~~
7 ~~thousand~~ dollars.

8 Sec. 30. Section 8.55, subsection 2, paragraph d,
9 Code 2003, is amended to read as follows:

10 d. Notwithstanding paragraph "a", any moneys in
11 excess of the maximum balance in the economic
12 emergency fund after the distribution of the surplus
13 in the general fund of the state at the conclusion of
14 each fiscal year and after the appropriate amounts
15 have been transferred pursuant to paragraphs "b" and
16 "c" shall not be transferred to the general fund of
17 the state but shall be transferred to the endowment
18 for Iowa's health account of the tobacco settlement
19 trust fund. The total amount transferred, in the
20 aggregate, under this paragraph for all fiscal years
21 shall not exceed the difference between sixty one
22 hundred one million five seven hundred fifty-one
23 thousand dollars and the amounts transferred to the
24 endowment for Iowa's health account to repay the
25 amounts transferred or appropriated from the endowment
26 for Iowa's health account in 2002 Iowa Acts, chapter
27 1165, 2002 Iowa Acts, chapter 1166, 2002 Iowa Acts,
28 chapter 1167, ~~and~~ 2002 Iowa Acts, Second Extraordinary
29 Session, chapter 1003, and 2003 Iowa Acts, House File
30 685.

31 Sec. 31. Section 8.57, subsection 1, paragraph a,
32 unnumbered paragraph 1, Code Supplement 2001, as
33 enacted by 2002 Iowa Acts, Second Extraordinary
34 Session, chapter 1001, section 28, is amended to read
35 as follows:

36 The "cash reserve goal percentage" for fiscal years
37 beginning on or after July 1, ~~2003~~ 2004, is seven and
38 one-half percent of the adjusted revenue estimate.
39 For each fiscal year ~~beginning on or after July 1,~~
40 ~~2003,~~ in which the appropriation of the surplus
41 existing in the general fund of the state at the
42 conclusion of the prior fiscal year pursuant to
43 paragraph "b" was not sufficient for the cash reserve
44 fund to reach the cash reserve goal percentage for the
45 current fiscal year, there is appropriated from the
46 general fund of the state an amount to be determined
47 as follows:

48 Sec. 32. Section 96.9, Code 2003, is amended by
49 adding the following new subsection:

50 NEW SUBSECTION. 8. UNEMPLOYMENT COMPENSATION

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1 RESERVE FUND.

2 a. A special fund to be known as the unemployment
3 compensation reserve fund is created in the state
4 treasury. The reserve fund is separate and distinct
5 from the unemployment compensation fund. All moneys
6 collected as reserve contributions, as defined in
7 paragraph "b", shall be deposited in the reserve fund.
8 The moneys in the reserve fund may be used for the
9 payment of unemployment benefits and shall remain
10 available for expenditure in accordance with the
11 provisions of this subsection. The treasurer of state
12 shall be the custodian of the reserve fund and shall
13 disburse the moneys in the reserve fund in accordance
14 with this subsection and the directions of the
15 director of the department of workforce development.

16 b. If the balance in the reserve fund on July 1 of
17 the preceding calendar year for calendar year 2004 and
18 each year thereafter is less than one hundred fifty
19 million dollars, a percentage of contributions, as
20 determined by the director, shall be deemed to be
21 reserve contributions for the following calendar year.
22 If the percentage of contributions, termed the reserve
23 contribution tax rate, is not zero percent as
24 determined pursuant to this subsection, the combined
25 tax rate of contributions to the unemployment
26 compensation fund and to the unemployment compensation
27 reserve fund shall be divided so that a minimum of
28 fifty percent of the combined tax rate equals the
29 unemployment contribution tax rate and a maximum of
30 fifty percent of the combined tax rate equals the
31 reserve contribution tax rate except for employers who
32 are assigned a combined tax rate of five and four-
33 tenths. For those employers, the reserve contribution
34 tax rate shall equal zero and their combined tax rate
35 shall equal their unemployment contribution rate.
36 When the reserve contribution tax rate is determined
37 to be zero percent, the unemployment contribution rate
38 for all employers shall equal one hundred percent of
39 the combined tax rate. The reserve contributions
40 collected in any calendar year shall not exceed fifty
41 million dollars. The provisions for collection of
42 contributions under section 96.14 are applicable to
43 the collection of reserve contributions. Reserve
44 contributions shall not be deducted in whole or in
45 part by any employer from the wages of individuals in
46 its employ. All moneys collected as reserve
47 contributions shall not become part of the
48 unemployment compensation fund but shall be deposited
49 in the reserve fund created in this subsection.

50 c. Moneys in the reserve fund shall only be used

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1 to pay unemployment benefits to the extent moneys in
2 the unemployment compensation fund are insufficient to
3 pay benefits during a calendar quarter.

4 d. The interest earned on the moneys in the
5 reserve fund shall be deposited in and credited to the
6 reserve fund.

7 e. Moneys from interest earned on the unemployment
8 compensation reserve fund shall be used by the
9 department only upon appropriation by the general
10 assembly and only for purposes contained in section
11 96.7, subsection 12, for department of workforce
12 development rural satellite offices, and for
13 administrative costs to collect the reserve
14 contributions.

15 Sec. 33. Section 256D.4, subsection 2, unnumbered
16 paragraph 1, Code 2003, is amended to read as follows:

17 ~~For each fiscal year in the fiscal period beginning~~
18 ~~July 1, 2001, and ending June 30, 2003, moneys~~ Moneys
19 appropriated pursuant to section 256D.5, subsection 3,
20 shall be allocated to school districts as follows:

21 Sec. 34. Section 256D.5, subsection 3, Code 2003,
22 is amended to read as follows:

23 3. For each fiscal year of the fiscal period
24 beginning July 1, 2001, and ending June 30, ~~2003~~ 2004,
25 the sum of thirty million dollars.

26 Sec. 35. Section 260G.4B, subsection 1, Code 2003,
27 is amended to read as follows:

28 1. The total amount of program job credits from
29 all employers which shall be allocated for all
30 accelerated career education programs in the state in
31 any one fiscal year shall not exceed the sum of three
32 million dollars in the fiscal year beginning July 1,
33 2000, three million dollars in the fiscal year
34 beginning July 1, 2001, three million dollars in the
35 fiscal year beginning July 1, 2002, four million
36 dollars in the fiscal year beginning July 1, 2003, and
37 six million dollars in the fiscal year beginning July
38 1, ~~2003~~ 2004, and every fiscal year thereafter. Any
39 increase in program job credits above the six-million-
40 dollar limitation per fiscal year shall be developed,
41 based on recommendations in a study which shall be
42 conducted by the department of economic development of
43 the needs and performance of approved programs in the
44 fiscal years beginning July 1, 2000, and July 1, 2001.
45 The study's findings and recommendations shall be
46 submitted to the general assembly by the department by
47 December 31, 2002. The study shall include but not be
48 limited to an examination of the quality of the
49 programs, the number of program participant
50 placements, the wages and benefits in program jobs,

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1 the level of employer contributions, the size of
2 participating employers, and employer locations. A
3 community college shall file a copy of each agreement
4 with the department of economic development. The
5 department shall maintain an annual record of the
6 proposed program job credits under each agreement for
7 each fiscal year. Upon receiving a copy of an
8 agreement, the department shall allocate any available
9 amount of program job credits to the community college
10 according to the agreement sufficient for the fiscal
11 year and for the term of the agreement. When the
12 total available program job credits are allocated for
13 a fiscal year, the department shall notify all
14 community colleges that the maximum amount has been
15 allocated and that further program job credits will
16 not be available for the remainder of the fiscal year.
17 Once program job credits have been allocated to a
18 community college, the full allocation shall be
19 received by the community college throughout the
20 fiscal year and for the term of the agreement even if
21 the statewide program job credit maximum amount is
22 subsequently allocated and used.

23 Sec. 36. Section 294A.25, subsection 10, Code
24 2003, is amended to read as follows:

25 10. For ~~the each fiscal year beginning July 1,~~
26 ~~2001, and ending June 30, 2002,~~ to the department of
27 education ~~from phase III moneys~~ the amount of forty-
28 seven thousand dollars for the Iowa mathematics and
29 science coalition.

30 Sec. 37. Section 427B.19A, subsection 1, as
31 amended by 2003 Iowa Acts, Senate File 453, if
32 enacted, is amended to read as follows:

33 1. The industrial machinery, equipment and
34 computers property tax replacement fund is created.
35 For the fiscal year beginning July 1, 1996, through
36 the fiscal year ending June 30, 2004, there is
37 appropriated annually from the general fund of the
38 state to the department of revenue and finance to be
39 credited to the industrial machinery, equipment and
40 computers property tax replacement fund, an amount
41 sufficient to implement this division. However, for
42 the fiscal year beginning July 1, 2003, the amount
43 appropriated to the department of revenue and finance
44 to be credited to the industrial machinery, equipment
45 and computers tax replacement fund is ~~ten~~ eleven
46 million two hundred eighty-one thousand six hundred
47 eight-five dollars.

48 Sec. 38. 2001 Iowa Acts, chapter 174, section 1,
49 subsection 2, as amended by 2002 Iowa Acts, chapter
50 1174, section 8, is amended to read as follows:

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1 2. There is appropriated from the general fund of
2 the state to the endowment for Iowa's health account
3 of the tobacco settlement trust fund created in
4 section 12E.12, for the designated fiscal years, the
5 following amounts, to be used for the purposes
6 specified in section 12E.12 for the endowment for
7 Iowa's health account:

8	FY 2001-2002	\$ 7,248,000
9	FY 2003-2004	\$ 28,251,000
10		0
11	FY 2004-2005	\$ 29,785,000
12	FY 2005-2006	\$ 29,562,000
13	FY 2006-2007	\$ 17,773,000

14 Sec. 39. 2002 Iowa Acts, chapter 1173, section 18,
15 is amended to read as follows:

16 SEC. 18. POOLED TECHNOLOGY FUNDING -- PRIOR
17 ALLOCATIONS -- NONREVERSION. Notwithstanding section
18 8.33, moneys appropriated and allocated in 2001 Iowa
19 Acts, chapter 189, section 5, subsection 1, which
20 remain unobligated or unexpended at the close of the
21 fiscal year for which they were appropriated shall not
22 revert, but shall remain available for expenditure for
23 the purposes for which they were appropriated and
24 allocated, for the fiscal year period beginning July
25 1, 2002, and ending June 30, ~~2003~~ 2004.

26 Sec. 40. 2002 Iowa Acts, Second Extraordinary
27 Session, chapter 1001, section 33, is amended to read
28 as follows:

29 SEC. 33. EFFECTIVE DATE -- APPLICABILITY. The
30 amendments to the following designated Code provisions
31 in this division of this Act take effect July 1, ~~2003~~
32 2004:

- 33 1. Section 8.55, subsection 2, paragraph "a".
- 34 2. Section 8.56, subsection 4, paragraph "b".
- 35 3. Section 8.57, subsection 1, paragraph "a".

36 Sec. 41. FRANCHISE TAX REVENUE ALLOCATION. There
37 is appropriated from the franchise tax revenues
38 deposited in the general fund of the state to the
39 department of revenue and finance for the fiscal year
40 beginning July 1, 2003, and ending June 30, 2004,
41 \$8,800,000 to be allocated as follows:

- 42 1. Sixty percent to the general fund of the city
43 from which the tax is collected.
- 44 2. Forty percent to the county from which the tax
45 is collected.

46 If the financial institution maintains one or more
47 offices for the transaction of business, other than
48 its principal office, a portion of its franchise tax
49 shall be allocated to each office, based upon a
50 reasonable measure of the business activity of each

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1 office. The director of revenue and finance shall
2 prescribe, for each type of financial institution, a
3 method of measuring the business activity of each
4 office. Financial institutions shall furnish all
5 necessary information for this purpose at the request
6 of the director. The allocation shall be distributed
7 quarterly.

8 Sec. 42. 2003 Iowa Acts, Senate File 453, section
9 28, if enacted, is repealed.

10 RACING AND GAMING COMMISSION

11 Sec. 43. 2002 Iowa Acts, Second Extraordinary
12 Session, chapter 1003, section 9, subsection 1, is
13 amended to read as follows:

14 1. RACETRACK REGULATION

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

21 For salaries, support, maintenance, and
22 miscellaneous purposes for the regulation of pari-
23 mutuel racetracks, and for not more than the following
24 full-time equivalent positions:

25	\$	2,083,762
26		2,163,762
27	FTEs	24.78

28 Of the funds appropriated in this subsection,
29 \$85,576 shall be used to conduct an extended harness
30 racing season.

31 Sec. 44. 2003 Iowa Acts, House File 655, section
32 24, if enacted, is amended to read as follows:

33 SEC. 24. READY TO WORK PROGRAM COORDINATOR. There
34 is appropriated from ~~the surplus funds in the long-~~
35 ~~term disability reserve fund and the workers'~~
36 compensation trust fund to the department of personnel
37 for the fiscal year beginning July 1, 2003, and ending
38 June 30, 2004, the following amount, or so much
39 thereof as is necessary, to be used for the purposes
40 designated:

41 For the salary, support, and miscellaneous expenses 42 for the ready to work program and coordinator: 43	\$	89,416
---	----	--------

44 ~~The moneys appropriated pursuant to this section~~
45 ~~shall be taken in equal proportions from the long-term~~
46 ~~disability reserve fund and the workers' compensation~~
47 ~~trust fund.~~

48 Sec. 45. 2003 Iowa Acts, House File 655, section
49 34, if enacted, is amended to read as follows:

50 SEC. 34. READY TO WORK PROGRAM COORDINATOR. There

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1 is appropriated from ~~the surplus funds in the long-~~
2 ~~term disability reserve fund and the workers'~~
3 compensation trust fund to the department of
4 administrative services for the fiscal year beginning
5 July 1, 2003, and ending June 30, 2004, the following
6 amount, or so much thereof as is necessary, to be used
7 for the purposes designated:

8 For the salary, support, and miscellaneous expenses
9 for the ready to work program and coordinator:

10 \$ 89,416

11 ~~The moneys appropriated pursuant to this section~~
12 ~~shall be taken in equal proportions from the long term~~
13 ~~disability reserve fund and the workers' compensation~~
14 ~~trust fund.~~

15 Sec. 46. CONTINGENT CASH RESERVE APPROPRIATION.

16 1. There is appropriated from the cash reserve
17 fund to the general fund of the state for the fiscal
18 year beginning July 1, 2002, and ending June 30, 2003,
19 for the purposes of reducing or preventing any
20 overdraft on or deficit in the general fund of the
21 state, an amount not to exceed \$50,000,000.

22 2. The appropriation made in subsection 1 is
23 contingent upon all of the following having occurred:

24 a. The revenue estimating conference estimate of
25 general fund receipts made during the last quarter of
26 the fiscal year was or the actual fiscal year receipts
27 and accruals were at least one-half of one percent
28 less than the comparable estimate made during the
29 third quarter of the fiscal year.

30 b. The governor has implemented the uniform
31 reductions in appropriations required in section 8.31
32 as a result of paragraph "a" and such reduction was
33 insufficient to prevent an overdraft on or deficit in
34 the general fund of the state or the governor did not
35 implement uniform reductions in appropriations because
36 of the lateness of the estimated or actual receipts
37 and accruals under paragraph "a".

38 c. The balance of the general fund of the state at
39 the end of the fiscal year prior to the appropriation
40 made in subsection 1 was negative.

41 d. The governor has issued an official
42 proclamation and has notified the cochairpersons of
43 the fiscal committee of the legislative council and
44 the legislative services agency that the contingencies
45 in paragraphs "a" through "c" have occurred and the
46 reasons why the uniform reductions specified in
47 paragraph "b" were insufficient or were not
48 implemented to prevent an overdraft on or deficit in
49 the general fund of the state.

50 3. If an appropriation is made pursuant to

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1 subsection 1 for a fiscal year, there is appropriated
2 from the general fund of the state to the cash reserve
3 fund for the following fiscal year, the amount of the
4 appropriation made pursuant to subsection 1.

5 Sec. 47. EFFECTIVE DATE. The following provisions
6 of this division of this Act, being deemed of
7 immediate importance, take effect upon enactment:

8 1. The section appropriating moneys from the keep
9 Iowa beautiful fund.

10 2. The section amending 2002 Iowa Acts, chapter
11 1173, section 18, relating to the nonreversion of
12 pooled technology funding.

13 3. The section appropriating moneys from the cash
14 reserve fund for the military pay differential
15 program. This section applies retroactively to March
16 19, 2003.

17 4. The section appropriating moneys from the
18 assisted living program fund.

19 5. The section making the contingent appropriation
20 from the cash reserve fund.

21 6. The section amending 2002 Iowa Acts, Second
22 Extraordinary Session, chapter 1003, section 9,
23 relating to racetrack regulation.

24 7. The amendment to section 96.9.

