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SENATE FILE 2298
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SSB 3169)

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

A BILL FOR

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

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

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SF 2298

APPROPRIATIONS

1 DIVISION I

2 ADMINISTRATION AND REGULATION

3 Section 1. DEPARTMENT OF ADMINISTRATIVE SERVICES. There
4 is appropriated from the general fund of the state to the
5 department of administrative services for the fiscal year
6 beginning July 1, 2004, and ending June 30, 2005, the
7 following amounts, or so much thereof as is necessary, to be
8 used for the purposes designated:

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

12 \$ 4,564,351
13 FTEs 233.95

14 UTILITY COSTS

15 2. For the payment of utility costs:

16 \$ 2,576,000

17 Notwithstanding section 8.33, any excess funds appropriated
18 for utility costs in this subsection shall not revert to the
19 general fund of the state at the end of the fiscal year but
20 shall remain available for expenditure for the purposes of
21 this subsection during the fiscal year beginning July 1, 2005.

22 3. For distribution to other departments:

23 \$ 10,802,911

24 Moneys appropriated in this subsection shall be separately
25 accounted for in a distribution account and shall be
26 distributed to other governmental entities based upon formulas
27 established by the department to pay for services provided
28 governmental entities by the department as described in
29 chapter 8A.

30 4. Members of the general assembly serving as members of
31 the deferred compensation advisory board shall be entitled to
32 receive per diem and necessary travel and actual expenses
33 pursuant to section 2.10, subsection 5, while carrying out
34 their official duties as members of the board.

35 5. Any funds and premiums collected by the department for

1 workers' compensation shall be segregated into a separate
2 workers' compensation fund in the state treasury to be used
3 for payment of state employees' workers' compensation claims
4 and administrative costs. Notwithstanding section 8.33,
5 unencumbered or unobligated moneys remaining in this workers'
6 compensation fund at the end of the fiscal year shall not
7 revert but shall be available for expenditure for purposes of
8 the fund for subsequent fiscal years.

9 6. DEPARTMENT OF TRANSPORTATION -- PERSONNEL SERVICES
10 PAYMENT. The department of administrative services shall
11 periodically provide a billing statement to the state
12 department of transportation outlining the costs of personnel
13 services provided to the state department of transportation.
14 The amount indicated on each billing statement shall be paid
15 by the state department of transportation out of funds
16 available to the department from the road use tax fund and the
17 primary road fund. Amounts received by the department of
18 administrative services shall be considered repayment receipts
19 as defined in section 8.2, and deposited into the accounts of
20 the department.

21 Sec. 2. REVOLVING FUNDS.

22 1. There is appropriated from the general fund of the
23 state to the department of administrative services for the
24 fiscal year beginning July 1, 2004, and ending June 30, 2005,
25 the following amount, or so much thereof as is necessary, to
26 be used for the purposes designated:

27 For start-up funding for revolving funds under the control
28 of the department of administrative services and for salaries,
29 support, maintenance, and miscellaneous purposes:

30 \$ 1,950,000

31 Notwithstanding any provision of this section to the
32 contrary, the department of administrative services shall
33 deposit \$1,950,000 in the general fund of the state from
34 moneys in departmental revolving funds and internal service
35 funds at the end of the fiscal year.

1 2. There is appropriated to the department of
2 administrative services for the fiscal year beginning July 1,
3 2004, and ending June 30, 2005, from the revolving funds
4 designated in chapter 8A and from internal service funds
5 created by the department, such amounts as the department
6 deems necessary for the operation of the department consistent
7 with the requirements of chapter 8A.

8 Sec. 3. READY TO WORK PROGRAM COORDINATOR. There is
9 appropriated from the workers' compensation trust fund to the
10 department of administrative services for the fiscal year
11 beginning July 1, 2004, and ending June 30, 2005, the
12 following amount, or so much thereof as is necessary, to be
13 used for the purposes designated:

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

16 \$ 89,416

17 Sec. 4. FUNDING FOR IOWACCESS.

18 1. Notwithstanding section 321A.3, subsection 1, for the
19 fiscal year beginning July 1, 2004, and ending June 30, 2005,
20 the first \$1,000,000 collected and transferred by the
21 department of transportation to the treasurer of state with
22 respect to the fees for transactions involving the furnishing
23 of a certified abstract of a vehicle operating record under
24 section 321A.3, subsection 1, shall be transferred to the
25 IowAccess revolving fund established by section 8A.224 and
26 administered by the department of administrative services for
27 the purposes of developing, implementing, maintaining, and
28 expanding electronic access to government records as provided
29 by law.

30 2. All fees collected with respect to transactions
31 involving IowAccess shall be deposited in the IowAccess
32 revolving fund and shall be used only for the support of
33 IowAccess projects.

34 Sec. 5. STATE EMPLOYEE HEALTH INSURANCE ADMINISTRATION
35 CHARGE. For the fiscal year beginning July 1, 2004, and

1 ending June 30, 2005, the monthly per contract administrative
2 charge which may be assessed by the department of
3 administrative services shall be \$2.00 per contract on all
4 health insurance plans administered by the department.

5 Sec. 6. AUDITOR OF STATE. There is appropriated from the
6 general fund of the state to the office of the auditor of
7 state for the fiscal year beginning July 1, 2004, and ending
8 June 30, 2005, the following amount, or so much thereof as is
9 necessary, to be used for the purposes designated:

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

13 \$ 1,144,755
14 FTEs 106.30

15 The auditor of state may retain additional full-time
16 equivalent positions as is reasonable and necessary to perform
17 governmental subdivision audits which are reimbursable
18 pursuant to section 11.20 or 11.21, to perform audits which
19 are requested by and reimbursable from the federal government,
20 and to perform work requested by and reimbursable from
21 departments or agencies pursuant to section 11.5A or 11.5B.

22 The auditor of state shall notify the department of
23 management, the legislative fiscal committee, and the
24 legislative services agency of the additional full-time
25 equivalent positions retained.

26 Sec. 7. IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD. There
27 is appropriated from the general fund of the state to the Iowa
28 ethics and campaign disclosure board for the fiscal year
29 beginning July 1, 2004, and ending June 30, 2005, the
30 following amount, or so much thereof as is necessary, for the
31 purposes designated:

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

35 \$ 411,296

1 FTEs 6.00

2 Sec. 8. DEPARTMENT OF COMMERCE. There is appropriated
3 from the general fund of the state to the department of
4 commerce for the fiscal year beginning July 1, 2004, and
5 ending June 30, 2005, the following amounts, or so much
6 thereof as is necessary, for the purposes designated:

7 1. ALCOHOLIC BEVERAGES DIVISION

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

11 \$ 1,876,497

12 FTEs 33.00

13 2. BANKING DIVISION

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

17 \$ 6,344,805

18 FTEs 65.00

19 3. CREDIT UNION DIVISION

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

23 \$ 1,377,364

24 FTEs 19.00

25 4. INSURANCE DIVISION

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

29 \$ 3,850,498

30 FTEs 95.00

31 b. The insurance division may reallocate authorized full-
32 time equivalent positions as necessary to respond to
33 accreditation recommendations or requirements. The insurance
34 division expenditures for examination purposes may exceed the
35 projected receipts, refunds, and reimbursements, estimated

1 pursuant to section 505.7, subsection 7, including the
2 expenditures for retention of additional personnel, if the
3 expenditures are fully reimbursable and the division first
4 does both of the following:

5 (1) Notifies the department of management, the legislative
6 services agency, and the legislative fiscal committee of the
7 need for the expenditures.