DIVISION V

COMPENSATION AND BENEFITS

27 Sec. 48. COLLECTIVE BARGAINING AGREEMENTS FUNDED

28 -- GENERAL FUND. There is appropriated from the
29 general fund of the state to the salary adjustment
30 fund for distribution by the department of management
31 to the various state departments, boards, commissions,
32 councils, and agencies, and to the state board of
33 regents for those persons employed at the state school
34 for the deaf and the Iowa braille and sight saving
35 school, for the fiscal year beginning July 1, 2003,
36 and ending June 30, 2004, the amount of \$28,000,000,
37 or so much thereof as may be necessary, to fully fund
38 annual pay adjustments, expense reimbursements, and
39 related benefits implemented pursuant to the
40 following:

41 1. The collective bargaining agreement negotiated
42 pursuant to chapter 20 for employees in the blue
43 collar bargaining unit.

44 2. The collective bargaining agreement negotiated
45 pursuant to chapter 20 for employees in the public
46 safety bargaining unit.

47 3. The collective bargaining agreement negotiated
48 pursuant to chapter 20 for employees in the security
49 bargaining unit.

50 4. The collective bargaining agreement negotiated

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1 pursuant to chapter 20 for employees in the technical
2 bargaining unit.

3 5. The collective bargaining agreement negotiated
4 pursuant to chapter 20 for employees in the
5 professional fiscal and staff bargaining unit.

6 6. The collective bargaining agreement negotiated
7 pursuant to chapter 20 for employees in the clerical
8 bargaining unit.

9 7. The collective bargaining agreement negotiated
10 pursuant to chapter 20 for employees in the
11 professional social services bargaining unit.

12 8. The collective bargaining agreement negotiated
13 pursuant to chapter 20 for employees in the community-
14 based corrections bargaining unit.

15 9. The collective bargaining agreements negotiated
16 pursuant to chapter 20 for employees in the judicial
17 branch of government bargaining units.

18 10. The collective bargaining agreement negotiated
19 pursuant to chapter 20 for employees in the patient
20 care bargaining unit.

21 11. The collective bargaining agreement negotiated
22 pursuant to chapter 20 for employees in the science
23 bargaining unit.

24 12. The annual pay adjustments, related benefits,
25 and expense reimbursements referred to in the sections
26 of this division of this Act for employees not covered
27 by a collective bargaining agreement.

28 Of the amount appropriated in this section,
29 \$2,668,000 shall be allocated to the judicial branch
30 for the purpose of funding annual pay adjustments,
31 expense reimbursements, and related benefits
32 implemented for judicial branch employees. In
33 distributing the remainder of the amount appropriated
34 in this section, the department of management, in
35 order to address essential public protection functions
36 and recognizing the availability of funds appropriated
37 in other Acts of the general assembly and other
38 sources, shall give priority, in descending order, to
39 the department of corrections, department of human
40 services, and department of public safety, and then to
41 the remaining state departments, boards, commissions,
42 councils, and agencies to which the appropriation is
43 applicable.

44 Sec. 49. NONCONTRACT STATE EMPLOYEES -- GENERAL.

45 1. a. For the fiscal year beginning July 1, 2003,
46 the maximum salary levels of all pay plans provided
47 for in section 19A.9, subsection 2, as they exist for
48 the fiscal year ending June 30, 2003, shall be
49 increased by 2 percent for the pay period beginning
50 June 20, 2003, and any additional changes in the pay

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1 plans shall be approved by the governor.

2 b. For the fiscal year beginning July 1, 2003,
3 employees may receive a step increase or the
4 equivalent of a step increase.

5 2. The pay plans for state employees who are
6 exempt from chapter 19A and who are included in the
7 department of revenue and finance's centralized
8 payroll system shall be increased in the same manner
9 as provided in subsection 1, and any additional
10 changes in any executive branch pay plans shall be
11 approved by the governor. However, commencing July 1,
12 2003, the consumer advocate shall receive an annual
13 salary in the same salary range as the chairperson and
14 members of the utilities board.

15 3. This section does not apply to members of the
16 general assembly, board members, commission members,
17 salaries of persons set by the general assembly in
18 statute, salaries of appointed state officers set by
19 the governor, other persons designated, employees
20 designated under section 19A.3, subsection 5, and
21 employees covered by 581 IAC 4.6(3).

22 4. The pay plans for the bargaining eligible
23 employees of the state shall be increased in the same
24 manner as provided in subsection 1, and any additional
25 changes in such executive branch pay plans shall be
26 approved by the governor. As used in this section,
27 "bargaining eligible employee" means an employee who
28 is eligible to organize under chapter 20, but has not
29 done so.

30 5. The policies for implementation of this section
31 shall be approved by the governor.

32 Sec. 50. STATE EMPLOYEES -- STATE BOARD OF
33 REGENTS.

34 1. Funds from the appropriation made in this
35 division of this Act from the general fund of the
36 state to the salary adjustment fund shall be allocated
37 by the department of management to the state board of
38 regents for the purposes of providing increases for
39 state board of regents employees at the state school
40 for the deaf and the Iowa braille and sight saving
41 school who are addressed by that appropriation and
42 employees of the schools who are not covered by a
43 collective bargaining agreement.

44 2. The state board of regents office and the state
45 university of Iowa, Iowa state university of science
46 and technology, and the university of northern Iowa
47 shall provide from available sources pay adjustments,
48 expense reimbursements, and related benefits to fully
49 fund the following:

50 a. The collective bargaining agreement negotiated

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1 pursuant to chapter 20 for employees in the university
2 of northern Iowa faculty bargaining unit.

3 b. The collective bargaining agreement negotiated
4 pursuant to chapter 20 for employees in the patient
5 care bargaining unit.

6 c. The collective bargaining agreement negotiated
7 pursuant to chapter 20 for employees in the science
8 bargaining unit.

9 d. The collective bargaining agreement negotiated
10 pursuant to chapter 20 for employees in the state
11 university of Iowa graduate student bargaining unit.

12 e. The collective bargaining agreement negotiated
13 pursuant to chapter 20 for employees in the state
14 university of Iowa hospital and clinics tertiary
15 health care bargaining unit.

16 f. The collective bargaining agreement negotiated
17 pursuant to chapter 20 for employees in the blue
18 collar bargaining unit.

19 g. The collective bargaining agreement negotiated
20 pursuant to chapter 20 for employees in the public
21 safety bargaining unit.

22 h. The collective bargaining agreement negotiated
23 pursuant to chapter 20 for employees in the security
24 bargaining unit.

25 i. The collective bargaining agreement negotiated
26 pursuant to chapter 20 for employees in the technical
27 bargaining unit.

28 j. The collective bargaining agreement negotiated
29 pursuant to chapter 20 for employees in the
30 professional fiscal and staff bargaining unit.

31 k. The collective bargaining agreement negotiated
32 pursuant to chapter 20 for employees in the clerical
33 bargaining unit.

34 l. The annual pay adjustments, related benefits,
35 and expense reimbursements referred to in the sections
36 of this division of this Act for employees not covered
37 by a collective bargaining agreement.

38 Sec. 51. APPROPRIATIONS FROM ROAD FUNDS.

39 1. There is appropriated from the road use tax
40 fund to the salary adjustment fund for the fiscal year
41 beginning July 1, 2003, and ending June 30, 2004, the
42 following amount, or so much thereof as may be
43 necessary, to be used for the purpose designated:

44 To supplement other funds appropriated by the
45 general assembly:

46 \$ 3,000,000

47 2. There is appropriated from the primary road
48 fund to the salary adjustment fund, for the fiscal
49 year beginning July 1, 2003, and ending June 30, 2004,
50 the following amount, or so much thereof as may be

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1 necessary, to be used for the purpose designated:
2 To supplement other funds appropriated by the
3 general assembly:

4 \$ 12,000,000

5 3. Except as otherwise provided in this division
6 of this Act, the amounts appropriated in subsections 1
7 and 2 shall be used to fund the annual pay
8 adjustments, expense reimbursements, and related
9 benefits for public employees as provided in this
10 division of this Act.

11 Sec. 52. SPECIAL FUNDS -- AUTHORIZATION. To
12 departmental revolving, trust, or special funds,
13 except for the primary road fund or the road use tax
14 fund, for which the general assembly has established
15 an operating budget, a supplemental expenditure
16 authorization is provided, unless otherwise provided,
17 in an amount necessary to fund salary adjustments as
18 otherwise provided in this division of this Act.

19 Sec. 53. GENERAL FUND SALARY MONEYS. Funds
20 appropriated from the general fund of the state in
21 this division of this Act relate only to salaries
22 supported from general fund appropriations of the
23 state except for employees of the state board of
24 regents at the state school for the deaf and the Iowa
25 braille and sight saving school. The funds
26 appropriated from the general fund of the state for
27 employees at the state school for the deaf and the
28 Iowa braille and sight saving school of the state
29 board of regents shall exclude general university
30 indirect costs and general university federal funds.

31 Sec. 54. FEDERAL FUNDS APPROPRIATED. All federal
32 grants to and the federal receipts of the agencies
33 affected by this division of this Act which are
34 received and may be expended for purposes of this
35 division of this Act are appropriated for those
36 purposes and as set forth in the federal grants or
37 receipts.

38 Sec. 55. STATE TROOPER MEAL ALLOWANCE. The sworn
39 peace officers in the department of public safety who
40 are not covered by a collective bargaining agreement
41 negotiated pursuant to chapter 20 shall receive the
42 same per diem meal allowance as the sworn peace
43 officers in the department of public safety who are
44 covered by a collective bargaining agreement
45 negotiated pursuant to chapter 20.

46 Sec. 56. SALARY MODEL COORDINATOR. Of the funds
47 appropriated in this division of this Act from the
48 general fund of the state, \$126,767 for the fiscal
49 year beginning July 1, 2003, is allocated to the
50 department of management for salary and support of the

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1 salary model coordinator who shall work in conjunction
2 with the legislative fiscal bureau to maintain the
3 state's salary model used for analyzing, comparing,
4 and projecting state employee salary and benefit
5 information, including information relating to
6 employees of the state board of regents. The
7 department of revenue and finance, the department of
8 personnel, the five institutions under the
9 jurisdiction of the state board of regents, the eight
10 judicial district departments of correctional
11 services, and the state department of transportation
12 shall provide salary data to the department of
13 management and the legislative fiscal bureau to
14 operate the state's salary model. The format and
15 frequency of provision of the salary data shall be
16 determined by the department of management and the
17 legislative fiscal bureau. The information shall be
18 used in collective bargaining processes under chapter
19 20 and in calculating the funding needs contained
20 within the annual salary adjustment legislation. A
21 state employee organization as defined in section
22 20.3, subsection 4, may request information produced
23 by the model, but the information provided shall not
24 contain information attributable to individual
25 employees.

DIVISION VI

CORRECTIVE PROVISIONS

26
27
28 Sec. 57. Section 8A.202, subsection 2, paragraph
29 e, if enacted by 2003 Iowa Acts, House File 534, is
30 amended by striking the paragraph and inserting in
31 lieu thereof the following:

32 e. Developing and maintaining an electronic
33 repository for public access to reference copies of
34 agency mandated reports, newsletters, and publications
35 in conformity with section 304B.10, subsection 1,
36 paragraph "h". The department shall develop technical
37 standards for an electronic repository in consultation
38 with the state librarian and the state archivist.

39 Sec. 58. 2003 Iowa Acts, House File 289, section
40 1, is amended by striking the section and inserting in
41 lieu thereof the following:

42 SECTION 1. Section 12C.1, subsection 2, paragraph
43 e, Code 2003, as amended by 2003 Iowa Acts, Senate
44 File 395, is amended by adding the following new
45 subparagraph:

46 NEW SUBPARAGRAPH. (6) Moneys placed in a
47 depository for the purpose of completing an electronic
48 financial transaction pursuant to section 8A.222 or
49 331.427.

50 Sec. 59. Section 99E.9, subsection 2, Code 2003,

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1 as amended by 2003 Iowa Acts, House File 171, section
2 31, is amended to read as follows:

3 2. Subject to the approval of the board, the
4 commissioner may enter into contracts for the
5 operation and marketing of the lottery, except that
6 the board may by rule designate classes of contracts
7 other than major procurements which do not require
8 prior approval by the board. A major procurement
9 shall be as the result of competitive bidding with the
10 contract being awarded to the responsible vendor
11 submitting the lowest and best proposal. However,
12 before a contract for a major procurement is awarded,
13 the division of criminal investigation of the
14 department of public safety shall conduct a thorough
15 background investigation of the vendor to whom the
16 contract is to be awarded. The commissioner and board
17 shall consult with the division of criminal
18 investigation and shall provide, by rule, for the
19 scope of the thorough background investigations and
20 due diligence with regard to the background
21 investigations to be conducted in connection with
22 major procurements. The vendor shall submit to the
23 division of criminal investigation appropriate
24 investigation authorizations to facilitate this
25 investigation. The background investigation by the
26 division of criminal investigation may include a
27 national criminal history ~~record~~ check through the
28 federal bureau of investigation. The screening of
29 vendors or their employees through the federal bureau
30 of investigation shall be conducted by submission of
31 fingerprints through the state criminal history
32 repository to the federal bureau of investigation. As
33 used in this subsection, "major procurement" means
34 consulting agreements and the major procurement
35 contract with a business organization for the printing
36 of tickets, or for purchase or lease of equipment or
37 services essential to the operation of a lottery game.

38 Sec. 60. Section 99G.10, subsection 2, if enacted
39 by 2003 Iowa Acts, Senate File 453, section 72, is
40 amended to read as follows:

41 2. Subject to the approval of the board, the chief
42 executive officer shall have the sole power to
43 designate particular employees as key personnel, but
44 may take advice from the department of personnel in
45 making any such designations. All key personnel shall
46 be exempt from the merit system described in chapter
47 ~~19A~~ 8A, article 4. The chief executive officer and
48 the board shall have the sole power to employ,
49 classify, and fix the compensation of key personnel.
50 All other employees shall be employed, classified, and

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1 compensated in accordance with ~~chapters 19A~~ chapter
2 8A, article 4, and chapter 20.

3 Sec. 61. Section 99G.22, subsection 1, if enacted
4 by 2003 Iowa Acts, Senate File 453, is amended to read
5 as follows:

6 1. The authority shall investigate the financial
7 responsibility, security, and integrity of any lottery
8 system vendor who is a finalist in submitting a bid,
9 proposal, or offer as part of a major procurement
10 contract. Before a major procurement contract is
11 awarded, the division of criminal investigation of the
12 department of public safety shall conduct a background
13 investigation of the vendor to whom the contract is to
14 be awarded. The chief executive officer and board
15 shall consult with the division of criminal
16 investigation and shall provide for the scope of the
17 background investigation and due diligence to be
18 conducted in connection with major procurement
19 contracts. At the time of submitting a bid, proposal,
20 or offer to the authority on a major procurement
21 contract, the authority shall require that each vendor
22 submit to the division of criminal investigation
23 appropriate investigation authorization to facilitate
24 this investigation, together with an advance of funds
25 to meet the anticipated investigation costs. If the
26 division of criminal investigation determines that
27 additional funds are required to complete an
28 investigation, the vendor will be so advised. The
29 background investigation by the division of criminal
30 investigation may include a national criminal history
31 ~~record~~ check through the federal bureau of
32 investigation. The screening of vendors or their
33 employees through the federal bureau of investigation
34 shall be conducted by submission of fingerprints
35 through the state criminal history ~~record~~ repository
36 to the federal bureau of investigation.

37 Sec. 62. Section 99G.37, subsection 2, if enacted
38 by 2003 Iowa Acts, Senate File 453, section 90, is
39 amended to read as follows:

40 2. In any bidding process, the authority may
41 administer its own bidding and procurement or may
42 utilize the services of the department of ~~general~~
43 administrative services, ~~or its successor~~, or other
44 state agency.

45 Sec. 63. Section 99G.38, subsection 3, if enacted
46 by 2003 Iowa Acts, Senate File 453, section 91, is
47 amended to read as follows:

48 3. The state of Iowa offset program, as provided
49 in section ~~421.17~~ 8A.504, shall be available to the
50 authority to facilitate receipt of funds owed to the

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1 authority.

2 Sec. 64. Section 135.150, subsection 3, as enacted
3 by 2003 Iowa Acts, House File 396, section 1, is
4 amended to read as follows:

5 3. "Director" means the director ~~or the director's~~
6 ~~designee~~ of public health or the director's designee.

7 Sec. 65. Section 135.154, subsection 7, as enacted
8 by 2003 Iowa Acts, House File 396, section 5, is
9 amended to read as follows:

10 7. Treat or order that individuals exposed to or
11 infected with disease receive treatment or
12 prophylaxis. Treatment or prophylaxis shall be
13 administered by any qualified person authorized to do
14 so by the department. Treatment or prophylaxis shall
15 not be provided or ordered if the treatment or
16 prophylaxis is reasonably likely to lead to serious
17 harm to the affected individual. To prevent the
18 spread of communicable or potentially communicable
19 disease, the department may isolate or quarantine,
20 pursuant to chapter 139A and the rules implementing
21 chapter 139A and this division of this chapter, any
22 individual who is unable or unwilling to undergo
23 treatment or prophylaxis pursuant to this section.