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

11 5. PROFESSIONAL LICENSING AND REGULATION DIVISION

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

15	\$	766,766
16	FTEs	12.00

17 6. UTILITIES DIVISION

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

21	\$	6,877,319
22	FTEs	79.00

23 b. The utilities division may expend additional funds,
24 including funds for additional personnel, if those additional
25 expenditures are actual expenses which exceed the funds
26 budgeted for utility regulation and the expenditures are fully
27 reimbursable. Before the division expends or encumbers an
28 amount in excess of the funds budgeted for regulation, the
29 division shall first do both of the following:

30 (1) Notify the department of management, the legislative
31 services agency, and the legislative fiscal committee of the
32 need for the expenditures.

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

1 7. CHARGES -- TRAVEL

2 Each division and the office of consumer advocate shall
3 include in its charges assessed or revenues generated, an
4 amount sufficient to cover the amount stated in its
5 appropriation, and any state-assessed indirect costs
6 determined by the department of administrative services. The
7 director of the department of commerce shall review on a
8 quarterly basis all out-of-state travel for the previous
9 quarter for officers and employees of each division of the
10 department if the travel is not already authorized by the
11 executive council.

12 Sec. 9. DEPARTMENT OF COMMERCE -- PROFESSIONAL LICENSING
13 AND REGULATION. There is appropriated from the housing
14 improvement fund of the Iowa department of economic
15 development to the division of professional licensing and
16 regulation of the department of commerce for the fiscal year
17 beginning July 1, 2004, and ending June 30, 2005, the
18 following amount, or so much thereof as is necessary, to be
19 used for the purposes designated:

20 For salaries, support, maintenance, and miscellaneous
21 purposes:
22 \$ 62,317

23 Sec. 10. GOVERNOR AND LIEUTENANT GOVERNOR. There is
24 appropriated from the general fund of the state to the offices
25 of the governor and the lieutenant governor for the fiscal
26 year beginning July 1, 2004, and ending June 30, 2005, the
27 following amounts, or so much thereof as is necessary, to be
28 used for the purposes designated:

29 1. GENERAL OFFICE

30 For salaries, support, maintenance, and miscellaneous
31 purposes for the general office of the governor and the
32 general office of the lieutenant governor, and for not more
33 than the following full-time equivalent positions:
34 \$ 1,536,949
35 FTEs 19.25

1 2. TERRACE HILL QUARTERS

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

5	\$	343,149
6	FTEs	8.00

7 3. ADMINISTRATIVE RULES COORDINATOR

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

12	\$	136,458
13	FTEs	3.00

14 4. NATIONAL GOVERNORS ASSOCIATION

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

17	\$	64,393
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18 5. STATE-FEDERAL RELATIONS

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

22	\$	111,236
23	FTEs	2.00

24 Sec. 11. GOVERNOR'S OFFICE OF DRUG CONTROL POLICY.

25 1. There is appropriated from the general fund of the
26 state to the governor's office of drug control policy for the
27 fiscal year beginning July 1, 2004, and ending June 30, 2005,
28 the following amount, or so much thereof as is necessary, to
29 be used for the purposes designated:

30 For salaries, support, maintenance, and miscellaneous
31 purposes including statewide coordination of the drug abuse
32 resistance education (D.A.R.E.) programs or similar programs,
33 and for not more than the following full-time equivalent
34 positions:

35	\$	254,386
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1 FTEs 9.00

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

7 Sec. 12. DEPARTMENT OF HUMAN RIGHTS. There is
8 appropriated from the general fund of the state to the
9 department of human rights for the fiscal year beginning July
10 1, 2004, and ending June 30, 2005, the following amounts, or
11 so much thereof as is necessary, to be used for the purposes
12 designated:

13 1. CENTRAL ADMINISTRATION DIVISION

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

17 \$ 264,102
18 FTEs 7.00

19 2. DEAF SERVICES DIVISION

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

23 \$ 362,710
24 FTEs 6.00

25 The fees collected by the division for provision of
26 interpretation services by the division to obligated agencies
27 shall be disbursed pursuant to the provisions of section 8.32,
28 and shall be dedicated and used by the division for continued
29 and expanded interpretation services.

30 3. PERSONS WITH DISABILITIES DIVISION

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

34 \$ 184,971
35 FTEs 3.50

1 4. LATINO AFFAIRS DIVISION

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

5 \$ 166,718
6 FTES 3.00

7 5. STATUS OF WOMEN DIVISION

8 For salaries, support, maintenance, and miscellaneous
9 purposes, including the Iowans in transition program, and the
10 domestic violence and sexual assault-related grants, and for
11 not more than the following full-time equivalent positions:

12 \$ 329,530
13 FTES 3.00

14 6. STATUS OF AFRICAN-AMERICANS DIVISION

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

18 \$ 118,296
19 FTES 2.00

20 7. CRIMINAL AND JUVENILE JUSTICE PLANNING DIVISION

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

24 \$ 403,774
25 FTES 6.96

26 The criminal and juvenile justice planning advisory council
27 and the juvenile justice advisory council shall coordinate
28 their efforts in carrying out their respective duties relative
29 to juvenile justice.

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

33 Sec. 13. DEPARTMENT OF INSPECTIONS AND APPEALS. There is
34 appropriated from the general fund of the state to the
35 department of inspections and appeals for the fiscal year

1 beginning July 1, 2004, and ending June 30, 2005, the
2 following amounts, or so much thereof as is necessary, for the
3 purposes designated:

4 1. ADMINISTRATION DIVISION

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

8 \$ 1,489,090
9 FTEs 32.25

10 2. ADMINISTRATIVE HEARINGS DIVISION

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

14 \$ 614,114
15 FTEs 23.00

16 3. INVESTIGATIONS DIVISION

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

20 \$ 1,407,295
21 FTEs 41.00

22 4. HEALTH FACILITIES DIVISION

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

26 \$ 2,276,836
27 FTEs 108.75

28 5. EMPLOYMENT APPEAL BOARD

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

32 \$ 35,215
33 FTEs 15.00

34 The employment appeal board shall be reimbursed by the
35 labor services division of the department of workforce

1 development for all costs associated with hearings conducted
2 under chapter 91C, related to contractor registration. The
3 board may expend, in addition to the amount appropriated under
4 this subsection, additional amounts as are directly billable
5 to the labor services division under this subsection and to
6 retain the additional full-time equivalent positions as needed
7 to conduct hearings required pursuant to chapter 91C.