24 Sec. 66. Section 170.6, subsection 1, paragraph b,
25 if enacted by 2003 Iowa Acts, House File 624, is
26 amended to read as follows:

27 b. Failed to provide notice or access to the
28 department of natural resources and the department of
29 agriculture and land stewardship as required by
30 section 170.5.

31 Sec. 67. Section 231.56A, if enacted by 2003 Iowa
32 Acts, Senate File 416, section 1, is amended to read
33 as follows:

34 231.56A ELDER ABUSE INITIATIVE, EMERGENCY SHELTER,
35 AND SUPPORT SERVICES PROJECTS.

36 1. Through the state's service contract process
37 adopted pursuant to section 8.47, the department shall
38 identify area agencies on aging that have demonstrated
39 the ability to provide a collaborative response to the
40 immediate needs of elders in the area agency on aging
41 service area for the purpose of implementing elder
42 abuse initiative, emergency shelter, and support
43 services projects. The projects shall be implemented
44 only in the counties within an area agency on aging
45 service area that have a multidisciplinary team
46 established pursuant to section 235B.1.

47 2. The target population of the projects shall be
48 any elder residing in the service area of an area
49 agency on aging who meets both of the following
50 conditions:

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1 a. Is the subject of a report of suspected
2 dependent adult abuse pursuant to chapter 235B.
3 b. Is not receiving assistance under a county
4 management plan approved pursuant to section 331.439.
5 3. The area agencies on aging implementing the
6 projects shall identify allowable emergency shelter
7 and support services, state funding, outcomes,
8 reporting requirements, and approved community
9 resources from which services may be obtained under
10 the projects. The area agency on aging shall identify
11 at least one provider of case management services for
12 the project area.

13 4. The area agencies on aging shall implement the
14 projects and shall coordinate the provider network
15 through the use of referrals or other engagement of
16 community resources to provide services to elders.

17 5. The department shall award funds to the area
18 agencies on aging in accordance with the state's
19 service contract process. Receipt and expenditures of
20 moneys under the projects are subject to examination,
21 including audit, by the department.

22 6. This section shall not be construed and is not
23 intended as, and shall not imply, a grant of
24 entitlement for services to individuals who are not
25 otherwise eligible for the services or for utilization
26 of services that do not currently exist or are not
27 otherwise available.

28 Sec. 68. Section 232.71B, subsection 7A, if
29 enacted by 2003 Iowa Acts, House File 558, section 1,
30 is amended to read as follows:

31 7A. PROTECTIVE DISCLOSURE. If the department
32 determines that disclosure is necessary for the
33 protection of a child, the department may disclose to
34 a subject of a child abuse report referred to in
35 section 235A.15, subsection 2, paragraph "a", that an
36 individual is listed in the child or dependent adult
37 abuse registry or is required to register with the sex
38 offender registry in accordance with chapter 692A.

39 Sec. 69. Section 235B.3, subsection 6A, if enacted
40 by 2003 Iowa Acts, House File 558, section 2, is
41 amended to read as follows:

42 6A. If the department determines that disclosure
43 is necessary for the protection of a dependent adult,
44 the department may disclose to a subject of a
45 dependent adult abuse report referred to in section
46 235B.6, subsection 2, paragraph "a", that an
47 individual is listed in the child or dependent adult
48 abuse registry or is required to register with the sex
49 offender registry in accordance with chapter 692A.

50 Sec. 70. Section 304B.3, subsections 4, 8, and 9,

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1 if enacted by 2003 Iowa Acts, House File 648, section
2 6, are amended to read as follows:

3 4. The director of revenue ~~and finance.~~

4 8. The director of the department of ~~general~~
5 administrative services.

6 ~~9. The director of the information technology~~
7 ~~department.~~

8 Sec. 71. Section 321.69, subsection 9, as amended
9 by 2003 Acts, House File 502, section 3, is amended to
10 read as follows:

11 9. ~~This~~ Except for subsection 9A, this section
12 does not apply to motor trucks and truck tractors with
13 a gross vehicle weight rating of sixteen thousand
14 pounds or more, vehicles more than nine model years
15 old, motorcycles, motorized bicycles, and special
16 mobile equipment. This section does apply to motor
17 homes. The requirement in subsection 1 that the new
18 certificate of title and registration receipt shall
19 state on the face of the title the total cumulative
20 dollar amount of damage does not apply to a vehicle
21 with a certificate of title bearing a designation that
22 the vehicle was previously titled on a salvage
23 certificate of title pursuant to section 321.52,
24 subsection 4, paragraph "b", or to a vehicle with a
25 certificate of title bearing a "REBUILT" or "SALVAGE"
26 designation pursuant to section 321.24, subsection 4
27 or 5. ~~This~~ Except for subsection 9A, this section
28 does not apply to new motor vehicles with a true
29 mileage, as defined in section 321.71, of one thousand
30 miles or less, unless such vehicle has incurred damage
31 as defined in subsection 2.

32 Sec. 72. Section 356.7, subsection 1, as amended
33 by 2003 Iowa Acts, House File 650, section 1, if
34 enacted, is amended to read as follows:

35 1. The county sheriff, or a municipality operating
36 a temporary municipal holding facility or jail, may
37 charge a prisoner who is eighteen years of age or
38 older and who has been convicted of a criminal offense
39 or sentenced for contempt of court for violation of a
40 domestic abuse order for the actual administrative
41 costs relating to the arrest and booking of that
42 prisoner, and for room and board provided to the
43 prisoner while in the custody of the county sheriff or
44 municipality. Moneys collected by the sheriff or
45 municipality under this section shall be credited
46 ~~respectfully~~ respectively to the county general fund
47 or the city general fund and distributed as provided
48 in this section. If a prisoner who has been convicted
49 of a criminal offense or sentenced for contempt of
50 court for violation of a domestic abuse order fails to

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1 pay for the administrative costs and the room and
2 board, the sheriff or municipality may file a room and
3 board reimbursement claim with the district court as
4 provided in subsection 2. The county attorney may
5 file the reimbursement claim on behalf of the sheriff
6 and the county or the municipality. The attorney for
7 the municipality may also file a reimbursement claim
8 on behalf of the municipality. This section does not
9 apply to prisoners who are paying for their room and
10 board by court order pursuant to sections 356.26
11 through 356.35.

12 Sec. 73. Section 459.401, subsection 2, paragraph
13 a, subparagraph (3A), if enacted by 2003 Iowa Acts,
14 House File 644, section 18, is amended to read as
15 follows:

16 (3A) A commercial manure service license fee as
17 provided in section ~~359.316~~ 459.316.

18 Sec. 74. Section 505A.1, article V, section 2,
19 paragraph a, subparagraph (3), if enacted by 2003 Iowa
20 Acts, House File 647, section 54, is amended to read
21 as follows:

22 (3) Four members from those compacting states with
23 less than two percent of the market, based on the
24 premium volume described in subparagraph (1), with one
25 selected from each of the four zone regions of the
26 national association of insurance commissioners as
27 provided in the bylaws.

28 Sec. 75. Section 508.31A, subsection 2, paragraph
29 b, Code 2003, as amended by 2003 Iowa Acts, House File
30 647, section 7, if enacted, is amended to read as
31 follows:

32 b. A funding agreement issued pursuant to
33 paragraph "a", subparagraph (1), (2), or (3), shall be
34 for a total amount of not less than one million
35 dollars.

36 Sec. 76. Section 692A.13, subsection 9, if enacted
37 by 2003 Iowa Acts, House File 558, section 3, is
38 amended to read as follows:

39 9. If the department of human services determines
40 that disclosure is necessary for the protection of a
41 child or a dependent adult, the department may
42 disclose to a subject of a child abuse report referred
43 to in section 235A.15, subsection 2, paragraph "a", or
44 to a subject of a dependent adult abuse report
45 referred to in section 235B.6, subsection 2, paragraph
46 "a", that an individual is listed in the child or
47 dependent adult abuse registry or is required to
48 register under this chapter.

49 Sec. 77. Section 901.5, subsection 7A, paragraph
50 d, as enacted by 2003 Iowa Acts, House File 404,

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1 section 1, is amended to read as follows:

2 d. Violation of a no-contact order issued under
3 this section is punishable by summary contempt
4 proceedings. A hearing in a contempt proceeding
5 brought pursuant to this subsection shall be held not
6 less than five days and not more than fifteen days
7 after the issuance of a rule to show cause, as set by
8 the court, unless the defendant is already in custody
9 at the time of the alleged violation in which case the
10 hearing shall be held not less than five days and not
11 more than forty-five days after the issuance of the
12 rule to show cause.

13 Sec. 78. 2003 Iowa Acts, Senate File 155, section
14 26, is repealed.

15 Sec. 79. 2003 Iowa Acts, Senate File 155, section
16 56, is repealed.

17 Sec. 80. 2003 Iowa Acts, Senate File 453, section
18 44, subsection 8, if enacted, is amended to read as
19 follows:

20 8. STATUTORY REQUIREMENTS. The requirements of
21 sections ~~18.6~~ 8A.311 and 72.3 and the administrative
22 rules implementing section 8.47 are not applicable to
23 the services procurement process used to implement the
24 outcomes-based service system redesign in accordance
25 with this section. The department of human services
26 may enter into competitive negotiations and proposal
27 modifications with each successful contractor as
28 necessary to implement the provisions of this section.

29 Sec. 81. 2003 Iowa Acts, House File 601, section
30 2, is amended by striking the section and inserting in
31 lieu thereof the following:

32 SEC. 2. Section 56.5, subsection 2, paragraph d,
33 Code 2003, is amended by striking the paragraph.

34 Sec. 82. 2003 Iowa Acts, House File 624, section
35 22, if enacted, is amended to read as follows:

36 SEC. 22. HUNTING PRESERVES AND GAME BREEDERS --
37 AUTOMATIC CERTIFICATION. Any A fence enclosing farm
38 deer kept on land which is owned by a person licensed
39 pursuant to section 484B.5 or 481A.61 ~~and which is~~
40 ~~enclosed with a fence~~ on the effective date of this
41 Act shall be deemed to comply with construction
42 requirements of section 170.4 and shall be
43 automatically certified by the department of
44 agriculture and land stewardship without ~~submitting~~
45 submission of an application. The landowner is not
46 required to notify the department of natural resources
47 concerning removal of whitetail as otherwise required
48 pursuant to section 170.5.

49 Sec. 83. 2003 Iowa Acts, House File 648, section
50 1, if enacted, is repealed.

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1 Sec. 84. CONTINGENT EFFECTIVE DATES.

2 1. The section of this division of this Act
3 amending section 8A.202, subsection 2, if enacted by
4 2003 Iowa Acts, House File 534, takes effect if House
5 File 648, relating to the management of state archives
6 and records, is enacted by the Eightieth General
7 Assembly, 2003 Regular Session.

8 1. The sections of this division of this Act
9 amending sections 12C.1, 99G.10, 99G.37, and 99G.38
10 take effect only if House File 534 is enacted by the
11 Eightieth General Assembly, 2003 Regular Session.

12 2. The sections of this division of this Act
13 amending section 304B.3, if enacted by 2003 Iowa Acts,
14 House File 648, and repealing 2003 Iowa Acts, House
15 File 648, section 1, if enacted, take effect if House
16 File 534, establishing a department of administrative
17 services, is enacted by the Eightieth General
18 Assembly, 2003 Regular Session.

19 3. The section of this division of this Act
20 repealing 2003 Iowa Acts, Senate File 155, section 26,
21 takes effect if 2003 Iowa Acts, House File 614,
22 relating to elections, is enacted by the Eightieth
23 General Assembly, 2003 Regular Session.

DIVISION VII

MISCELLANEOUS PROVISIONS

24
25
26 Sec. 85. Section 7J.1, subsection 1, if enacted by
27 2003 Iowa Acts, Senate File 453, is amended to read as
28 follows:

29 7J.1 CHARTER AGENCIES.

30 1. DESIGNATION OF CHARTER AGENCIES -- PURPOSE.
31 The governor may, by executive order, designate ~~up to~~
32 ~~five~~ state departments or agencies, as described in
33 section 7E.5, other than the department of
34 administrative services, if the department is
35 established in law, or the department of management,
36 as a charter agency by July 1, 2003. The designation
37 of a charter agency shall be for a period of five
38 years which shall terminate as of June 30, 2008. The
39 purpose of designating a charter agency is to grant
40 the agency additional authority as provided by this
41 chapter while reducing the total appropriations to the
42 agency.

43 Sec. 86. Section 7J.1, subsection 3, paragraph a,
44 if enacted by 2003 Iowa Acts, Senate File 453, is
45 amended to read as follows:

46 a. It is the intent of the general assembly that
47 state general fund operating appropriations to a
48 charter agency for any the fiscal year beginning July
49 1, 2003, and ending June 30, 2004, shall be reduced,
50 with a target reduction of ten percent for each

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1 ~~charter agency~~, from the appropriation that would
2 otherwise have been enacted for that charter agency
3 which, along with any additional generated revenue to
4 the general fund of the state attributed to the
5 reinvention process as determined by the department of
6 management, over that already committed to the general
7 fund of the state by a charter agency, will achieve an
8 overall target of fifteen million dollars.

9 Sec. 87. Section 7J.2, if enacted by 2003 Iowa
10 Acts, Senate File 453, is amended to read as follows:

11 7J.2 CHARTER AGENCY ~~LOAN~~ GRANT FUND.

12 1. A charter agency ~~loan~~ grant fund is created in
13 the state treasury under the control of the department
14 of management for the purpose of providing funding to
15 support innovation by those state agencies designated
16 as charter agencies in accordance with section 7J.1.
17 Innovation purposes shall include but are not limited
18 to training, development of outcome measurement
19 systems, management system modifications, and other
20 modifications associated with transition of operations
21 to charter agency status. Moneys in the fund are
22 appropriated to the department of management for the
23 purposes described in this subsection.

24 2. A charter agency requesting a ~~loan~~ grant from
25 the fund shall complete an application process
26 designated by the director of the department of
27 management. ~~Minimum loan requirements for charter~~
28 ~~agency requests shall be determined by the director.~~

29 3. ~~In order for the fund to be self-supporting,~~
30 ~~the director of the department of management shall~~
31 ~~establish repayment schedules for each loan awarded.~~
32 ~~An agency shall repay the loan over a period not to~~
33 ~~exceed five years with interest, at a rate to be~~
34 ~~determined by the director.~~

35 4. 3. Notwithstanding section 12C.7, subsection 2,
36 interest or earnings on moneys deposited in the
37 charter agency ~~loan~~ grant fund shall be credited to
38 the charter agency ~~loan~~ grant fund. Notwithstanding
39 section 8.33, moneys credited to the charter agency
40 ~~loan~~ grant fund shall not revert to the fund from
41 which appropriated at the close of a fiscal year.

42 Sec. 88. Section 8.23, subsection 1, paragraph a,
43 Code 2003, is amended by striking the paragraph.

44 Sec. 89. Section 8.31, Code 2003, is amended to
45 read as follows:

46 8.31 ~~QUARTERLY REQUISITIONS~~ -- ALLOTMENTS OF
47 APPROPRIATIONS -- EXCEPTIONS -- MODIFICATIONS.

48 1. a. Before an appropriation for ~~administration,~~
49 ~~operation and maintenance~~ of any department or
50 establishment ~~shall become~~ becomes available, ~~there~~

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1 ~~shall be submitted~~ the department or establishment
2 shall submit to the director of the department of
3 management, ~~not less than twenty days before the~~
4 ~~beginning of each quarter of each fiscal year,~~ a
5 requisition for an allotment of the amount estimated
6 ~~to be necessary to carry on its work~~ appropriation
7 according to dates identified in the requisition
8 during the ensuing quarter fiscal year by which
9 portions of the appropriation will be needed. The
10 department or establishment shall submit the
11 requisition by June 1, prior to the start of a fiscal
12 year or by another date identified by the director.
13 The requisition shall contain details of proposed
14 expenditures as may be required by the director ~~of the~~
15 ~~department of management~~ subject to review by the
16 governor.

17 b. The director of the department of management
18 shall approve the allotments subject to review by the
19 governor, unless it is found that the estimated budget
20 resources during the fiscal year are insufficient to
21 pay all appropriations in full, in which event such
22 allotments may be modified to the extent the governor
23 may deem necessary in order that there shall be no
24 overdraft or deficit in the several funds of the state
25 at the end of the fiscal year, and the director shall
26 submit copies of the allotments thus approved or
27 modified to the head of the department or
28 establishment concerned, who shall set up such
29 allotments on the books and be governed accordingly in
30 the control of expenditures.