8 6. CHILD ADVOCACY BOARD

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

13	\$	1,752,780
14	FTEs	38.99

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

20 b. The court appointed special advocate program shall
21 investigate and develop opportunities for expanding fund-
22 raising for the program.

23 c. Administrative costs charged by the department of
24 inspections and appeals for items funded under this subsection
25 shall not exceed 4 percent of the amount appropriated in this
26 subsection.

27 Sec. 14. RACING AND GAMING COMMISSION.

28 1. RACETRACK REGULATION

29 There is appropriated from the general fund of the state to
30 the racing and gaming commission of the department of
31 inspections and appeals for the fiscal year beginning July 1,
32 2004, and ending June 30, 2005, the following amount, or so
33 much thereof as is necessary, to be used for the purposes
34 designated:

35 For salaries, support, maintenance, and miscellaneous

1 purposes for the regulation of pari-mutuel racetracks, and for
2 not more than the following full-time equivalent positions:

3 \$ 2,201,453
4 FTEs 27.53

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

7 2. EXCURSION BOAT REGULATION

8 There is appropriated from the general fund of the state to
9 the racing and gaming commission of the department of
10 inspections and appeals for the fiscal year beginning July 1,
11 2004, and ending June 30, 2005, the following amount, or so
12 much thereof as is necessary, to be used for the purposes
13 designated:

14 For salaries, support, maintenance, and miscellaneous
15 purposes for administration and enforcement of the excursion
16 boat gambling laws, and for not more than the following full-
17 time equivalent positions:

18 \$ 1,806,048
19 FTEs 30.22

20 Sec. 15. USE TAX APPROPRIATION. There is appropriated
21 from the use tax receipts collected pursuant to sections
22 423.26 and 423.27 as enacted by 2003 Iowa Acts, First
23 Extraordinary Session, chapter 2, sections 119 and 120 prior
24 to their deposit in the road use tax fund pursuant to section
25 423.43 as enacted by 2003 Iowa Acts, First Extraordinary
26 Session, chapter 2, section 136, to the administrative
27 hearings division of the department of inspections and appeals
28 for the fiscal year beginning July 1, 2004, and ending June
29 30, 2005, the following amount, or so much thereof as is
30 necessary, for the purposes designated:

31 For salaries, support, maintenance, and miscellaneous
32 purposes:

33 \$ 1,325,632

34 Sec. 16. DEPARTMENT OF MANAGEMENT. There is appropriated
35 from the general fund of the state to the department of

1 management for the fiscal year beginning July 1, 2004, and
2 ending June 30, 2005, the following amounts, or so much
3 thereof as is necessary, to be used for the purposes
4 designated:

5 1. GENERAL OFFICE -- STATEWIDE PROPERTY TAX ADMINISTRATION

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

9 \$ 2,137,824
10 FTEs 32.00

11 2. ENTERPRISE RESOURCE PLANNING

12 If funding is provided for the redesign of the enterprise
13 resource planning budget system for the fiscal year beginning
14 July 1, 2004, then there is appropriated from the general fund
15 of the state to the department of management for the fiscal
16 year beginning July 1, 2004, and ending June 30, 2005, the
17 following amount, or so much thereof as is necessary, to be
18 used for the purposes designated:

19 For salaries, support, maintenance, and miscellaneous
20 purposes for administration of the enterprise resource
21 planning system, and for not more than the following full-time
22 equivalent positions:

23 \$ 57,435
24 FTEs 1.00

25 3. SALARY MODEL ADMINISTRATOR

26 For salary, support, and miscellaneous purposes of the
27 salary model administrator, and for not more than the
28 following full-time equivalent positions:

29 \$ 123,598
30 FTEs 1.00

31 The salary model administrator shall work in conjunction
32 with the legislative services agency to maintain the state's
33 salary model used for analyzing, comparing, and projecting
34 state employee salary and benefit information, including
35 information relating to employees of the state board of

1 regents. The department of revenue, the department of
2 administrative services, the five institutions under the
3 jurisdiction of the state board of regents, the judicial
4 district departments of correctional services, and the state
5 department of transportation shall provide salary data to the
6 department of management and the legislative services agency
7 to operate the state's salary model. The format and frequency
8 of provision of the salary data shall be determined by the
9 department of management and the legislative services agency.
10 The information shall be used in collective bargaining
11 processes under chapter 20 and in calculating the funding
12 needs contained within the annual salary adjustment
13 legislation. A state employee organization as defined in
14 section 20.3, subsection 4, may request information produced
15 by the model, but the information provided shall not contain
16 information attributable to individual employees.

17 4. FEDERAL OVERRECOVERY

18 For providing matching funds for information technology
19 services provided by the department of administrative services
20 to the department of human services:

21 \$ 3,000,000

22 Sec. 17. ROAD USE TAX APPROPRIATION. There is
23 appropriated from the road use tax fund to the department of
24 management for the fiscal year beginning July 1, 2004, and
25 ending June 30, 2005, the following amount, or so much thereof
26 as is necessary, to be used for the purposes designated:

27 For salaries, support, maintenance, and miscellaneous
28 purposes:

29 \$ 56,000

30 Sec. 18. SECRETARY OF STATE. There is appropriated from
31 the general fund of the state to the office of the secretary
32 of state for the fiscal year beginning July 1, 2004, and
33 ending June 30, 2005, the following amounts, or so much
34 thereof as is necessary, to be used for the purposes
35 designated:

1 1. ADMINISTRATION AND ELECTIONS

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

5	\$	660,233
6	FTEs	10.00

7 The state department or state agency which provides data
8 processing services to support voter registration file
9 maintenance and storage shall provide those services without
10 charge.

11 2. BUSINESS SERVICES

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

15	\$	1,615,893
16	FTEs	32.00

17 Sec. 19. SECRETARY OF STATE FILING FEES REFUND.

18 Notwithstanding the obligation to collect fees pursuant to the
19 provisions of section 490.122, subsection 1, paragraphs "a"
20 and "s", and section 504A.85, subsections 1 and 9, for the
21 fiscal year beginning July 1, 2004, and ending June 30, 2005,
22 the secretary of state may refund these fees to the filer
23 pursuant to rules established by the secretary of state. The
24 decision of the secretary of state not to issue a refund under
25 rules established by the secretary of state is final and not
26 subject to review pursuant to the provisions of the Iowa
27 administrative procedure Act.

28 Sec. 20. TREASURER. There is appropriated from the
29 general fund of the state to the office of treasurer of state
30 for the fiscal year beginning July 1, 2004, and ending June
31 30, 2005, the following amount, or so much thereof as is
32 necessary, to be used for the purposes designated:

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

1 \$ 800,564
2 FTEs 28.80

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

5 Sec. 21. IPERS -- GENERAL OFFICE. There is appropriated
6 from the Iowa public employees' retirement system fund to the
7 Iowa public employees' retirement system for the fiscal year
8 beginning July 1, 2004, and ending June 30, 2005, the
9 following amount, or so much thereof as is necessary, to be
10 used for the purposes designated:

11 For salaries, support, maintenance, and other operational
12 purposes to pay the costs of the Iowa public employees'
13 retirement system, and for not more than the following full-
14 time equivalent positions:

15 \$ 8,879,900
16 FTEs 90.13

17 Sec. 22. DEPARTMENT OF REVENUE. There is appropriated
18 from the general fund of the state to the department of
19 revenue for the fiscal year beginning July 1, 2004, and ending
20 June 30, 2005, the following amounts, or so much thereof as is
21 necessary, to be used for the purposes designated:

22 1. COMPLIANCE -- INTERNAL RESOURCES MANAGEMENT --
23 STATEWIDE PROPERTY TAX ADMINISTRATION

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

27 \$ 24,776,391
28 FTEs 389.66

29 Of the funds appropriated pursuant to this subsection,
30 \$400,000 shall be used to pay the direct costs of compliance
31 related to the collection and distribution of local sales and
32 services taxes imposed pursuant to chapters 422B and 422E or
33 successor chapters.

34 The director of revenue shall prepare and issue a state
35 appraisal manual and the revisions to the state appraisal

1 manual as provided in section 421.17, subsection 17, without
2 cost to a city or county.

3 2. COLLECTION COSTS AND FEES

4 For payment of collection costs and fees pursuant to
5 section 422.26:

6 \$ 27,462

7 Sec. 23. MOTOR VEHICLE FUEL TAX APPROPRIATION. There is
8 appropriated from the motor fuel tax fund created by section
9 452A.77 to the department of revenue for the fiscal year
10 beginning July 1, 2004, and ending June 30, 2005, the
11 following amount, or so much thereof as is necessary, to be
12 used for the purposes designated:

13 For salaries, support, maintenance, and miscellaneous
14 purposes for administration and enforcement of the provisions
15 of chapter 452A and the motor vehicle use tax program:

16 \$ 1,181,082

17 Sec. 24. Section 7J.1, Code Supplement 2003, is amended by
18 adding the following new subsection:

19 NEW SUBSECTION. 7A. EXECUTIVE COUNCIL FLEXIBILITY.

20 Notwithstanding any provision of law to the contrary, a
21 charter agency shall not be required to obtain executive
22 council approval for claims for expenses of attending
23 conventions, out-of-state travel requests, and memberships in
24 professional organizations.

25 Sec. 25. Section 8.63, subsection 5, Code Supplement 2003,
26 is amended to read as follows:

27 5. A state agency seeking a loan from the innovations fund
28 shall complete an application form designed by the state
29 innovations fund committee which employs, for projects, a
30 return on investment concept and demonstrates how state
31 general fund expenditures will be reduced or how state general
32 fund revenues will increase, or for enterprises, a business
33 plan that shows how the enterprise will meet customer needs,
34 provide value to customers, and demonstrate financial
35 viability. Minimum loan requirements for state agency

1 requests shall be determined by the committee. As an
2 incentive to increase state general fund revenues, an agency
3 may retain up to fifty percent of savings realized in
4 connection with a project loan from the innovations fund. The
5 amount retained shall be determined by the innovations fund
6 committee. Savings realized but not retained by an agency
7 shall not be deposited in the innovations fund.

8 Sec. 26. Section 8.63, subsection 6, paragraph b, Code
9 Supplement 2003, is amended to read as follows:

10 b. If the department of management and the department of
11 revenue certify that the savings from a proposed innovations
12 fund project will result in a net increase in the balance of
13 the general fund of the state without a corresponding cost
14 savings to the requesting agency, and if the requesting agency
15 meets all other eligibility requirements, the innovations fund
16 committee may approve the loan for the project and not require
17 repayment by the requesting agency. There is appropriated
18 from the general fund of the state to the department of
19 management for deposit in the innovations fund an amount
20 sufficient to repay the loan amount, which amount shall not
21 exceed the principal amount of the loan plus interest on the
22 loan.

23 Sec. 27. Section 543B.14, Code 2003, is amended to read as
24 follows:

25 543B.14 FEES AND EXPENSES -- FUNDS.

26 All fees and charges collected by the real estate
27 commission under this chapter shall be paid into the general
28 fund of the state, except that ~~the equivalent of the greater~~
29 ~~of ten dollars or forty percent per year of the fees for fifty~~
30 ~~dollars from~~ each real estate salesperson's license, ~~plus the~~
31 ~~equivalent of the greater of ten dollars or twenty-five~~
32 ~~percent per year of the fees for~~ and each broker's license
33 shall be paid into the Iowa real estate education fund created
34 in section 543B.54. All expenses incurred by the commission
35 under this chapter, including compensation of staff assigned

1 to the commission, shall be paid from funds appropriated for
2 those purposes, except for expenses incurred and compensation
3 paid for the real estate education director, which shall be
4 paid out of the real estate education fund.

5 Sec. 28. Section 543B.54, Code 2003, is amended to read as
6 follows:

7 543B.54 REAL ESTATE EDUCATION FUND.

8 The Iowa real estate education fund is created as a
9 financial assurance mechanism to assist in the establishment
10 and maintenance of a real estate education program at the
11 university of northern Iowa and to assist the real estate
12 commission in providing an education director. The fund is
13 created as a separate fund in the state treasury, and any
14 funds remaining in the fund at the end of each fiscal year
15 shall not revert to the general fund, but shall remain in the
16 Iowa real estate education fund. ~~Seventy-percent-of-the~~
17 ~~moneys-in-the-fund~~ Twenty-five dollars per license from fees
18 deposited for each real estate salesperson's license and each
19 broker's license shall be distributed and are appropriated to
20 the board of regents for the purpose of establishing and
21 maintaining a real estate education program at the university
22 of northern Iowa. ~~Thirty-percent-of-the~~ The remaining moneys
23 in the fund shall be distributed and are appropriated to the
24 professional licensing and regulation division of the
25 department of commerce for the purpose of hiring and
26 compensating a real estate education director and regulatory
27 compliance personnel.