31 ~~Allotments of appropriations made for equipment,~~
32 ~~land, permanent improvements, and other capital~~
33 ~~projects may, however, be allotted in one amount by~~
34 ~~major classes or projects for which they are~~
35 ~~expendable without regard to quarterly periods. For~~
36 ~~fiscal years beginning on or after July 1, 1989,~~
37 ~~allotments of appropriations for equipment, land,~~
38 ~~permanent improvements, and other capital projects,~~
39 ~~except where contracts have been entered into with~~
40 ~~regard to the acquisition or project prior to July 1,~~
41 ~~1989, shall not be allotted in one amount but shall be~~
42 ~~allotted at quarterly periods as provided in this~~
43 ~~section.~~

44 2. Allotments ~~thus~~ made in accordance with
45 subsection 1 may be subsequently modified by the
46 director of the department of management at the
47 direction of the governor either upon the written
48 request of the head of the department or establishment
49 concerned, or in the event the governor finds that the
50 estimated budget resources during the fiscal year are

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1 insufficient to pay all appropriations in full, upon
2 the governor's own initiative to the extent the
3 governor may deem necessary in order that there shall
4 be no overdraft or deficit in the several funds of the
5 state at the end of the fiscal year; and the head of
6 the department or establishment shall be given notice
7 of a modification in the same way as in the case of
8 original allotments.

9 3. ~~Provided, however, that the~~ The allotment
10 requests of all departments and establishments
11 collecting governmental fees and other revenue which
12 supplement a state appropriation shall attach to the
13 summary of requests a statement showing how much of
14 the proposed allotments are to be financed from ~~(1)~~
15 state appropriations, ~~(2)~~ stores, and ~~(3)~~ repayment
16 receipts.

17 4. The procedure to be employed in controlling the
18 expenditures and receipts of the state fair board and
19 the institutions under the state board of regents,
20 whose collections are not deposited in the state
21 treasury, is that outlined in section 421.31,
22 subsection 6.

23 5. If the governor determines that the estimated
24 budget resources during the fiscal year are
25 insufficient to pay all appropriations in full, the
26 reductions shall be uniform and prorated between all
27 departments, agencies and establishments upon the
28 basis of their respective appropriations.

29 6. Allotments from appropriations for the foreign
30 trade offices of the department of economic
31 development, if the appropriations are described by
32 line item in the department's appropriation Act or
33 another Act, may be made ~~without regard to quarterly~~
34 ~~periods~~ as is necessary to take advantage of the most
35 favorable foreign currency exchange rates.

36 Sec. 90. Section 8.57, subsection 1, paragraph c,
37 Code 2003, is amended to read as follows:

38 c. The amount appropriated in this section is not
39 subject to the provisions of section 8.31, relating to
40 ~~quarterly~~ requisitions and allotment, or to section
41 8.32, relating to conditional availability of
42 appropriations.

43 Sec. 91. Section 12B.10, subsection 6, paragraph
44 d, subparagraph (4), Code 2003, is amended to read as
45 follows:

46 (4) For investments of short-term operating funds,
47 the funds shall not be invested in investments having
48 effective maturities exceeding sixty-three months.

49 Sec. 92. Section 12B.10A, subsection 6, paragraph
50 d, subparagraph (4), Code 2003, is amended to read as

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1 follows:

2 (4) For investments of short-term operating funds,
3 the funds shall not be invested in investments having
4 effective maturities exceeding sixty-three months.

5 Sec. 93. Section 12C.27, Code 2003, is amended by
6 striking the section and inserting in lieu thereof the
7 following:

8 12C.27 FAILURE TO MAINTAIN REQUIRED COLLATERAL.

9 If the treasurer of state determines that a bank
10 fails to comply with chapter 12C.22, subsections 2 and
11 3, the treasurer of state may restrict that bank from
12 accepting uninsured public funds and shall notify the
13 office of thrift supervision, the office of the
14 comptroller of the currency, or the superintendent as
15 applicable, who may take such action against the bank,
16 its board of directors and officers as permitted by
17 law.

18 Sec. 94. Section 12E.12, subsection 8, Code 2003,
19 is amended to read as follows:

20 8. With respect to the payment of certain debt
21 service, the debt service to be paid shall be those
22 installments of debt service on bonds selected by the
23 treasurer of state and identified in the authority's
24 tax certificate delivered at the time of the issuance
25 of the bonds issued pursuant to this chapter, or as
26 otherwise selected by the treasurer of state. Once
27 the bonds and the installments of debt service thereon
28 are so selected, that debt service and bonds shall not
29 be paid, or provided to be paid, from any other source
30 including the state or any of its departments or
31 agencies. Provided, however, that if funds are not
32 appropriated to pay debt service on such bonds when
33 due, the issuing agency shall pay ~~such~~ the debt
34 service from any available source as provided in the
35 bond covenants for such bonds. To the extent that
36 this section does not allow proceeds of previously
37 issued refunding bonds to be applied for the purpose
38 of the refunding, the issuing agency may expend such
39 proceeds to improve, remodel, or repair buildings or
40 other infrastructure upon authorization of the issuing
41 agency's authority.

42 Sec. 95. Section 15E.42, subsection 3, Code 2003,
43 is amended to read as follows:

44 3. "Investor" means an individual making a cash
45 investment in a qualifying business or an individual
46 taxed on income from a revocable trust's cash
47 investment in a qualifying business or a person making
48 a cash investment in a community-based seed capital
49 fund. "Investor" does not include a person which is a
50 current or previous owner, member, or shareholder in a

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1 qualifying business.

2 Sec. 96. Section 15E.43, subsection 1, paragraph

3 a, Code 2003, is amended to read as follows:

4 a. For tax years beginning on or after January 1,
5 2002, a tax credit shall be allowed against the taxes
6 imposed in chapter 422, division II, for a portion of
7 an individual taxpayer's equity investment, as
8 provided in subsection 2, in a qualifying business.

9 An individual shall not claim a tax credit under this
10 paragraph of a partnership, limited liability company,
11 S corporation, estate, or trust electing to have
12 income taxed directly to the individual. However, an
13 individual receiving income from a revocable trust's
14 investment in a qualified business may claim a tax
15 credit under this paragraph against the taxes imposed
16 in chapter 422, division II, for a portion of the
17 revocable trust's equity investment, as provided in
18 subsection 2, in a qualified business.

19 Sec. 97. Section 15E.43, subsection 1, Code 2003,
20 is amended by adding the following new paragraph:

21 NEW PARAGRAPH. d. In the case of a tax credit
22 allowed against the taxes imposed in chapter 422,
23 division II, where the taxpayer died prior to
24 redeeming the entire tax credit, the remaining credit
25 can be redeemed on the decedent's final income tax
26 return.

27 Sec. 98. Section 15E.45, subsection 2, paragraph
28 c, Code 2003, is amended to read as follows:

29 c. The fund has no fewer than ten ~~individual~~
30 investors who are not affiliates, with no single
31 investor and affiliates of that investor together
32 owning a total of more than twenty-five percent of the
33 ownership interests outstanding in the fund.

34 Sec. 99. Section 15E.51, subsection 4, Code 2003,
35 is amended to read as follows:

36 4. A taxpayer shall not claim a tax credit under
37 this section if the taxpayer is a venture capital
38 investment fund allocation manager for the Iowa fund
39 of funds created in section 15E.65 or an investor that
40 receives a tax credit for ~~an~~ the same investment in a
41 community-based seed capital fund as defined in 2002
42 Iowa Acts, House File 2271.

43 Sec. 100. Section 15E.193B, subsection 4, Code
44 2003, is amended to read as follows:

45 4. The eligible housing business shall complete
46 its building or rehabilitation within two years from
47 the time the business begins construction on the
48 single-family homes and dwelling units. The failure
49 to complete construction or rehabilitation within two
50 years shall result in the eligible housing business

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1 becoming ineligible and subject to the repayment
2 requirements and penalties enumerated in subsection 7.
3 The department may extend the prescribed two-year
4 completion period for any project which has not been
5 completed if the department determines that completion
6 within the two-year period is impossible or
7 impractical as a result of a substantial loss caused
8 by flood, fire, earthquake, storm, or other
9 catastrophe. For purposes of this subsection,
10 "substantial loss" means damage or destruction in an
11 amount in excess of thirty percent of the project's
12 expected eligible basis as set forth in the eligible
13 housing business's application.

14 Sec. 101. NEW SECTION. 16.181 HOUSING TRUST
15 FUND.

16 1. a. A housing trust fund is created within the
17 authority. The moneys in the housing trust fund are
18 annually appropriated to the authority to be used for
19 the development and preservation of affordable housing
20 for low-income people in the state. Payment of
21 interest, recaptures of awards, or other repayments to
22 the housing trust fund shall be deposited in the fund.
23 Notwithstanding section 12C.7, interest or earnings on
24 moneys in the housing trust fund or appropriated to
25 the fund shall be credited to the fund.

26 Notwithstanding section 8.33, unencumbered and
27 unobligated moneys remaining in the fund at the close
28 of each fiscal year shall not revert but shall remain
29 available for expenditure for the same purposes in the
30 succeeding fiscal year.

31 b. Assets in the housing trust fund shall consist
32 of all of the following:

33 (1) Any assets received by the authority from the
34 Iowa housing corporation.

35 (2) Any assets transferred by the authority for
36 deposit in the housing trust fund.

37 (3) Any other moneys appropriated by the general
38 assembly and any other moneys available to and
39 obtained or accepted by the authority for placement in
40 the housing trust fund.

41 c. The authority shall create the following
42 programs within the housing trust fund:

43 (1) Local housing trust fund program. Sixty
44 percent of available moneys in the housing trust fund
45 shall be allocated for the local housing trust fund
46 program. Any moneys remaining in the local housing
47 trust fund program on April 1 of each fiscal year
48 which have not been awarded to a local housing trust
49 fund may be transferred to the project-based housing
50 program at any time prior to the end of the fiscal

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1 year.

2 (2) Project-based housing program. Forty percent
3 of the available moneys in the housing trust fund
4 shall be allocated to the project-based housing
5 program.

6 2. a. In order to be eligible to apply for
7 funding from the local housing trust fund program, a
8 local housing trust fund must be approved by the
9 authority and have all of the following:

10 (1) A local governing board recognized by the
11 city, county, council of governments, or regional
12 officials as the board responsible for coordinating
13 local housing programs.

14 (2) A housing assistance plan approved by the
15 authority.

16 (3) Sufficient administrative capacity in regard
17 to housing programs.

18 (4) A local match requirement approved by the
19 authority.

20 b. An award from the local housing trust fund
21 program shall not exceed ten percent of the balance in
22 the program at the beginning of the fiscal year plus
23 ten percent of any deposits made during the fiscal
24 year.

25 c. By December 31 of each year, a local housing
26 trust fund receiving moneys from the local housing
27 trust fund program shall submit a report to the
28 authority itemizing expenditures of the awarded
29 moneys.

30 3. In an area where no local housing trust fund
31 exists, a person may apply for moneys from the
32 project-based housing program.

33 4. The authority shall adopt rules pursuant to
34 chapter 17A necessary to administer this section.

35 Sec. 102. Section 25.1, Code 2003, is amended by
36 adding the following new subsection:

37 NEW SUBSECTION. 4. Notwithstanding subsections 1
38 and 2, and section 25.2, the state appeal board shall
39 not consider claims for refund of the unused portion
40 of vehicle registration fees collected under section
41 321.105.

42 Sec. 103. Section 28.9, subsection 2, Code 2003,
43 is amended to read as follows:

44 2. a. A school ready children grants account is
45 created in the Iowa empowerment fund under the
46 authority of the director of the department of
47 education. Moneys credited to the account shall be
48 distributed by the department of education in the form
49 of grants to community empowerment areas pursuant to
50 criteria established by the Iowa board in accordance

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1 with law.

2 b. The distribution formula utilized by the Iowa
3 board for school ready children grants in the fiscal
4 year beginning July 1, 2004, and for each succeeding
5 fiscal year, shall specifically incorporate the
6 following components:

7 (1) A minimum statewide performance baseline shall
8 be established for the core indicators of performance
9 identified pursuant to section 28.8, subsection 1,
10 paragraph "a".

11 (2) A community empowerment area must maintain its
12 designated status in good standing and must have
13 received continued approval of its school ready
14 children grant plan.

15 (3) The community empowerment area must identify
16 how the core indicators of performance will be
17 addressed by the area and select two or more of the
18 core indicators that will achieve a minimum percentage
19 of improvement identified by the area, subject to
20 approval by the Iowa board. The community empowerment
21 area's data for the calendar year preceding the year
22 in which the area initially received a school ready
23 children grant shall be used as the area's baseline
24 year.

25 (4) If an area achieves the identified percentage
26 level of improvement in the preceding calendar year,
27 the area's minimum grant amount shall be the
28 annualized grant amount received in the area's initial
29 year of funding. The Iowa board may implement
30 provisions for averaging the performance levels over
31 two or more years and other approaches to apply the
32 requirements of this paragraph "b" in an equitable
33 manner.

34 (5) If an area does not achieve the identified
35 percentage level of improvement in the preceding
36 calendar year, the area shall receive a reduction from
37 the area's minimum grant amount. If the identified
38 percentage level of improvement is achieved in the
39 next succeeding calendar year, the area's minimum
40 grant amount shall be restored.

41 Sec. 104. Section 29C.8, subsection 3, Code 2003,
42 is amended by adding the following new paragraphs:

43 NEW PARAGRAPH. f. (1) Approve and support the
44 development and ongoing operations of an urban search
45 and rescue team to be deployed as a resource to
46 supplement and enhance emergency and disaster
47 operations.

48 (2) A member of an urban search and rescue team
49 acting under the authority of the administrator or
50 pursuant to a governor's disaster proclamation as

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1 provided in section 29C.6 shall be considered an
2 employee of the state under chapter 669 and shall be
3 afforded protection as an employee of the state under
4 section 669.21. Disability, workers' compensation,
5 and death benefits for team members working under the
6 authority of the administrator or pursuant to the
7 provisions of section 29C.6 shall be paid by the state
8 in a manner consistent with the provisions of chapter
9 85, 410, or 411 as appropriate, depending on the
10 status of the member.

11 NEW PARAGRAPH. g. Develop, implement, and support
12 a uniform incident command system to be used by state
13 agencies to facilitate efficient and effective
14 assistance to those affected by emergencies and
15 disasters. This system shall be consistent with the
16 requirements of the United States occupational safety
17 and health administration and a national incident
18 management system.

19 Sec. 105. Section 29C.20, subsection 1, Code 2003,
20 is amended to read as follows:

21 1. a. A contingent fund is created in the state
22 treasury for the use of the executive council which
23 may be expended for the ~~purpose of paying following~~
24 purposes:

25 (1) Paying the expenses of suppressing an
26 insurrection or riot, actual or threatened, when state
27 aid has been rendered by order of the governor,~~and~~
28 for repairing.

29 (2) Repairing, rebuilding, or restoring state
30 property injured, destroyed, or lost by fire, storm,
31 theft, or unavoidable cause,~~and for repairing.~~

32 (3) Repairing, rebuilding, or restoring state
33 property which that is fiberoptic cable and which that
34 is injured or destroyed by a wild animal,~~and for aid~~
35 to.

36 (4) Paying the expenses incurred by and claims of
37 an urban search and rescue team when acting under the
38 authority of the administrator and the provisions of
39 section 29C.6 and disaster medical assistance teams
40 when acting under the provisions of section 135.153.

41 (5) (a) Aiding any governmental subdivision in an
42 area declared by the governor to be a disaster area
43 due to natural disasters or to expenditures
44 necessitated by the governmental subdivision toward
45 averting or lessening the impact of the potential
46 disaster, where the effect of the disaster or action
47 on the governmental subdivision is the immediate
48 financial inability to meet the continuing
49 requirements of local government.

50 (b) Upon application by a governmental subdivision

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1 in such an area, accompanied by a showing of
2 obligations and expenditures necessitated by an actual
3 or potential disaster in a form and with further
4 information the executive council requires, the aid
5 may be made in the discretion of the executive council
6 and, if made, shall be in the nature of a loan up to a
7 limit of seventy-five percent of the showing of
8 obligations and expenditures. The loan, without
9 interest, shall be repaid by the maximum annual
10 emergency levy authorized by section 24.6, or by the
11 appropriate levy authorized for a governmental
12 subdivision not covered by section 24.6. The
13 aggregate total of loans shall not exceed one million
14 dollars during a fiscal year. A loan shall not be for
15 an obligation or expenditure occurring more than two
16 years previous to the application.

17 b. When a state department or agency requests that
18 moneys from the contingent fund be expended to repair,
19 rebuild, or restore state property injured, destroyed,
20 or lost by fire, storm, theft, or unavoidable cause,
21 or to repair, rebuild, or restore state property ~~which~~
22 that is fiberoptic cable and which that is injured or
23 destroyed by a wild animal, or for payment of the
24 expenses incurred by and claims of an urban search and
25 rescue team when acting under the authority of the
26 administrator and the provisions of section 29C.6, the
27 executive council shall consider the original source
28 of the funds for acquisition of the property before
29 authorizing the expenditure. If the original source
30 was other than the general fund of the state, the
31 department or agency shall be directed to utilize
32 moneys from the original source if possible. The
33 executive council shall not authorize the repairing,
34 rebuilding, or restoring of the property from the
35 disaster aid contingent fund if it determines that
36 moneys from the original source are available to
37 finance the project.

38 Sec. 106. Section 80B.5, Code 2003, is amended to
39 read as follows:

40 80B.5 ADMINISTRATION.

41 The administration of the Iowa law enforcement
42 academy and council Act shall be vested in the office
43 of the governor. ~~A director of the academy and such~~
44 ~~staff~~ Staff as may be necessary for ~~it~~ the law
45 enforcement academy to function shall be employed
46 pursuant to the Iowa merit system.

47 Sec. 107. NEW SECTION. 80B.5A DIRECTOR.

48 The governor shall appoint the director of the Iowa
49 law enforcement academy, subject to senate
50 confirmation, to a four-year term beginning and ending

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1 as provided in section 69.19.

2 Sec. 108. Section 99G.9, subsection 3, paragraph
3 j, if enacted by 2003 Iowa Acts, Senate File 453, is
4 amended by striking the paragraph.

5 Sec. 109. Section 99G.40, subsection 5, if enacted
6 by 2003 Iowa Acts, Senate File 453, is amended to read
7 as follows:

8 5. The authority shall adopt the same fiscal year
9 as that used by state government and shall be audited
10 annually by the auditor of state or a certified public
11 accounting firm appointed by the auditor. The auditor
12 of state or a designee conducting an audit under this
13 chapter shall have access and authority to examine any
14 and all records of licensees necessary to determine
15 compliance with this chapter and the rules adopted
16 pursuant to this chapter. The cost of audits and
17 examinations conducted by the auditor of state or a
18 designee shall be paid for by the authority.

19 Sec. 110. NEW SECTION. 174.24 LIABILITY OF
20 COUNTY FAIR SOCIETY.

21 A society, as defined in section 174.1, shall be
22 immune from liability for any damages incurred at a
23 county fair held by the society if the damages were
24 incurred on or at an exhibit, leased facility,
25 amusement ride, or an activity not under the control
26 of the society, if the county fair requires the vendor
27 in control of the exhibit, leased facility, amusement
28 ride, or other activity to obtain liability insurance
29 of at least three hundred thousand dollars. An
30 officer or employee of a society, as defined in
31 section 174.1, shall not be held liable for punitive
32 damages as a result of acts in the performance of the
33 officer's or employee's duties, unless reckless
34 misconduct is proven.

35 Sec. 111. Section 257.11, subsection 5, paragraph
36 b, Code 2003, is amended to read as follows:

37 b. A school district which establishes a regional
38 academy shall be eligible to assign its resident
39 pupils attending classes at the academy a weighting of
40 one-tenth of the percentage of the pupil's school day
41 during which the pupil attends classes at the regional
42 academy. For the purposes of this subsection,
43 "regional academy" means an educational institution
44 established by a school district to which multiple
45 schools send pupils in grades ~~seven~~ nine through
46 twelve, and may include a virtual academy. A regional
47 academy shall include in its curriculum advanced-level
48 courses and may include in its curriculum vocational-
49 technical ~~programs~~ courses. The maximum amount of
50 additional weighting for which a school district

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1 establishing a regional academy shall be eligible is
2 an amount corresponding to fifteen additional pupils.
3 The minimum amount of additional weighting for which a
4 school district establishing a regional academy shall
5 be eligible is an amount corresponding to ten
6 additional pupils if the academy provides both
7 advanced-level courses and vocational technical
8 courses. However, if the sum of the funding amount
9 calculated for all districts operating regional
10 academies under this subsection exceeds one million
11 dollars for the school year beginning July 1, 2004,
12 and each succeeding fiscal year, the director of the
13 department of management shall prorate the amount
14 calculated for each district. The proration shall be
15 based upon the amount calculated for each district
16 when compared to the sum of the amount for all
17 districts.

18 Sec. 112. Section 260C.14, Code 2003, is amended
19 by adding the following new subsection:

20 NEW SUBSECTION. 20. Adopt a policy to offer not
21 less than the following options to a student who is a
22 member of the Iowa national guard or reserve forces of
23 the United States and who is ordered to active state
24 service or federal service or duty:

25 a. Withdraw from the student's entire registration
26 and receive a full refund of tuition and mandatory
27 fees.

28 b. Make arrangements with the student's
29 instructors for course grades, or for incompletes that
30 shall be completed by the student at a later date. If
31 such arrangements are made, the student's registration
32 shall remain intact and tuition and mandatory fees
33 shall be assessed for the courses in full.

34 c. Make arrangements with only some of the
35 student's instructors for course grades, or for
36 incompletes that shall be completed by the student at
37 a later date. If such arrangements are made, the
38 registration for those courses shall remain intact and
39 tuition and mandatory fees shall be assessed for those
40 courses. Any course for which arrangements cannot be
41 made for grades or incompletes shall be considered
42 dropped and the tuition and mandatory fees for the
43 course refunded.

44 Sec. 113. Section 261.9, subsection 1, unnumbered
45 paragraph 1, Code 2003, is amended to read as follows:

46 "Accredited private institution" means an
47 institution of higher learning located in Iowa which
48 is operated privately and not controlled or
49 administered by any state agency or any subdivision of
50 the state, except for county hospitals as provided in

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1 paragraph "c" of this subsection, and which meets at
2 least one of the criteria in paragraphs "a" through
3 "c" and all of the criteria in paragraphs "d" through
4 "~~f~~" "g":

5 Sec. 114. Section 261.9, subsection 1, Code 2003,
6 is amended by adding the following new paragraph:

7 NEW PARAGRAPH. g. Adopts a policy to offer not
8 less than the following options to a student who is a
9 member of the Iowa national guard or reserve forces of
10 the United States and who is ordered to active state
11 service or federal service or duty:

12 (1) Withdraw from the student's entire
13 registration and receive a full refund of tuition and
14 mandatory fees.

15 (2) Make arrangements with the student's
16 instructors for course grades, or for incompletes that
17 shall be completed by the student at a later date. If
18 such arrangements are made, the student's registration
19 shall remain intact and tuition and mandatory fees
20 shall be assessed for the courses in full.

21 (3) Make arrangements with only some of the
22 student's instructors for grades, or for incompletes
23 that shall be completed by the student at a later
24 date. If such arrangements are made, the registration
25 for those courses shall remain intact and tuition and
26 mandatory fees shall be assessed for those courses.
27 Any course for which arrangements cannot be made for
28 grades or incompletes shall be considered dropped and
29 the tuition and mandatory fees for the course
30 refunded.

31 Sec. 115. Section 262.9, Code 2003, is amended by
32 adding the following new subsection:

33 NEW SUBSECTION. 29. Direct the institutions of
34 higher education under its control to adopt a policy
35 to offer not less than the following options to a
36 student who is a member of the Iowa national guard or
37 reserve forces of the United States and who is ordered
38 to active state service or federal service or duty:

39 a. Withdraw from the student's entire registration
40 and receive a full refund of tuition and mandatory
41 fees.

42 b. Make arrangements with the student's
43 instructors for course grades, or for incompletes that
44 shall be completed by the student at a later date. If
45 such arrangements are made, the student's registration
46 shall remain intact and tuition and mandatory fees
47 shall be assessed for the courses in full.

48 c. Make arrangements with only some of the
49 student's instructors for grades, or for incompletes
50 that shall be completed by the student at a later

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1 date. If such arrangements are made, the registration
2 for those courses shall remain intact and tuition and
3 mandatory fees shall be assessed for those courses.
4 Any course for which arrangements cannot be made for
5 grades or incompletes shall be considered dropped and
6 the tuition and mandatory fees for the course
7 refunded.

8 Sec. 116. Section 284.13, subsection 1, paragraph
9 a, Code 2003, is amended to read as follows:

10 a. For each fiscal year in the fiscal year period
11 beginning July 1, 2001 2003, and ending June 30, 2002
12 2005, the department shall reserve up to ~~one million~~
13 five hundred thousand dollars of any moneys
14 appropriated for purposes of this chapter. For each
15 fiscal year in which moneys are appropriated by the
16 general assembly for purposes of team-based variable
17 pay pursuant to section 284.11, the amount of moneys
18 allocated to school districts shall be in the
19 proportion that the basic enrollment of a school
20 district bears to the sum of the basic enrollments of
21 all participating school districts for the budget
22 year. However, the per pupil amount distributed to a
23 school district under the pilot program shall not
24 exceed one hundred dollars.

25 Sec. 117. Section 284.13, subsection 1, paragraph
26 g, unnumbered paragraph 1, Code 2003, is amended to
27 read as follows:

28 For each fiscal year in which funds are
29 appropriated for purposes of this chapter, the moneys
30 remaining after distribution as provided in paragraphs
31 "a" through "f" and "h" shall be allocated to school
32 districts for salaries and career development in
33 accordance with the following formula:

34 Sec. 118. Section 294A.25, subsection 6, Code
35 2003, is amended by striking the subsection.

36 Sec. 119. Section 294A.25, subsections 7, 8, and
37 9, Code 2003, are amended to read as follows:

38 7. ~~For~~ Except as otherwise provided in this
39 section, for the fiscal year beginning July 1, 1990
40 2003, and succeeding fiscal years, the remainder of
41 moneys appropriated in subsection 1 to the department
42 of education shall be deposited in the educational
43 excellence fund to be allocated in an amount to meet
44 the ~~minimum salary~~ requirements of this chapter for
45 phase I, ~~in an amount to meet the requirements for and~~
46 phase II, ~~and the remainder of the appropriation for~~
47 phase III.

48 8. Commencing with the fiscal year beginning July
49 1, ~~1997~~ 2003, the amount of two hundred thirty
50 thousand dollars for a kindergarten to grade twelve

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1 management information system ~~from additional funds~~
2 ~~transferred from phase I to phase III.~~

3 9. For the fiscal year beginning July 1, 2000
4 2003, and for each succeeding fiscal year, the amount
5 of one hundred seventy thousand dollars to the state
6 board of regents for distribution in the amount of
7 sixty-eight thousand dollars to the Iowa braille and
8 sight saving school and in the amount of one hundred
9 two thousand dollars to the Iowa state school for the
10 deaf ~~from phase III moneys.~~

11 Sec. 120. Section 321J.2, subsection 2, paragraph
12 a, subparagraph (3), subparagraph subdivisions (a) and
13 (b), as enacted by 2003 Iowa Acts, House File 65,
14 section 2, are amended to read as follows:

15 (a) A defendant whose alcohol concentration is .08
16 or more but not more than .10 shall not be eligible
17 for any temporary restricted license for at least
18 thirty days if a test was obtained and an accident
19 resulting in personal injury or property damage
20 occurred. The defendant shall be ordered to install
21 an ignition interlock device of a type approved by the
22 commissioner of public safety on all vehicles owned or
23 operated by the defendant if the defendant seeks a
24 temporary restricted license. There shall be no such
25 period of ineligibility if no such accident occurred,
26 and the defendant shall not be ordered to install an
27 ignition interlock device.

28 (b) A defendant whose alcohol concentration is
29 more than .10 shall not be eligible for any temporary
30 restricted license for at least thirty days if a test
31 was obtained, and an accident resulting in personal
32 injury or property damage occurred or the defendant's
33 alcohol concentration exceeded .15. There shall be no
34 such period of ineligibility if no such accident
35 occurred and the defendant's alcohol concentration did
36 not exceed .15. In either case, where a defendant's
37 alcohol concentration is more than .10, the defendant
38 shall be ordered to install an ignition interlock
39 device of a type approved by the commissioner of
40 public safety on all vehicles owned or operated by the
41 defendant if the defendant seeks a temporary
42 restricted license.

43 Sec. 121. Section 321J.4, subsection 1, paragraphs
44 a and b, as enacted by 2003 Iowa Acts, House File 65,
45 section 3, are amended to read as follows:

46 a. A defendant whose alcohol concentration is .08
47 or more but not more than .10 shall not be eligible
48 for any temporary restricted license for at least
49 thirty days if a test was obtained and an accident
50 resulting in personal injury or property damage

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1 occurred. The defendant shall be ordered to install
2 an ignition interlock device of a type approved by the
3 commissioner of public safety on all vehicles owned or
4 operated by the defendant if the defendant seeks a
5 temporary restricted license. There shall be no such
6 period of ineligibility if no such accident occurred,
7 and the defendant shall not be ordered to install an
8 ignition interlock device.

9 b. A defendant whose alcohol concentration is more
10 than .10 shall not be eligible for any temporary
11 restricted license for at least thirty days if a test
12 was obtained, and an accident resulting in personal
13 injury or property damage occurred or the defendant's
14 alcohol concentration exceeded .15. There shall be no
15 such period of ineligibility if no such accident
16 occurred and the defendant's alcohol concentration did
17 not exceed .15. In either case, where a defendant's
18 alcohol concentration is more than .10, the defendant
19 shall be ordered to install an ignition interlock
20 device of a type approved by the commissioner of
21 public safety on all vehicles owned or operated by the
22 defendant if the defendant seeks a temporary
23 restricted license.

24 Sec. 122. Section 321J.4, subsection 3, paragraphs
25 a and b, as enacted by 2003 Iowa Acts, House File 65,
26 section 3, are amended to read as follows:

27 a. A defendant whose alcohol concentration is .08
28 or more but not more than .10 shall not be eligible
29 for any temporary restricted license for at least
30 thirty days if a test was obtained and an accident
31 resulting in personal injury or property damage
32 occurred. The defendant shall be ordered to install
33 an ignition interlock device of a type approved by the
34 commissioner of public safety on all vehicles owned or
35 operated by the defendant if the defendant seeks a
36 temporary restricted license. There shall be no such
37 period of ineligibility if no such accident occurred,
38 and the defendant shall not be ordered to install an
39 ignition interlock device.

40 b. A defendant whose alcohol concentration is more
41 than .10 shall not be eligible for any temporary
42 restricted license for at least thirty days if a test
43 was obtained, and an accident resulting in personal
44 injury or property damage occurred or the defendant's
45 alcohol concentration exceeded .15. There shall be no
46 such period of ineligibility if no such accident
47 occurred and the defendant's alcohol concentration did
48 not exceed .15. In either case, where a defendant's
49 alcohol concentration is more than .10, the defendant
50 shall be ordered to install an ignition interlock

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1 device of a type approved by the commissioner of
2 public safety on all vehicles owned or operated by the
3 defendant if the defendant seeks a temporary
4 restricted license.

5 Sec. 123. Section 321J.12, subsection 2,
6 paragraphs a and b, as enacted by 2003 Iowa Acts,
7 House File 65, section 5, are amended to read as
8 follows:

9 a. A person whose driver's license or nonresident
10 operating privileges have been revoked under
11 subsection 1, paragraph "a", whose alcohol
12 concentration is .08 or more but not more than .10
13 shall not be eligible for any temporary restricted
14 license for at least thirty days after the effective
15 date of the revocation if a test was obtained and an
16 accident resulting in personal injury or property
17 damage occurred. The defendant shall be ordered to
18 install an ignition interlock device of a type
19 approved by the commissioner of public safety on all
20 vehicles owned or operated by the defendant if the
21 defendant seeks a temporary license. There shall be
22 no such period of ineligibility if no such accident
23 occurred, and the defendant shall not be ordered to
24 install an ignition interlock device.

25 b. A defendant whose alcohol concentration is more
26 than .10 shall not be eligible for any temporary
27 restricted license for at least thirty days if a test
28 was obtained, and an accident resulting in personal
29 injury or property damage occurred or the defendant's
30 alcohol concentration exceeded .15. There shall be no
31 such period of ineligibility if no such accident
32 occurred and the defendant's alcohol concentration did
33 not exceed .15. In either case, where a defendant's
34 alcohol concentration is more than .10, the defendant
35 shall be ordered to install an ignition interlock
36 device of a type approved by the commissioner of
37 public safety on all vehicles owned or operated by the
38 defendant if the defendant seeks a temporary
39 restricted license.

40 Sec. 124. Section 331.605C, subsections 1 and 2,
41 if enacted by 2003 Iowa Acts, Senate File 453, are
42 amended to read as follows:

43 1. For the fiscal year beginning July 1, 2003, and
44 ending June 30, 2004, the recorder shall collect a fee
45 of five dollars for each recorded transaction,
46 regardless of the number of pages, for which a fee is
47 paid pursuant to section 331.604 to be used for the
48 purposes of planning and implementing electronic
49 recording and electronic transactions in each county
50 and developing county and statewide internet websites

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1 to provide electronic access to records and
2 information.

3 2. Beginning July 1, 2004, the recorder shall
4 collect a fee of one dollar for each recorded
5 transaction, regardless of the number of pages, for
6 which a fee is paid pursuant to section 331.604 to be
7 used for the purpose of paying the county's ongoing
8 costs of maintaining the systems developed and
9 implemented under subsection 1.

10 Sec. 125. Section 331.605C, subsection 4, if
11 enacted by 2003 Iowa Acts, Senate File 453, is amended
12 to read as follows:

13 4. The state local electronic government
14 ~~electronic~~ transaction fund is established in the
15 office of the treasurer of state under the control of
16 the treasurer of state. Moneys deposited into the
17 fund are not subject to section 8.33. Notwithstanding
18 section 12C.7, interest or earnings on moneys in the
19 state local electronic government electronic
20 ~~transaction~~ fund shall be credited to the fund.
21 Moneys in the state local electronic government
22 ~~electronic~~ transaction fund are not subject to
23 transfer, appropriation, or reversion to any other
24 fund, or any other use except as provided in this
25 subsection. The treasurer of state shall enter into a
26 contract with the Iowa state association of counties
27 affiliate representing county recorders to ~~develop,~~
28 ~~implement, and maintain~~ hold the fund for the
29 development, implementation, and maintenance of a
30 statewide internet website for purposes of providing
31 electronic access to records and information recorded
32 or filed by county recorders. On a monthly basis, the
33 county treasurer shall pay one dollar of each fee
34 collected pursuant to subsection 1 to the treasurer of
35 state for deposit into the state local electronic
36 ~~government electronic~~ transaction fund. Moneys
37 credited to the state local electronic government
38 ~~electronic~~ transaction fund are appropriated to the
39 treasurer of state to be used for contract costs.
40 This subsection is repealed June 30, 2004.