28 Sec. 29. SPAN OF CONTROL. The department of
29 administrative services, in consultation with the department
30 of management and after discussion and collaboration with
31 executive branch agencies, shall pursue a goal of increasing
32 the ratio of the number of employees per supervisor for
33 executive branch agencies in the aggregate to twelve employees
34 for one supervisor by December 31, 2005.

35

DIVISION II

1 AGRICULTURE AND NATURAL RESOURCES
2 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP
3 GENERAL APPROPRIATIONS

4 Sec. 30. GENERAL DEPARTMENT APPROPRIATION. There is
5 appropriated from the general fund of the state to the
6 department of agriculture and land stewardship for the fiscal
7 year beginning July 1, 2004, and ending June 30, 2005, the
8 following amount, or so much thereof as is necessary, to be
9 used for the purposes designated:

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

15 \$ 16,946,668
16 FTEs 410.64

17 b. Of the amount appropriated in paragraph "a", the
18 department shall not expend less than \$50,000 for salaries,
19 support, maintenance, and miscellaneous purposes of
20 administering the senior farmers market nutrition program
21 under the jurisdiction of the United States department of
22 agriculture.

23 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP
24 DESIGNATED APPROPRIATIONS

25 Sec. 31. RIVER AUTHORITY. There is appropriated from the
26 general fund of the state to the department of agriculture and
27 land stewardship for the fiscal year beginning July 1, 2004,
28 and ending June 30, 2005, the following amount, or so much
29 thereof as is necessary, to be used for the purposes
30 designated:

31 For purposes of supporting the department's membership in
32 the state interagency Missouri river authority, created in
33 section 28L.1, in the Missouri river basin association:

34 \$ 9,535

35 Sec. 32. HORSE AND DOG RACING. There is appropriated from

1 the moneys available under section 99D.13 to the department of
2 agriculture and land stewardship for the fiscal year beginning
3 July 1, 2004, and ending June 30, 2005, the following amount,
4 or so much thereof as is necessary, to be used for the
5 purposes designated:

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

8 \$ 305,516

9 Sec. 33. DAIRY PRODUCTS CONTROL BUREAU. There is
10 appropriated from the general fund of the state to the
11 department of agriculture and land stewardship for the fiscal
12 year beginning July 1, 2004, and ending June 30, 2005, the
13 following amount, or so much thereof as is necessary, to be
14 used for the purposes designated:

15 For purposes of supporting the operations of the dairy
16 products control bureau, including salaries, support,
17 maintenance, and miscellaneous purposes:

18 \$ 632,170

19 Sec. 34. AVIAN INFLUENZA. There is appropriated from the
20 general fund of the state to the department of agriculture and
21 land stewardship for the fiscal year beginning July 1, 2004,
22 and ending June 30, 2005, the following amount, or so much
23 thereof as is necessary, to be used for the purpose
24 designated:

25 For the support of testing and monitoring avian influenza:

26 \$ 50,000

27 Notwithstanding section 8.33, moneys appropriated pursuant
28 to this section which are unencumbered or unobligated on June
29 30, 2005, shall not revert as provided in section 8.33. After
30 June 30, 2005, the department shall retain any such
31 unobligated or unencumbered moneys for the continued testing
32 and monitoring of avian influenza.

33 Sec. 35. SALE AND PURCHASE OF LABORATORY EQUIPMENT --
34 APPROPRIATIONS. Notwithstanding chapter 8A, the department of
35 administrative services shall conduct a sale of equipment or

1 devices owned by the department of agriculture and land
2 stewardship and used by laboratories operated by the
3 department of agriculture and land stewardship. The
4 department of administrative services shall conduct the sale
5 upon authorization of the department of agriculture and land
6 stewardship. The sale shall only include equipment and
7 devices that the department does not move to its new
8 laboratory building. The moneys from the sale are
9 appropriated to the department of agriculture and land
10 stewardship for the fiscal period beginning July 1, 2004, and
11 ending June 30, 2006. The moneys shall only be used to
12 replace, update, enhance, or supplement equipment or devices
13 used by laboratories operated by the department of agriculture
14 and land stewardship. However, the department shall not enter
15 into a lease-purchase agreement to obtain the equipment or
16 devices. Unencumbered and unobligated moneys remaining on
17 June 30, 2006, shall be deposited in the general fund of the
18 state in the same manner as a reversion under section 8.33.

19 DEPARTMENT OF NATURAL RESOURCES

20 GENERAL APPROPRIATIONS

21 Sec. 36. GENERAL DEPARTMENT APPROPRIATION. There is
22 appropriated from the general fund of the state to the
23 department of natural resources for the fiscal year beginning
24 July 1, 2004, and ending June 30, 2005, the following amount,
25 or so much thereof as is necessary, to be used for the
26 purposes designated:

27 For purposes of supporting the department, including its
28 divisions, for administration, regulation, and programs, for
29 salaries, support, maintenance, miscellaneous purposes, and
30 for not more than the following full-time equivalent
31 positions:

32 \$ 16,569,282
33 FTEs 1080.12

34 Sec. 37. STATE FISH AND GAME PROTECTION FUND --
35 APPROPRIATION TO THE DIVISION OF FISH AND WILDLIFE.

1 1. a. There is appropriated from the state fish and game
2 protection fund to the department of natural resources for the
3 fiscal year beginning July 1, 2004, and ending June 30, 2005,
4 the following amount, or so much thereof as is necessary, to
5 be used for the purposes designated:

6 For administrative support, and for salaries, support,
7 maintenance, equipment, and miscellaneous purposes:
8 \$ 30,715,335

9 b. Notwithstanding section 455A.10, the department may use
10 the unappropriated balance remaining in the fish and game
11 protection fund to provide for the funding of health and life
12 insurance premium payments from unused sick leave balances of
13 conservation peace officers employed in a protection
14 occupation who retire, pursuant to section 97B.49B.

15 2. The department shall not expend more moneys from the
16 fish and game protection fund than provided in this section,
17 unless the expenditure derives from contributions made by a
18 private entity, or a grant or moneys received from the federal
19 government, and is approved by the natural resource
20 commission. The department of natural resources shall
21 promptly notify the legislative services agency and the
22 chairpersons and ranking members of the joint appropriations
23 subcommittee on agriculture and natural resources concerning
24 the commission's approval.