41 Sec. 126. Section 422.45, Code 2003, is amended by
42 adding the following new subsection:

43 NEW SUBSECTION. 64. The gross receipts from
44 noncustomer point of sale or noncustomer automated
45 teller machine access or service charges assessed by a
46 financial institution. For purposes of this
47 subsection, "financial institution" means the same as
48 defined in section 527.2.

49 Sec. 127. Section 423.4, Code 2003, is amended by
50 adding the following new subsection:

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1 NEW SUBSECTION. 9A. Vehicles subject to
2 registration which are transferred from a corporation
3 that is primarily engaged in the business of leasing
4 vehicles subject to registration to a corporation that
5 is primarily engaged in the business of leasing
6 vehicles subject to registration when the transferor
7 and transferee corporations are part of the same
8 controlled group for federal income tax purposes.

9 Sec. 128. Section 435.26A, subsections 2 and 5, as
10 enacted by 2003 Iowa Acts, Senate File 134, section 7,
11 are amended to read as follows:

12 2. Upon receipt of a certificate of title from a
13 manufactured home owner, a county treasurer shall
14 notify the department of transportation that the
15 certificate of title has been surrendered, remove the
16 registration of title from the county treasurer's
17 records, and destroy the certificate of title.

18 The manufactured home owner or the owner's
19 representative shall provide to the county recorder
20 the identifying data of the manufactured home,
21 including the owner's name, the name of the
22 manufacturer, the model name, the year of manufacture,
23 and the serial number of the home, along with the
24 legal description of the real estate on which the
25 manufactured home is located. In addition, evidence
26 shall be provided of the surrender of the certificate
27 of title. After the surrender of the certificate of
28 title of a manufactured home under this section,
29 conveyance of an interest in the manufactured home
30 shall not require transfer of title so long as the
31 manufactured home remains on the same real estate
32 site.

33 5. An owner of a manufactured home who has
34 surrendered a certificate of title under this section
35 and requires another certificate of title for the
36 manufactured home is required to apply for a ~~bonded~~
37 certificate of title under ~~chapter 321~~ section 321.42.
38 If supporting documents for the reissuance of a title
39 are not available or sufficient, the procedure for the
40 reissuance of a title specified in the rules of the
41 department of transportation shall be used.

42 Sec. 129. Section 452A.2, Code 2003, is amended by
43 adding the following new subsection:

44 NEW SUBSECTION. 20A. "Nonterminal storage
45 facility" means a facility where motor fuel or special
46 fuel, other than liquefied petroleum gas, is stored
47 that is not supplied by a pipeline or a marine vessel.
48 "Nonterminal storage facility" includes a facility
49 that manufactures products such as alcohol, biofuel,
50 blend stocks, or additives which may be used as motor

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1 fuel or special fuel, other than liquefied petroleum
2 gas, for operating motor vehicles or aircraft.
3 Sec. 130. Section 453A.2, Code 2003, is amended by
4 adding the following new subsection:

5 NEW SUBSECTION. 5B. A tobacco compliance employee
6 training fund is created in the office of the
7 treasurer of state. The fund shall consist of civil
8 penalties assessed by the Iowa department of public
9 health under section 453A.22, for violations of this
10 section. Moneys in the fund are appropriated to the
11 alcoholic beverages division of the department of
12 commerce and shall be used to develop and administer
13 the tobacco compliance employee training program under
14 section 453A.2A. Moneys deposited in the fund shall
15 not be transferred, used, obligated, appropriated, or
16 otherwise encumbered except as provided in this
17 subsection. Notwithstanding section 8.33, any
18 unexpended balance in the fund at the end of the
19 fiscal year shall be retained in the fund.

20 Sec. 131. Section 453C.1, subsection 10, Code
21 2003, is amended to read as follows:

22 10. "Units sold" means the number of individual
23 cigarettes sold in the state by the applicable tobacco
24 product manufacturer, whether directly or through a
25 distributor, retailer, or similar intermediary or
26 intermediaries, during the year in question, as
27 measured by excise taxes collected by the state on
28 packs or roll-your-own tobacco containers ~~bearing the~~
29 ~~excise tax stamp of the state.~~ The department of
30 revenue and finance shall adopt rules as are necessary
31 to ascertain the amount of state excise tax paid on
32 the cigarettes of such tobacco product manufacturer
33 for each year.

34 Sec. 132. Section 453C.2, subsection 2, paragraph
35 b, subparagraph (2), Code 2003, is amended to read as
36 follows:

37 (2) To the extent that a tobacco product
38 manufacturer establishes that the amount the
39 manufacturer was required to place into escrow on
40 account of units sold in the state in a particular
41 year was greater than the state's allocable share of
42 the total payments that such manufacturer would have
43 been required to make in that year under the master
44 settlement agreement the master settlement agreement
45 payments, as determined pursuant to section IX(i) of
46 that agreement including after final determination of
47 all adjustments, that such manufacturer would have
48 been required to make on account of such units sold
49 had such manufacturer been a participating
50 manufacturer, as such payments are determined pursuant

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1 ~~to section IX(i)(2) of the master settlement agreement~~
2 ~~and before any of the adjustments or offsets described~~
3 ~~in section IX(i)(3) of that agreement other than the~~
4 ~~inflation adjustment, the excess shall be released~~
5 ~~from escrow and revert back to such tobacco product~~
6 ~~manufacturer.~~

7 Sec. 133. Section 455D.9, Code 2003, is amended by
8 adding the following new subsection:

9 NEW SUBSECTION. 1A. Yard waste may be accepted by
10 a sanitary landfill for land disposal if the sanitary
11 landfill operates an active methane collection system
12 that produces electricity.

13 Sec. 134. Section 476.33, Code 2003, is amended by
14 adding the following new subsection:

15 NEW SUBSECTION. 5. a. The board shall adopt
16 rules that require the board, in a rate regulatory
17 proceeding under sections 476.3 and 476.6, to consider
18 both of the following for inclusion in rates:

19 (1) Capital infrastructure investments that will
20 not produce significant additional revenues and will
21 be in service in Iowa within nine months after the
22 conclusion of the test year.

23 (2) Cost of capital changes that will occur within
24 nine months after the conclusion of the test year that
25 are associated with a new generating plant that has
26 been the subject of a ratemaking principles proceeding
27 pursuant to section 476.53.

28 b. This subsection is repealed effective July 1,
29 2007. However, any utilities board proceeding that is
30 pending on July 1, 2007, that is being conducted
31 pursuant to section 476.3 or 476.6 shall be completed
32 as if this section had not been repealed. Upon
33 repeal, the board may still consider the adjustments
34 addressed in this subsection, but shall not be
35 required to consider them.

36 Sec. 135. Section 505.7, Code 2003, is amended by
37 adding the following new subsection:

38 NEW SUBSECTION. 9. The commissioner may retain
39 funds collected during the fiscal year beginning July
40 1, 2003, pursuant to any settlement, enforcement
41 action, or other legal action authorized under federal
42 or state law for the purpose of reimbursing costs and
43 expenses of the division.

44 Sec. 136. Section 518.18, unnumbered paragraph 2,
45 Code 2003, is amended to read as follows:

46 1. ~~Two~~ The applicable percent of the gross amount
47 of premiums received during the preceding calendar
48 year, after deducting the amount returned upon the
49 canceled policies, certificates, and rejected
50 applications; and after deducting premiums paid for

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1 windstorm or hail reinsurance on properties
 2 specifically reinsured, ~~provided, however, that.~~
 3 However, the reinsurer of such windstorm or hail risks
 4 shall pay ~~two~~ the applicable percent of the gross
 5 amount of reinsurance premiums received upon such
 6 risks after deducting the amounts returned upon
 7 canceled policies, certificates, and rejected
 8 applications. For purposes of this section,
 9 "applicable percent" means the same as specified in
 10 section 432.1, subsection 4.

11 2. Except as provided in subsection 3, the premium
 12 tax shall be paid on or before March 1 of the year
 13 following the calendar year for which the tax is due.
 14 The commissioner of insurance may suspend the
 15 certificate of authority of a county mutual insurance
 16 association that fails to pay its premium tax on or
 17 before the due date.

18 3. a. Each county mutual insurance association
 19 transacting business in this state whose Iowa premium
 20 tax liability for the preceding calendar year was one
 21 thousand dollars or more shall remit on or before June
 22 1, on a prepayment basis, an amount equal to one-half
 23 of the premium tax liability for the preceding
 24 calendar year.

25 b. In addition to the prepayment amount in
 26 paragraph "a", each association shall remit on or
 27 before June 30, on a prepayment basis, an additional
 28 amount equal to the following percent of the premium
 29 tax liability for the preceding calendar year as
 30 follows:

31 (1) For prepayment in the 2003 and 2004 calendar
 32 years, eleven percent.

33 (2) For prepayment in the 2005 calendar year,
 34 twenty-six percent.

35 (3) For prepayment in the 2006 and subsequent
 36 calendar years, fifty percent.

37 c. The sums prepaid by a county mutual insurance
 38 association under this subsection shall be allowed as
 39 credits against its premium tax liability for the
 40 calendar year during which the payments are made. If
 41 a prepayment made under this subsection exceeds the
 42 annual premium tax liability, the excess shall be
 43 allowed as a credit against subsequent prepayment or
 44 tax liabilities. The commissioner of insurance may
 45 suspend the certificate of authority of an association
 46 that fails to make a prepayment on or before the due
 47 date.

48 Sec. 137. Section 518A.35, Code 2003, is amended
 49 to read as follows:

50 518A.35 ANNUAL TAX.

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1 1. A state mutual insurance association doing
2 business under this chapter shall on or before the
3 first day of March, each year, pay to the director of
4 revenue and finance, or a depository designated by the
5 director, a sum equivalent to ~~two~~ the applicable
6 percent of the gross receipts from premiums and fees
7 for business done within the state, including all
8 insurance upon property situated in the state without
9 including or deducting any amounts received or paid
10 for reinsurance. However, a company reinsuring
11 windstorm or hail risks written by county mutual
12 insurance associations is required to pay a ~~two~~ the
13 applicable percent tax on the gross amount of
14 reinsurance premiums received upon such risks, but
15 after deducting the amount returned upon canceled
16 policies and rejected applications covering property
17 situated within the state, and dividends returned to
18 policyholders on property situated within the state.
19 For purposes of this section, "applicable percent"
20 means the same as specified in section 432.1,
21 subsection 4.

22 2. Except as provided in subsection 3, the premium
23 tax shall be paid on or before March 1 of the year
24 following the calendar year for which the tax is due.
25 The commissioner of insurance may suspend the
26 certificate of authority of a state mutual insurance
27 association that fails to pay its premium tax on or
28 before the due date.

29 3. a. Each state mutual insurance association
30 transacting business in this state whose Iowa premium
31 tax liability for the preceding calendar year was one
32 thousand dollars or more shall remit on or before June
33 1, on a prepayment basis, an amount equal to one-half
34 of the premium tax liability for the preceding
35 calendar year.

36 b. In addition to the prepayment amount in
37 paragraph "a", each association shall remit on or
38 before June 30, on a prepayment basis, an additional
39 amount equal to the following percent of the premium
40 tax liability for the preceding calendar year as
41 follows:

42 (1) For prepayment in the 2003 and 2004 calendar
43 years, eleven percent.

44 (2) For prepayment in the 2005 calendar year,
45 twenty-six percent.

46 (3) For prepayment in the 2006 and subsequent
47 calendar years, fifty percent.

48 c. The sums prepaid by a state mutual insurance
49 association under this subsection shall be allowed as
50 credits against its premium tax liability for the

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1 calendar year during which the payments are made. If
2 a prepayment made under this subsection exceeds the
3 annual premium tax liability, the excess shall be
4 allowed as a credit against subsequent prepayment or
5 tax liabilities. The commissioner of insurance may
6 suspend the certificate of authority of an association
7 that fails to make a prepayment on or before the due
8 date.

9 Sec. 138. 2003 Iowa Acts, Senate File 453, section
10 30, if enacted, is amended by striking the section and
11 inserting in lieu thereof the following:

12 SEC. 30. CHARGE FOR RENT. For the fiscal year
13 beginning July 1, 2003, and ending June 30, 2004, the
14 department of administrative services, if established
15 in 2003 Iowa Acts, House File 534, shall transfer
16 \$900,000 to the general fund of the state from the
17 rent fund if established under section 8A.123 in 2003
18 Iowa Acts, House File 534.

19 Sec. 139. 2003 Iowa Acts, Senate File 453, section
20 35, if enacted, is amended to read as follows:

21 SEC. 35. CHARTER AGENCY APPROPRIATIONS.

22 1. Notwithstanding any provision of law to the
23 contrary, the total operating appropriations
24 reductions as allowed under section 7J.1 from the
25 general fund of the state to those departments and
26 agencies designated as charter agencies and additional
27 revenue to the general fund of the state attributed to
28 the reinvention process as determined by the
29 department of management above that already committed
30 to the general fund of the state generated for the
31 fiscal year beginning July 1, 2003, and ending June
32 30, 2004, as provided by the appropriation to those
33 agencies as enacted by the Eightieth General Assembly,
34 2003 Regular Session, shall be reduced by total
35 \$15,000,000. The department of management shall apply
36 the appropriation reductions, with a target of a 10
37 percent reduction for each charter agency, as
38 necessary to which along with additional generated
39 revenue shall achieve the overall reduction amount and
40 shall make this information available to the
41 legislative fiscal committee and the legislative
42 fiscal bureau. It is the intent of the general
43 assembly that appropriations to a charter agency in
44 subsequent fiscal years shall be similarly adjusted
45 from the appropriation that would otherwise have been
46 enacted.

47 2. There is appropriated from the general fund of
48 the state to the department of management for the
49 fiscal year beginning July 1, 2003, and ending June
50 30, 2004, the following amount, or so much thereof as

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1 is necessary, to be used for the purposes designated:
 2 For deposit in the charter agency ~~loan~~ grant fund
 3 created in section 7J.2:
 4 \$ 3,000,000

5 ~~3. For the fiscal year beginning July 1, 2003, and~~
 6 ~~ending June 30, 2004, if the actual amount of revenue~~
 7 ~~received by a charter agency exceeds the revenue~~
 8 ~~amount budgeted for that charter agency by the~~
 9 ~~governor and the general assembly, the charter agency~~
 10 ~~may consider the excess amount to be repayment~~
 11 ~~receipts as defined in section 8.2.~~

12 Sec. 140. Notwithstanding section 8.33,
 13 unencumbered and unobligated funds remaining from the
 14 appropriation made in 1996 Iowa Acts, chapter 1218,
 15 section 13, subsection 2, paragraph "a", subparagraph
 16 (2), as amended by 1997 Iowa Acts, chapter 215,
 17 section 3, and from the appropriation made in 1997
 18 Iowa Acts, chapter 215, section 4, subsection 1, shall
 19 not revert but shall be available for the purposes
 20 designated in those provisions until the close of the
 21 fiscal year beginning July 1, 2003.

22 Sec. 141. 2003 Iowa Acts, Senate File 453, section
 23 49, subsection 1, unnumbered paragraph 1, if enacted,
 24 is amended to read as follows:

25 The department of human services shall establish a
 26 work group in cooperation with representatives of the
 27 insurance industry and members of the medical
 28 assistance advisory council to develop a plan for the
 29 redesign of the medical assistance program. In
 30 developing the redesign plan, the work group shall
 31 consider all of the following:

32 Sec. 142. 2003 Iowa Acts, Senate File 453, section
 33 121, if enacted, is amended to read as follows:

34 SEC. 121. EFFECTIVE DATE. This division of this
 35 Act, creating the Iowa lottery authority, takes effect
 36 ~~September~~ July 1, 2003.

37 Sec. 143. Sections 266.8, 266.24, 266.25, and
 38 266.26, Code 2003, are repealed.

39 Sec. 144. REPORT ON FEDERAL ELECTION LAW
 40 IMPLEMENTATION. The state committee, if formed, shall
 41 develop a plan for compliance with the federal Help
 42 America Vote Act, Pub. L. No. 107-252, and the state
 43 committee, in conjunction with the state commissioner
 44 of elections, shall provide quarterly updates to the
 45 Senate and House of Representatives standing
 46 committees on government oversight on the status of
 47 the implementation of Pub. L. No. 107-252.

48 Sec. 145. SALE OF DEPARTMENT OF CORRECTIONS' REAL
 49 PROPERTY.

50 1. Immediately after the effective date of this

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1 section, the department of corrections shall develop a
2 plan to sell, at market value, the twenty-acre tract
3 of undeveloped land adjacent to the Iowa correctional
4 institution for women to any municipality with a
5 population of less than twenty thousand persons. The
6 plan shall include the sale of the tract of land
7 within a commercially reasonable time. The sale shall
8 be negotiated by the department and shall be handled
9 in a manner that is financially beneficial to the
10 department. The department shall as a condition of
11 the sale to the municipality require that the land not
12 be sold by the municipality for a period of ninety-
13 nine years unless the land is resold back to the
14 state. Appraisals conducted by the department of the
15 value of the land shall be made available to the
16 public immediately following the sale of the tract of
17 land. If the department is unable to negotiate a
18 financially beneficial sale, the tract of land shall
19 not be sold, and the department shall provide the
20 legislative fiscal bureau with the reasons the sale
21 did not occur.

22 2. The proceeds from the sale of the property as
23 provided in subsection 1 shall be retained by the
24 department of corrections to be used for correctional
25 facilities. The costs incident to the sale of the
26 tract of land including, but not limited to,
27 appraisals, invitations for offers, abstracts, and
28 other necessary costs, may be paid from the proceeds
29 of the sale or from moneys appropriated for support
30 and maintenance to the institution at which the real
31 estate is located.

32 3. The provisions of section 904.317 shall not
33 apply to the sale of the tract of land sold in
34 accordance with this section.

35 Sec. 146. SALES AND USE TAX REFUND.

36 1. Notwithstanding the one-year application period
37 provided for in section 422.45, subsection 7,
38 paragraph "b", an application by a city with a
39 population between 550 and 625 located entirely in a
40 county with a population between 39,750 and 41,750 for
41 a refund of sales, services, or use tax paid upon any
42 goods, wares, or merchandise, or services rendered,
43 furnished, or performed and used in the performance of
44 contracts involving a street construction project and
45 a sewer project is considered timely filed under
46 section 422.45, subsection 7, if the application for
47 refund is filed with the department of revenue and
48 finance on or before August 1, 2003.

49 2. Notwithstanding the amount applied for under
50 subsection 1, the amount of a refund paid under this

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1 section shall not exceed \$15,000.

2 Sec. 147. SCHOOL DISTRICT REIMBURSEMENT CLAIM.

3 1. Any school district located in a county with a
4 population between 11,550 and 12,000 is authorized to
5 refile a claim for state reimbursement of the costs of
6 providing vocational education programs at the
7 secondary level in its district notwithstanding the
8 denial of its previously filed claim with the state
9 appeal board if the claim is filed by October 1, 2003.
10 Such claim shall be considered timely filed
11 notwithstanding any provision of law.

12 2. If the claim filed pursuant to subsection 1 is
13 a valid claim for state reimbursement, the claim shall
14 be paid subject to the following:

15 a. The amount of costs reimbursed shall not exceed
16 6.5 percent.

17 b. Any amount reimbursed pursuant to any
18 previously filed claim relating to the same costs
19 shall not be included.

20 c. The total amount reimbursed under this section
21 shall not exceed \$6,000.

22 Sec. 148. COORDINATION OF PUBLIC TRANSPORTATION
23 STUDY. The state department of transportation shall
24 conduct a study and prepare a report pertaining to
25 administrative efficiencies that may be gained by the
26 coordination of transit management and maintenance
27 systems in the areas of school transportation, public
28 transit, and other forms of public transportation.
29 The report shall be provided to the general assembly
30 by December 31, 2003.

31 Sec. 149. SUPPLEMENTAL PAYMENT ADJUSTMENTS FOR
32 PHYSICIAN SERVICES. To the extent that, pursuant to
33 law enacted by the Eightieth General Assembly, 2003
34 Session, supplemental payment adjustments are
35 implemented for physician services provided to medical
36 assistance program participants at publicly owned
37 acute care hospitals, the department of human services
38 shall not, directly or indirectly, recoup the
39 supplemental payment adjustments for any reason,
40 unless an amount equivalent to the amount of
41 adjustment funds that were transferred to the
42 department by the state university of Iowa college of
43 medicine is transferred by the department to the
44 qualifying physicians.

45 Sec. 150. UTILITIES BOARD REVIEW. The utilities
46 board shall initiate and coordinate a review of
47 current ratemaking procedures to determine whether
48 different procedures would be cost-effective and would
49 result in rates that more accurately reflect a
50 utility's cost of providing service to its customers

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1 in Iowa. The board shall allow the consumer advocate
2 division of the department of justice, the rate-
3 regulated utilities, and other interested persons to
4 participate in its review. The board shall report the
5 results of its review to the general assembly, with
6 recommendations as appropriate, on or before January
7 5, 2004.

8 Sec. 151. USE OF TEAM-BASED VARIABLE PAY MONEYS
9 FOR FY 2003-2004. Notwithstanding section 284.13,
10 subsection 1, paragraph a, of the moneys reserved for
11 purposes of team-based variable pay for the fiscal
12 year beginning July 1, 2003, and ending June 30, 2004,
13 the sum of two hundred thousand dollars shall be used
14 for purposes of the reading instruction pilot program
15 established pursuant to 2003 Iowa Acts, House File
16 549, if enacted.

17 Sec. 152. FULL-SIZE OFF-HIGHWAY VEHICLE
18 REGISTRATION PROGRAM -- PLAN. The department of
19 natural resources and the state department of
20 transportation, in consultation with the Iowa
21 association of four wheel drive clubs, shall develop a
22 plan for the establishment of a registration program
23 for full-size off-highway vehicles for the purposes of
24 regulating the recreational use of full-size off-
25 highway vehicles and establishing a full-size off-
26 highway vehicle recreation area in the state. The
27 plan shall include an analysis of the number of full-
28 size off-highway vehicles expected to be registered
29 prior to the establishment of a full-size off-highway
30 vehicle recreation area and the number of
31 registrations expected after the establishment of such
32 a facility. The plan shall also include optimum
33 locations for a full-size off-highway vehicle
34 recreation area, estimated costs, if any, for
35 maintenance of the area, and any other issues the
36 departments and the association deem to be of
37 importance in the planning process. The plan, which
38 shall include any proposed legislation for
39 implementation of the plan, shall be submitted to the
40 legislative services agency and the general assembly
41 no later than January 1, 2004.

42 Sec. 153. ELIMINATION OF POSITION -- IOWA LAW
43 ENFORCEMENT ACADEMY DIRECTOR. The merit position of
44 director of the Iowa law enforcement academy referred
45 to in section 80B.5, Code 2003, is eliminated
46 effective April 30, 2004.

47 Sec. 154. SEVERABILITY.

48 1. If this entire Act or any portion of section
49 453C.2, subsection 2, paragraph "b", subparagraph (2),
50 as amended in this Act, is held by a court of

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1 competent jurisdiction to be unconstitutional, section
2 453C.2, subsection 2, paragraph "b", subparagraph (2),
3 is repealed in its entirety.

4 2. If section 453C.2, subsection 2, paragraph "b",
5 subparagraph (2), is repealed pursuant to subsection 1
6 and a court of competent jurisdiction subsequently
7 finds that section 453C.2, subsection 2, paragraph
8 "b", is unconstitutional due to such repeal, section
9 453C.2, subsection 2, paragraph "b", subparagraph (2),
10 Code 2003, shall be restored.

11 3. Any holding of unconstitutionality or any
12 repeal of section 453C.2, subsection 2, paragraph "b",
13 subparagraph (2), as amended in this Act, or of
14 section 453C.2, subsection 2, paragraph "b",
15 subparagraph (2), Code 2003, shall not affect, impair,
16 or invalidate any other portion of section 453C.2 or
17 the application of that section to any other person or
18 circumstance, and the remaining portions of section
19 453C.2, shall continue in full force and effect.

20 Sec. 155. FEDERAL HOUSING MONEYS. Any federal
21 moneys received by the department of economic
22 development for the community development block grant
23 program that are allocated for housing and any federal
24 moneys received for the HOME investment partnership
25 program shall be coordinated with projects within the
26 housing trust fund established in section 16.181, if
27 enacted.

28 Sec. 156. SMALLPOX VACCINATIONS. It is the intent
29 of the general assembly that public safety workers,
30 smallpox response teams, and others who will be
31 required to be vaccinated pursuant to the federal
32 Homeland Security Act be protected from both health-
33 related and other results of the federally required
34 vaccination. The emergency management division of the
35 Iowa department of public defense and local
36 governments should work with employees in the public
37 safety areas or response teams to achieve the
38 following:

39 1. Vaccinations should be given only on a
40 voluntary basis.

41 2. Extensive screening should be employed to
42 protect those workers who would be at risk from
43 current health conditions if vaccinated.

44 3. Reprisals or discrimination for workers not
45 voluntarily receiving vaccinations should be
46 prohibited.

47 4. Public employers should protect employees from
48 loss of income or seniority as a result of side
49 effects from vaccinations. Homeland security moneys
50 received by the emergency management division of the

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1 Iowa department of public defense from the federal
2 government should include a set-aside to purchase
3 supplemental insurance for public safety or response
4 employees to cover those reactions not covered by
5 traditional employer-provided health insurance.

6 5. Disability or long-term reactions from
7 vaccinations should be considered a work-related
8 injury and should be covered by local or state
9 policies governing disability.

10 6. Vaccinations should be scheduled at staggered
11 times to allow for normal loss of staff time because
12 of vaccination-related illnesses without seriously
13 hampering public safety service.

14 7. Vaccinations administered in Iowa should meet
15 the requirements of the federal Needlestick Safety and
16 Prevention Act of 2000 that requires safety features
17 in the use of needles to administer medicine.

18 8. The emergency management division of the Iowa
19 department of public defense should coordinate efforts
20 to ensure adequate supplies of vaccinia immune
21 globulin and cidofovir and other appropriate medical
22 care and pharmaceuticals to protect those employees
23 who suffer reactions to vaccinations.

24 Sec. 157. CODE EDITOR DIRECTIVE. The Code editor
25 shall change the name of the department of public
26 defense, emergency management division, to the
27 department of public defense, homeland security and
28 emergency management division, in chapter 29C and
29 elsewhere throughout the Code, including references to
30 the division made in law enacted by the Eightieth
31 General Assembly, 2003 Regular Session and other
32 enactments.

33 Sec. 158. RECORDING AND TRANSACTION FEE REPORT.
34 The treasurer of state shall submit a report to the
35 governor and general assembly on or before December 1,
36 2003, detailing the amount of fees collected statewide
37 pursuant to section 331.604 in each fiscal year of the
38 period beginning July 1, 2000, and ending June 30,
39 2003, and the amount of electronic transaction fees
40 collected statewide for the period beginning July 1,
41 2003, and ending September 30, 2003, pursuant to
42 section 331.605C, if enacted by 2003 Iowa Acts, Senate
43 File 453, section 25.

44 Sec. 159. EFFECTIVE DATES. The following
45 provisions of this division of this Act, being deemed
46 of immediate importance, take effect upon enactment:

47 1. The amendments to sections 8.23, 8.31, and 8.57
48 which are first applicable to appropriations made for
49 the fiscal year beginning July 1, 2003.

50 2. The amendment to section 12E.12.

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1 3. The amendments to sections 15E.42, 15E.43,
2 15E.45, and 15E.51, which apply retroactively to
3 January 1, 2002, for tax years beginning on or after
4 that date.

5 4. The amendment to section 15E.193B.

6 5. The amendment to section 435.26A.

7 6. The amendment to section 453A.2, which shall
8 only take effect if 2003 Iowa Acts, Senate File 401,
9 is enacted by the Eightieth General Assembly, 2003
10 Regular Session.

11 7. The amendments to sections 453C.1 and 453C.2
12 and the related severability provision.

13 8. The amendments to sections 518.18 and 518A.35.

14 9. The section directing the department of
15 corrections to develop a plan for selling certain
16 land.

17 10. The section relating to the sales and use tax
18 refund.

19 11. The section relating to the school district
20 reimbursement claim.

21 The sections of this division of this Act amending
22 section 80B.5 and enacting section 80B.5A are
23 applicable to the appointment of the director of the
24 Iowa law enforcement academy for the term beginning
25 May 1, 2004.

26 Section 29C.8, subsection 3, paragraph "f", as
27 enacted in this division of this Act, and the
28 amendment to section 29C.20, subsection 1, as enacted
29 in this division of this Act, take effect July 1,
30 2004.

DIVISION VIII

MEDICAL ASSISTANCE PROGRAM

33 Sec. 160. Section 135C.31A, if enacted by 2003
34 Iowa Acts, House File 619, section 2, is amended to
35 read as follows:

36 135C.31A ASSESSMENT OF RESIDENTS -- PROGRAM
37 ELIGIBILITY.

38 Beginning July 1, 2003, a health care facility
39 receiving reimbursement through the medical assistance
40 program under chapter 249A shall assist the Iowa
41 commission of veterans affairs in ~~determining, prior~~
42 ~~to the initial~~ identifying, upon admission of a
43 resident, the ~~prospective~~ resident's eligibility for
44 benefits through the federal department of veterans
45 affairs. The health care facility shall also assist
46 the Iowa commission of veterans affairs in determining
47 such eligibility for residents residing in the
48 facility on July 1, 2003. The department of
49 inspections and appeals, in cooperation with the
50 department of human services, shall adopt rules to

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1 administer this section, including a provision that
2 ensures that if a resident is eligible for benefits
3 through the federal department of veterans affairs or
4 other third-party payor, the payor of last resort for
5 reimbursement to the health care facility is the
6 medical assistance program. This section shall not
7 apply to the admission of an individual to a state
8 mental health institute for acute psychiatric care.

9 Sec. 161. Section 249A.20A, if enacted by 2003
10 Iowa Acts, House File 619, section 3, is amended by
11 adding the following new subsection:

12 NEW SUBSECTION. 5A. The department shall adopt
13 rules to provide a procedure under which the
14 department and the pharmaceutical and therapeutics
15 committee may disclose information relating to the
16 prices manufacturers or wholesalers charge for
17 pharmaceuticals. The procedures established shall
18 comply with 42 U.S.C. § 1396r-8 and with chapter 550.

19 Sec. 162. Section 249A.20B, if enacted by 2003
20 Iowa Acts, House File 619, section 4, is amended by
21 adding the following new subsection:

22 NEW SUBSECTION. 5A. The department of human
23 services shall provide a reimbursement to nursing
24 facilities under this section. The reimbursement
25 amount shall be calculated as a per patient day amount
26 and shall be paid to nursing facilities in addition to
27 the reimbursement payment specified in 2001 Iowa Acts,
28 chapter 192, section 4, subsection 2, paragraph "c".

29 Sec. 163. 2003 Iowa Acts, House File 619, section
30 5, if enacted, is amended by striking the section and
31 inserting in lieu thereof the following:

32 SEC. 5. CASE MANAGEMENT PROGRAM FOR FRAIL ELDERS.

33 1. The general assembly finds that the existing
34 case management program for frail elders administered
35 by the department of elder affairs is an important
36 component of the long-term care system in this state.
37 The program emphasizes the independence and dignity of
38 the individual while providing services in a cost-
39 effective manner.

40 2. The purposes of the case management program for
41 frail elders include all of the following:

42 a. To provide planning, policy development,
43 coordination, and administrative oversight.

44 b. To provide assistance in the form of assessment
45 and care coordination under circumstances in which an
46 elder or the elder's caregiver is experiencing
47 diminished functional capacity or other conditions
48 that require the provision of services by professional
49 service providers.

50 c. To maintain a system that focuses on the

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1 delivery of home and community-based services that
2 emphasize individual independence, individual needs
3 and desires, and consumer-driven quality of services.
4 3. It is the intent of the general assembly that
5 the department of elder affairs in collaboration with
6 the department of human services, area agencies on
7 aging, advocacy groups, industry representatives, and
8 consumers submit recommendations to the general
9 assembly by October 1, 2003, regarding the redesigning
10 of the case management program for the frail elderly
11 including preadmission screening methodologies, level
12 of care determinations and ongoing methodologies for
13 the coordination, provision, and delivery of home and
14 community-based services.

15 4. It is also the intent of the general assembly
16 that the department of elder affairs and the
17 department of human services coordinate efforts to
18 resolve issues relating to level of care
19 determinations no later than October 1, 2003.

20 Sec. 164. 2003 Iowa Acts, House File 619, section
21 7, subsection 4, paragraph b, if enacted, is amended
22 to read as follows:

23 b. Pharmacies and providers that are enrolled in
24 the medical assistance program shall make available
25 drug acquisition cost information, product
26 availability information, and other information deemed
27 necessary by the department for the determination of
28 reimbursement rates and the efficient operation of the
29 pharmacy benefit. Pharmacies and providers shall
30 produce and submit the requested information in the
31 manner and format requested by the department or its
32 designee at no cost to the department or designee.
33 Pharmacies and providers shall submit information to
34 the department or its designee within thirty days
35 following receipt of a request for information unless
36 the department or its designee grants an extension
37 upon written request of the pharmacy or provider.
38 Notwithstanding the required provision of information
39 by pharmacies and providers under this paragraph, if
40 the department is able to obtain any of the
41 information required to be provided under this
42 paragraph in an alternative manner, through which the
43 department is ensured of the validity and accuracy of
44 the information and of the timely submission of the
45 information, the department may instead obtain the
46 information in the alternative manner. Chapter 550
47 shall apply to the information provided by pharmacies
48 and providers under this paragraph.