25 DEPARTMENT OF NATURAL RESOURCES
26 RELATED TRANSFERS

27 Sec. 38. SNOWMOBILE FEES -- TRANSFER FOR ENFORCEMENT
28 PURPOSES. There is transferred on July 1, 2004, from the fees
29 required to be deposited in the special conservation fund
30 under section 321G.7 to the fish and game protection fund and
31 appropriated to the department of natural resources for the
32 fiscal year beginning July 1, 2004, and ending June 30, 2005,
33 the following amount, or so much thereof as is necessary, to
34 be used for the purpose designated:

35 For enforcing snowmobile laws as part of the state

1 snowmobile program administered by the department of natural
2 resources:

3 \$ 100,000

4 Sec. 39. VESSEL FEES -- TRANSFER FOR ENFORCEMENT PURPOSES.

5 There is transferred on July 1, 2004, from the fees required
6 to be deposited in the special conservation fund under section
7 462A.52 to the fish and game protection fund and appropriated
8 to the natural resource commission for the fiscal year
9 beginning July 1, 2004, and ending June 30, 2005, the
10 following amount, or so much thereof as is necessary, to be
11 used for the purpose designated:

12 For the administration and enforcement of navigation laws
13 and water safety:

14 \$ 1,400,000

15 Notwithstanding section 8.33, moneys transferred and
16 appropriated in this section that remain unencumbered or
17 unobligated at the close of the fiscal year shall not revert
18 to the credit of the fish and game protection fund but shall
19 be credited to the special conservation fund established by
20 section 462A.52 to be used as provided in that section.

21 DEPARTMENT OF NATURAL RESOURCES

22 DESIGNATED APPROPRIATIONS

23 Sec. 40. REVENUE ADMINISTERED BY THE IOWA COMPREHENSIVE
24 UNDERGROUND STORAGE TANK FUND BOARD. There is appropriated
25 from the unassigned revenue fund administered by the Iowa
26 comprehensive underground storage tank fund board, to the
27 department of natural resources for the fiscal year beginning
28 July 1, 2004, and ending June 30, 2005, the following amount,
29 or so much thereof as is necessary, to be used for the purpose
30 designated:

31 For administration expenses of the underground storage tank
32 section of the department of natural resources:

33 \$ 200,000

34 Sec. 41. FLOODPLAIN PERMIT BACKLOG. Notwithstanding any
35 contrary provision of state law, for the fiscal year beginning

1 July 1, 2004, and ending June 30, 2005, the department of
2 natural resources may use additional funds available to the
3 department from stormwater discharge permit fees for the
4 staffing of the following additional full-time staff members
5 to reduce the department's floodplain permit backlog:

6 FTEs 2.00

7 Sec. 42. IMPLEMENTATION OF THE FEDERAL TOTAL MAXIMUM DAILY
8 LOAD PROGRAM. Notwithstanding any contrary provision of state
9 law, for the fiscal year beginning July 1, 2004, and ending
10 June 30, 2005, the department of natural resources may use
11 additional funds available to the department from stormwater
12 discharge permit fees for the staffing of the following
13 additional full-time equivalent positions for implementation
14 of the federal total maximum daily load program:

15 FTEs 2.00

16 MISCELLANEOUS PROVISIONS

17 Sec. 43. Section 424.19, Code Supplement 2003, is amended
18 to read as follows:

19 424.19 FUTURE REPEAL.

20 This chapter is repealed effective June 30, ~~2014~~ 2016.

21 Sec. 44. CONTINGENT EFFECTIVENESS. The moneys
22 appropriated from the general fund of the state to the
23 department of agriculture and land stewardship for purposes of
24 supporting the testing and monitoring of avian influenza as
25 provided in this division of this Act shall not be effective
26 if 2004 Iowa Acts, Senate File 2194, is enacted.

27 Sec. 45. CONTINGENT EFFECTIVENESS. The amendment to
28 section 424.19, as provided in this division of this Act, is
29 effective only if 2004 Iowa Acts, House File 2401, is enacted.

30 DIVISION III

31 ECONOMIC DEVELOPMENT

32 Sec. 46. GOALS AND ACCOUNTABILITY.

33 1. The goals for the department of economic development
34 shall be to expand and stimulate the state economy, increase
35 the wealth of Iowans, and increase the population of the

1 state.

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

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

6 b. Adopt practices and services consistent with free
7 market, private sector philosophies.

8 c. Ensure economic growth and development throughout the
9 state.

10 3. The department of economic development shall
11 demonstrate accountability by using performance measures
12 appropriate to show the attainment of the goals in subsection
13 1 for the state and by measuring the effectiveness and results
14 of the department's programs and activities. The performance
15 measures and associated benchmarks shall be developed or
16 identified in cooperation with the legislative services agency
17 and approved by the joint appropriations subcommittee on
18 economic development. The data demonstrating accountability
19 collected by the department shall be made readily available
20 and maintained in computer-readable format.

21 Sec. 47. DEPARTMENT OF ECONOMIC DEVELOPMENT. There is
22 appropriated from the general fund of the state to the
23 department of economic development for the fiscal year
24 beginning July 1, 2004, and ending June 30, 2005, the
25 following amounts, or so much thereof as is necessary, to be
26 used for the purposes designated:

27 1. ADMINISTRATION DIVISION

28 a. General administration

29 For salaries, support, maintenance, miscellaneous purposes,
30 programs, for the transfer to the Iowa state commission grant
31 program, and for not more than the following full-time
32 equivalent positions:

33	\$	1,562,332
34	FTEs	28.75

35 b. The department shall work with businesses and

1 communities to continually improve the economic development
2 climate along with the economic well-being and quality of life
3 for Iowans. The administration division shall coordinate with
4 other state agencies ensuring that all state departments are
5 attentive to the needs of an entrepreneurial culture.

6 2. BUSINESS DEVELOPMENT DIVISION

7 a. Business development operations

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

15	\$	6,084,500
16	FTEs	57.00

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

25 c. Notwithstanding section 8.33, moneys appropriated in
26 this subsection that remain unencumbered or unobligated at the
27 close of the fiscal year shall not revert but shall remain
28 available for expenditure for the purposes designated until
29 the close of the succeeding fiscal year.

30 3. COMMUNITY DEVELOPMENT DIVISION

31 a. Community development programs

32 For salaries, support, maintenance, miscellaneous purposes,
33 community economic development programs, tourism operations,
34 community assistance, the film office, the mainstreet and
35 rural mainstreet programs, the school-to-career program, the

1 community development block grant, and housing and shelter-
2 related programs and for not more than the following full-time
3 equivalent positions:

4 \$ 5,730,725
5 FTEs 61.75

6 b. The department shall encourage development of
7 communities and quality of life to foster economic growth.
8 The department shall prepare communities for future growth and
9 development through development, expansion, and modernization
10 of infrastructure.

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

18 d. Notwithstanding section 8.33, moneys appropriated in
19 this subsection that remain unencumbered or unobligated at the
20 close of the fiscal year shall not revert to any fund but
21 shall remain available for expenditure for the designated
22 purposes during the succeeding fiscal year.

23 4. For allocating moneys for the world food prize:
24 \$ 285,000

25 Sec. 48. VISION IOWA PROGRAM -- FTE AUTHORIZATION. For
26 purposes of administrative duties associated with the vision
27 Iowa program, the department of economic development is
28 authorized an additional 2.25 full-time equivalent positions
29 above those otherwise authorized in this division of this Act.