49 Sec. 165. 2003 Iowa Acts, House File 619, section
50 9, if enacted, is amended to read as follows:

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1 SEC. 9. NURSING FACILITY REIMBURSEMENT.

2 Notwithstanding 2001 Iowa Acts, chapter 192, section
3 4, subsection 2, paragraph "c", and subsection 3,
4 paragraph "a", subparagraph (2), if projected state
5 fund expenditures for reimbursement of nursing
6 facilities for the fiscal year beginning July 1, 2003,
7 in accordance with the reimbursement rate specified in
8 2001 Iowa Acts, chapter 192, section 4, subsection 2,
9 paragraph "c", ~~exceeds~~ exceed \$147,252,856, the
10 department shall adjust the inflation factor of the
11 reimbursement rate calculation to provide
12 reimbursement within the amount ~~projected~~ specified in
13 this section. The department, in consultation with
14 nursing facility representatives, shall review the
15 projections on a quarterly basis to determine if an
16 interim adjustment is necessary in order to provide
17 reimbursement within the amount specified in this
18 section. In reviewing the projections, the department
19 shall consider the savings from the reduction in bed
20 hold payments, elimination of crossover claims, and
21 increases in Medicare part A utilization.

22 Sec. 166. 2003 Iowa Acts, House File 619, section
23 12, subsections 2 and 3, if enacted, are amended to
24 read as follows:

25 2. The department of human services, in
26 cooperation with the department's fiscal agent and in
27 consultation with a chronic care ~~management resource~~
28 ~~group~~ consortium, shall profile medical assistance
29 recipients within a select number of disease diagnosis
30 categories. The assessment shall focus on those
31 diagnosis areas that present the greatest opportunity
32 for impact to improved care and cost reduction.

33 3. The department of human services, in
34 consultation with a chronic care ~~management resource~~
35 ~~group~~ consortium, shall conduct a chronic disease
36 management pilot project for a select number of
37 individuals who are participants in the medical
38 assistance program. The project shall focus on a
39 select number of chronic diseases which may include
40 congestive heart failure, diabetes, and asthma. The
41 initial pilot project shall be implemented by October
42 1, 2003.

43 Sec. 167. 2003 Iowa Acts, House File 619, section
44 12, subsection 4, if enacted, is amended by striking
45 the subsection and inserting in lieu thereof the
46 following:

47 4. The department of human services may procure a
48 sole source contract with a vendor to manage
49 individuals with select chronic diseases following the
50 conclusion of the profiling of medical assistance

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1 recipients. The management of chronic diseases for
2 individuals under this subsection may be coordinated
3 with the pilot project established in subsection 3.

4 Sec. 168. 2002 Iowa Acts, Second Extraordinary
5 Session, chapter 1003, section 110, is amended by
6 adding the following new paragraph:

7 NEW UNNUMBERED PARAGRAPH. Notwithstanding section
8 8.33, up to \$2,400,000 of the funds appropriated in
9 this section that remain unencumbered or unobligated
10 at the close of the fiscal year shall not revert but
11 shall remain available in the succeeding fiscal year
12 to be used for additional field operations, full-time
13 equivalent positions and general administration. Four
14 hundred thousand dollars of this amount shall be used
15 for eight full-time equivalent positions to provide a
16 case manager in each of the judicial districts to
17 provide coordination of services for families that
18 have a history of methamphetamine abuse and \$400,000
19 of this amount shall be used for general
20 administration.

21 Sec. 169. VETERANS -- DIRECTIVE. The commission
22 of veterans affairs shall work with the commandant of
23 the Iowa veterans home, the department of human
24 services, and the department of inspections and
25 appeals to identify the residents of health care
26 facilities who may be eligible for benefits through
27 the federal department of veterans affairs pursuant to
28 section 135C.31A, if enacted by 2003 Iowa Acts, House
29 File 619.

30 Sec. 170. The section of this division of this Act
31 amending 2002 Iowa Acts, Second Extraordinary Session,
32 chapter 1003, section 110, relating to certain federal
33 temporary assistance for needy families block grant
34 funding, takes effect upon enactment.

35 DIVISION IX

36 Sec. 171. PURPOSE AND DEFINITIONS.

37 1. PURPOSE. The general assembly finds that the
38 Iowa communications network is a valuable state asset
39 that has served the people of the state well, but
40 which requires significant ongoing financial support
41 from the state in the form of annual appropriations.
42 The operation of a telecommunications network is a
43 function that can be and generally is conducted by
44 private enterprise. It is in the public interest to
45 sell the Iowa communications network to a qualified
46 private business enterprise that will commit to
47 provide the same secure low-cost high-quality service
48 to state and federal agencies and military
49 installations now provided by the network. Through
50 such a sale, the state would eliminate the need for

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1 ongoing annual appropriations while preserving the key
2 benefits enjoyed by the state under the present state
3 ownership of the network. The state also expects to
4 obtain sufficient proceeds from such a sale to cover
5 existing obligations and to realize additional
6 proceeds above the level of such obligations. Given
7 the current depressed state of the telecommunications
8 industry, the state can reasonably be expected to
9 maximize sales proceeds by allowing a purchaser a
10 period of time in which to assemble financing for its
11 purchase. During the interim between enactment of
12 this division of this Act and completion of a sale,
13 the services of a private-enterprise manager with
14 experience operating telecommunications networks can
15 reasonably be expected to reduce the costs of
16 operating the Iowa communications network, thereby
17 lowering annual appropriations.

18 2. DEFINITIONS. As used in this division of this
19 Act, unless the context otherwise requires:

20 a. "Board" means the state network privatization
21 board.

22 b. "Commission" means the Iowa telecommunications
23 and technology commission established in section 8D.3
24 to oversee the operations of the network.

25 c. "Management contract" means an agreement
26 between the board and the manager for services to
27 oversee and operate the network on behalf of the
28 state.

29 d. "Manager" means the private entity selected by
30 the board to oversee and operate the network on behalf
31 of the state.

32 e. "Network" means the Iowa or state
33 communications network as defined in section 8D.2.

34 f. "Out-of-pocket expenses" means moneys paid to
35 an unaffiliated third party for engineering, legal,
36 consulting, or other services or goods by a manager or
37 purchaser.

38 g. "Purchaser" means the entity that is selected
39 by the board to purchase the network from the state.

40 h. "Required third-party approval" means any
41 consent, conveyance, approval, or waiver that must be
42 granted by a private, governmental, or quasi-
43 governmental third party in order for the purchaser to
44 receive clear title to all network assets and the
45 right to use the network assets free of adverse
46 claims. Required third-party approvals include but
47 are not limited to all of the following:

48 (1) Approvals of assignments to the purchaser of
49 the state's rights under leases or contracts between
50 the state and the third party.

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1 (2) Conveyance to the purchaser of property that
2 the third party currently leases to the state on a
3 term with less than fifteen years remaining.

4 (3) Release of restrictions in contracts that
5 require that the state operate the network.

6 i. "Sales contract" means the contract between the
7 state as seller, represented by the board, and the
8 purchaser, for sale of the network to the purchaser.

9 Sec. 172. STATE NETWORK PRIVATIZATION BOARD
10 CREATED -- DUTIES.

11 1. A state network privatization board is created.
12 The board shall consist of the following members:

13 a. A chairperson member appointed by the
14 legislative council, subject to confirmation by the
15 senate.

16 b. A member, who shall not be of the same
17 political party as the chairperson, appointed by the
18 governor subject to confirmation by the senate.

19 c. The adjutant general or the adjutant general's
20 designee.

21 2. The board shall do all of the following:

22 a. Issue a request for proposals from qualified
23 entities interested in serving as the manager of the
24 network. This request for proposals shall be issued
25 by July 1, 2004, and responses to the request for
26 proposals shall be due by August 1, 2004.

27 b. Select a manager and enter into a management
28 contract with the manager by October 1, 2004. The
29 management contract shall provide for the continuation
30 of all services currently being provided to state and
31 federal agencies and military installations pursuant
32 to chapter 8D, at the rates specified therein, for the
33 duration of the contract. The contract shall also
34 specify the manager's authority in relation to the
35 duties of the commission during the period between
36 execution of the management contract and closing of
37 the sale of the network. The commission shall
38 establish a dispute resolution process regarding rate
39 increases, quality of service issues, and other areas
40 of dispute involving network subscribers. The
41 commission shall also make recommendations regarding
42 imposition of an ongoing dispute resolution and
43 appeals process commencing with the closing of the
44 sale of the network.

45 c. Issue a request for proposals from qualified
46 entities for the purchase of the network. This
47 request for proposals shall be issued by January 1,
48 2005, and responses to the request for proposals shall
49 be due by May 1, 2005.

50 d. Utilizing the criteria set forth in sections

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1 173 and 174 of this Act, select a purchaser and enter
2 into a sales contract with the purchaser by October 1,
3 2005.

4 e. Immediately upon execution of the management
5 contract and the sales contract by the majority of the
6 board, transmit the executed contract to the general
7 assembly and to the governor. The board shall have
8 full authority to enter into the management contract
9 and the sales contract on behalf of the state,
10 provided that the general assembly by legislation
11 enacted regarding the specific purchase and approved
12 by the governor, within thirty days after transmittal
13 to the general assembly and the governor in the case
14 of the management contract, and within sixty days
15 after transmittal to the general assembly and the
16 governor in the case of the sales contract, may
17 disapprove the board's action, in which case the
18 disapproved contract shall have no force and effect.
19 In the event of such disapproval, the state shall pay
20 the manager or the purchaser, as the case may be,
21 reasonable out-of-pocket expenses incurred in
22 preparing a proposal and performing prior to
23 disapproval, but such expenses shall not exceed two
24 hundred thousand dollars in the case of disapproval of
25 the management contract and five hundred thousand
26 dollars in the case of disapproval of the sales
27 contract.

28 f. Cause the sales contract to require closing by
29 October 1, 2007, allowing time for the state to obtain
30 third-party approvals as required by section 176 of
31 this Act, including the filing of any necessary
32 eminent domain actions, and for the purchaser to
33 secure financing.

34 g. Execute all necessary documents relating to the
35 closing of the sale of the network. The board may
36 direct any other applicable official to assist in the
37 execution of necessary documents relating to the
38 closing.

39 h. Require by written directive that all state
40 officials provide information and records concerning
41 the network to the board, to the manager, or to a
42 person submitting a proposal to purchase the network,
43 whenever the board requires such provision of such
44 records and other information.

45 i. Take all other steps necessary and proper as
46 needed to carry out its responsibilities enumerated in
47 this subsection. The board may adopt necessary rules
48 pursuant to chapter 17A to administer this division of
49 this Act.

50 Sec. 173. MINIMUM QUALIFICATIONS OF PURCHASER.

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1 The purchaser shall meet the following requirements:

2 1. The principal place of business of the
3 purchaser and any parent of the purchaser shall be
4 located in the state of Iowa.

5 2. For national security reasons, and because of
6 the extensive military use of the network, the
7 purchaser shall possess national security approval.

8 Sec. 174. CRITERIA FOR SELECTION OF PURCHASER.

9 After issuing a request for proposals for the purchase
10 of the network and considering the proposals received,
11 the board shall select the highest and best offer for
12 purchase of the network from those persons submitting
13 proposals which meet all of the following criteria:

14 1. Satisfy the minimum qualifications of this
15 division of this Act.

16 2. Submit a proposal in compliance with the
17 request for proposals.

18 3. Demonstrate a likelihood of being able to
19 obtain any financing necessary to close the
20 transaction. However, the board shall not require
21 that the purchaser have a commitment for financing to
22 award the contract, but shall allow the purchaser at
23 least one year to obtain any necessary financing. The
24 board may also in its discretion consider proposals
25 involving financing of the sale by the state.

26 4. Agree to continue all services currently being
27 provided to state and federal agencies and military
28 installations for the next ten years, with any annual
29 rate increase not to exceed five percent per year,
30 provided that the purchaser shall not be required to
31 supply at such restricted prices a quantity or quality
32 of service greater than that provided by the network
33 as of execution of the contract for sale of the
34 network.

35 Sec. 175. CLOSING OF SALE. Any debt of the state
36 related to the network or other liens against network
37 assets shall be discharged out of the state's proceeds
38 of closing, so that the purchaser receives marketable
39 title to the network. The purchaser shall receive
40 bills of sale, in the case of personal property, and
41 deeds, in the case of real property, transferring all
42 network assets to the purchaser. The state shall also
43 transfer its interest in right-of-way and leases and
44 easements for uses of rights-of-way.

45 Sec. 176. THIRD-PARTY APPROVALS.

46 1. The state shall exercise all reasonable efforts
47 to obtain each required third-party approval,
48 including where necessary by use of eminent domain
49 proceedings. To the extent feasible, the state may
50 pay the costs of obtaining required third-party

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1 approvals out of the proceeds of sale rather than from
2 the general fund of the state. In the event the state
3 fails to obtain a required third-party approval, the
4 purchaser may terminate the sales contract without
5 penalty and shall be reimbursed by the state for
6 reasonable out-of-pocket expenses incurred in
7 preparing its proposal and fulfilling its obligations
8 under the sales contract, not to exceed two million
9 dollars.

10 2. The board and the purchaser shall develop a
11 list of required third-party approvals and persons who
12 may have claims that would constitute required third-
13 party approvals if valid. The board shall mail to
14 each person on the list at their last known address a
15 notice that provides a description of the sale and
16 invites the recipient to submit a claim on a form
17 developed by the board by a deadline set by the board.
18 The claim or interest of any person who fails to
19 timely file a claim shall be deemed discharged and
20 forfeited, and such person shall be forever barred and
21 estopped from taking any action against the state or
22 purchaser that would in any way interfere with the
23 purchaser's use of the network. In addition, the
24 board shall publish the notice in newspapers of
25 general circulation in the state of Iowa, and failure
26 to file a timely claim shall bar all persons whose
27 rights could constitutionally be affected by such
28 notice, just as if such person had been mailed notice.

29 3. Any eminent domain or other proceeding to
30 obtain a required third-party approval shall be
31 promptly filed by the attorney general at the request
32 of the board and shall be added to the calendar of any
33 trial or appellate court of this state so that the
34 deadline in section 172 of this Act for closing the
35 sale can be met.

36 Sec. 177. REMOVAL OF RESTRICTIONS -- REPEAL OF
37 CHAPTER 8D. Chapter 8D is repealed, effective as of
38 the date of the closing of the sale of the network
39 under this division of this Act, as certified by the
40 chairperson of the board to the governor.

41 Sec. 178. ASSISTANCE OF OTHER STATE AGENCIES.

42 1. The attorney general shall provide legal advice
43 to the board.

44 2. All other state agencies shall provide whatever
45 assistance may reasonably be required by the board in
46 carrying out its duties under this division of this
47 Act.

48 DIVISION X

49 GOVERNMENT ORGANIZATION REVIEW COMMITTEE

50 Sec. 179. Section 331.264, subsection 1,

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1 unnumbered paragraph 1, and paragraphs a through d, if
2 enacted by 2003 Iowa Acts, Senate File 390, section
3 25, is amended to read as follows:

4 A local government organization review committee
5 may be created in a county having a population in
6 excess of one hundred thousand. The committee shall
7 be composed of the following members:

8 a. Three city council members appointed by the
9 city council of each participating city with a
10 population of twenty-five thousand or more.

11 b. Three county supervisors appointed by the
12 county board of supervisors.

13 c. One city council member appointed by each
14 participating city with a population of less than
15 twenty-five thousand.

16 d. One member shall be appointed by each state
17 legislator whose legislative district is located in
18 the county if a majority of the constituents of that
19 legislative district reside in the county. However,
20 if a county does not have a state representative's
21 legislative district which has a majority of a state
22 representative's constituency residing in the county,
23 the state representative having the largest plurality
24 of constituents residing in the county shall appoint a
25 member. The member appointed by each state legislator
26 shall be a person who is not holding elected office
27 and who is a resident of the legislative district of
28 the state legislator. If any portion more than one-
29 half of the population of a legislative district is in
30 the unincorporated area of the county, the member
31 appointed by that legislator shall be a resident of
32 the unincorporated area of the county.

33 Sec. 180. EFFECTIVE DATE. This division of this
34 Act, being deemed of immediate importance, takes
35 effect upon enactment."

36 2. Title page, by striking lines 1 through 4 and
37 inserting the following: "An Act relating to public
38 expenditure and regulatory matters, compensating
39 public employees, making and reducing appropriations,
40 modifying sales and use taxes, modifying the
41 investment tax credits and premium taxes on mutual
42 insurance associations, providing for related matters,
43 making penalties applicable, and providing effective
44 dates."

By DIX of Butler

H-1612 FILED MAY 1, 2003

ADOPTED 5/1/03