30 Sec. 49. RURAL COMMUNITY 2000 PROGRAM. There is
31 appropriated from loan repayments on loans under the former
32 rural community 2000 program, sections 15.281 through 15.288,
33 Code 2001, to the department of economic development for the
34 fiscal year beginning July 1, 2004, and ending June 30, 2005,
35 the following amounts, or so much thereof as is necessary, to

1 be used for the purposes designated:

2 1. For providing financial assistance to Iowa's councils
3 of governments that provide technical and planning assistance
4 to local governments:

5 \$ 150,000

6 2. For the rural development program for the purposes of
7 the program including the rural enterprise fund and
8 collaborative skills development training:

9 \$ 120,000

10 Sec. 50. INSURANCE ECONOMIC DEVELOPMENT. There is
11 appropriated from moneys collected by the division of
12 insurance in excess of the anticipated gross revenues under
13 section 505.7, subsection 3, to the department of economic
14 development for the fiscal year beginning July 1, 2004, and
15 ending June 30, 2005, the following amount, or so much thereof
16 as is necessary, for insurance economic development and
17 international insurance economic development:

18 \$ 100,000

19 Sec. 51. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding
20 section 15E.120, subsection 5, there is appropriated from the
21 Iowa community development loan fund all the moneys available
22 during the fiscal year beginning July 1, 2004, and ending June
23 30, 2005, to the department of economic development for the
24 community development program to be used by the department for
25 the purposes of the program.

26 Sec. 52. WORKFORCE DEVELOPMENT FUND. There is
27 appropriated from the workforce development fund account
28 created in section 15.342A, to the workforce development fund
29 created in section 15.343, for the fiscal year beginning July
30 1, 2004, and ending June 30, 2005, the following amount, for
31 the purposes of the workforce development fund, and for not
32 more than the following full-time equivalent positions:

33 \$ 4,000,000

34 FTEs 4.00

35 Sec. 53. WORKFORCE DEVELOPMENT ADMINISTRATION. From funds

1 appropriated or transferred to or receipts credited to the
2 workforce development fund created in section 15.343, up to
3 \$400,000 for the fiscal year beginning July 1, 2004, and
4 ending June 30, 2005, may be used for the administration of
5 workforce development activities including salaries, support,
6 maintenance, and miscellaneous purposes and for not more than
7 4.00 full-time equivalent positions.

8 Sec. 54. JOB TRAINING FUND. Notwithstanding section
9 15.251, all remaining moneys in the job training fund on July
10 1, 2004, and any moneys appropriated or credited to the fund
11 during the fiscal year beginning July 1, 2004, shall be
12 transferred to the workforce development fund established
13 pursuant to section 15.343.

14 Sec. 55. IOWA STATE UNIVERSITY.

15 1. There is appropriated from the general fund of the
16 state to the Iowa state university of science and technology
17 for the fiscal year beginning July 1, 2004, and ending June
18 30, 2005, the following amount, or so much thereof as is
19 necessary, to be used for small business development centers,
20 the science and technology research park, the institute for
21 physical research, and for not more than the following full-
22 time equivalent positions:

23	\$	2,363,557
24	FTEs	56.53

25 2. Of the moneys appropriated in subsection 1, Iowa state
26 university shall allocate at least \$550,000 for purposes of
27 funding small business development centers. Small business
28 development centers shall be located equally throughout the
29 different regions of the state. Iowa state university may
30 allocate moneys appropriated in subsection 1 to the various
31 small business development centers in any manner necessary to
32 achieve the purposes of this subsection.

33 3. Iowa state university of science and technology shall
34 do all of the following:

35 a. Direct expenditures for research toward projects that

1 will provide economic stimulus for Iowa.

2 b. Emphasize that a business and an individual that
3 creates a business and receives benefits from a program
4 funded, in part, through moneys appropriated in this section
5 have a commercially viable product or service.

6 c. Provide emphasis to providing services to Iowa-based
7 companies.

8 4. It is the intent of the general assembly that the
9 industrial incentive program focus on Iowa industrial sectors
10 and seek contributions and in-kind donations from businesses,
11 industrial foundations, and trade associations and that moneys
12 for the institute for physical research and technology
13 industrial incentive program shall only be allocated for
14 projects which are matched by private sector moneys for
15 directed contract research or for nondirected research. The
16 match required of small businesses as defined in section
17 15.102, subsection 4, for directed contract research or for
18 nondirected research shall be \$1 for each \$3 of state funds.
19 The match required for other businesses for directed contract
20 research or for nondirected research shall be \$1 for each \$1
21 of state funds. The match required of industrial foundations
22 or trade associations shall be \$1 for each \$1 of state funds.

23 Iowa state university of science and technology shall
24 report annually to the joint appropriations subcommittee on
25 economic development and the legislative services agency the
26 total amount of private contributions, the proportion of
27 contributions from small businesses and other businesses, and
28 the proportion for directed contract research and nondirected
29 research of benefit to Iowa businesses and industrial sectors.

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

35 Sec. 56. UNIVERSITY OF IOWA.

1 1. There is appropriated from the general fund of the
2 state to the state university of Iowa for the fiscal year
3 beginning July 1, 2004, and ending June 30, 2005, the
4 following amount, or so much thereof as is necessary, to be
5 used for the university of Iowa research park and for the
6 advanced drug development program at the Oakdale research
7 park, including salaries, support, maintenance, equipment,
8 miscellaneous purposes, and for not more than the following
9 full-time equivalent positions:

10	\$	247,005
11	FTEs	6.00

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

13 a. Direct expenditures for research toward projects that
14 will provide economic stimulus for Iowa.

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

19 c. Provide emphasis to providing services to Iowa-based
20 companies.

21 3. The board of regents shall submit a report on the
22 progress of regents institutions in meeting the strategic plan
23 for technology transfer and economic development to the
24 secretary of the senate, the chief clerk of the house of
25 representatives, and the legislative services agency by
26 January 15, 2005.

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

32 Sec. 57. UNIVERSITY OF NORTHERN IOWA.

33 1. There is appropriated from the general fund of the
34 state to the university of northern Iowa for the fiscal year
35 beginning July 1, 2004, and ending June 30, 2005, the

1 following amount, or so much thereof as is necessary, to be
2 used for the metal casting institute, and for the institute of
3 decision making, including salaries, support, maintenance,
4 miscellaneous purposes, and for not more than the following
5 full-time equivalent positions:

6 \$ 361,291
7 FTEs 4.75

8 2. The university of northern Iowa shall do all of the
9 following:

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

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

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

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

23 Sec. 58. DEPARTMENT OF WORKFORCE DEVELOPMENT.

24 1. There is appropriated from the general fund of the
25 state to the department of workforce development for the
26 fiscal year beginning July 1, 2004, and ending June 30, 2005,
27 the following amount, or so much thereof as is necessary, for
28 the division of labor services, the division of workers'
29 compensation, the workforce development state and regional
30 boards, the new employment opportunity fund, salaries,
31 support, maintenance, miscellaneous purposes, and for not more
32 than the following full-time equivalent positions:

33 \$ 4,889,124
34 FTEs 94.20

35 2. From the contractor registration fees, the division of

1 labor services shall reimburse the department of inspections
2 and appeals for all costs associated with hearings under
3 chapter 91C, relating to contractor registration.

4 3. The division of workers' compensation shall continue
5 charging a \$65 filing fee for workers' compensation cases.
6 The filing fee shall be paid by the petitioner of a claim.
7 However, the fee can be taxed as a cost and paid by the losing
8 party, except in cases where it would impose an undue hardship
9 or be unjust under the circumstances.

10 4. Notwithstanding section 8.33, moneys appropriated in
11 this section that remain unencumbered or unobligated at the
12 close of the fiscal year shall not revert but shall remain
13 available for expenditure for the purposes designated until
14 the close of the succeeding fiscal year.

15 Sec. 59. ADMINISTRATIVE CONTRIBUTION SURCHARGE FUND.
16 Notwithstanding section 96.7, subsection 12, paragraph "c",
17 there is appropriated from the administrative contribution
18 surcharge fund of the state to the department of workforce
19 development for the fiscal year beginning July 1, 2004, and
20 ending June 30, 2005, any moneys remaining in the
21 administrative contribution surcharge fund on June 30, 2004,
22 and the entire amount collected during the fiscal year
23 beginning July 1, 2004, and ending June 30, 2005, or so much
24 thereof as is necessary, for salaries, support, maintenance,
25 conducting labor market surveys, miscellaneous purposes, and
26 for workforce development regional advisory board member
27 expenses.

28 Sec. 60. EMPLOYMENT SECURITY CONTINGENCY FUND. There is
29 appropriated from the special employment security contingency
30 fund to the department of workforce development for the fiscal
31 year beginning July 1, 2004, and ending June 30, 2005, the
32 following amounts, or so much thereof as is necessary, for the
33 purposes designated:

34 1. DIVISION OF WORKERS' COMPENSATION

35 For salaries, support, maintenance, and miscellaneous

1 purposes:

2 \$ 471,000

3 2. IMMIGRATION SERVICE CENTERS

4 For salaries, support, maintenance, and miscellaneous
5 purposes for the pilot immigration service centers:

6 \$ 160,000

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

21 Any remaining additional penalty and interest revenue may
22 be allocated and used to accomplish the mission of the
23 department.

24 Sec. 61. PUBLIC EMPLOYMENT RELATIONS BOARD. There is
25 appropriated from the general fund of the state to the public
26 employment relations board for the fiscal year beginning July
27 1, 2004, and ending June 30, 2005, the following amount, or so
28 much thereof as is necessary, for the purposes designated:

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

32 \$ 895,752

33 FTES 10.00

34 Sec. 62. IOWA COMMUNITY COLLEGE ONE SOURCE TRAINING
35 INITIATIVE. In the interest of putting an emphasis on the

1 software and information technology sector in this state, the
2 Iowa community college one source training initiative is
3 encouraged to explore a partnership with software and
4 information technology of Iowa to identify methods of funding
5 the training and retraining needs of the software and
6 information technology sector in Iowa. To the extent
7 possible, funding from the workforce training and economic
8 development moneys in the grow Iowa values fund should be
9 considered as a potential funding source for these purposes.

10 Sec. 63. VALUE-ADDED AGRICULTURAL PRODUCTS AND PROCESSES
11 FINANCIAL ASSISTANCE FUND MONEYS. The office of renewable
12 fuels and coproducts may apply to the department of economic
13 development for moneys in the value-added agricultural
14 products and processes financial assistance fund for deposit
15 in the renewable fuels and coproducts fund created in section
16 159A.7.

17 Sec. 64. IOWA FINANCE AUTHORITY AUDIT. The auditor of
18 state is requested to review the audit of the Iowa finance
19 authority performed by the auditor hired by the authority.
20 The auditor of state is also requested to conduct a
21 performance audit of the authority to determine the
22 effectiveness of the authority and the programs of the
23 authority.

24 Sec. 65. APPLICATION FOR DEPARTMENT OF ECONOMIC
25 DEVELOPMENT MONEYS. For the fiscal year beginning July 1,
26 2004, any entity that was specifically identified in 2001 Iowa
27 Acts, chapter 188, to receive funding from the department of
28 economic development, excluding any entity identified to
29 receive a direct appropriation beginning July 1, 2004, may
30 apply to the department for assistance through the appropriate
31 program. The department shall provide application criteria
32 necessary to implement this section.

33 Sec. 66. EXPENDITURE AND ALLOCATION REPORTS. The
34 department of economic development, the department of
35 workforce development, and the regents institutions receiving

1 an appropriation pursuant to this division of this Act shall
2 file a written report on a quarterly basis with the
3 chairpersons and ranking members of the joint appropriations
4 subcommittee on economic development and the legislative
5 services agency regarding all expenditures of moneys
6 appropriated pursuant to this division of this Act during the
7 quarter, allocations of moneys appropriated pursuant to this
8 Act during the quarter, and full-time equivalent positions
9 allocated during the quarter.

10 Sec. 67. SHELTER ASSISTANCE FUND. In providing moneys
11 from the shelter assistance fund to homeless shelter programs
12 in the fiscal year beginning July 1, 2004, and ending June 30,
13 2005, the department of economic development shall explore the
14 potential of allocating moneys to homeless shelter programs
15 based in part on their ability to move their clients toward
16 self-sufficiency.

17 Sec. 68. FEDERAL GRANTS. All federal grants to and the
18 federal receipts of agencies appropriated funds under this
19 division of this Act, not otherwise appropriated, are
20 appropriated for the purposes set forth in the federal grants
21 or receipts unless otherwise provided by the general assembly.

22 Sec. 69. UNEMPLOYMENT COMPENSATION PROGRAM.
23 Notwithstanding section 96.9, subsection 4, paragraph "a",
24 moneys credited to the state by the secretary of the treasury
25 of the United States pursuant to section 903 of the Social
26 Security Act shall be appropriated to the department of
27 workforce development and shall be used by the department for
28 the administration of the unemployment compensation program
29 only. This appropriation shall not apply to any fiscal year
30 beginning after December 31, 2004.

31 Sec. 70. PAYROLL EXPENDITURE REFUNDS. There is
32 appropriated from the general fund of the state to the
33 department of economic development for the fiscal year
34 beginning July 1, 2004, and ending June 30, 2005, \$27,786, or
35 so much thereof as is necessary, to pay refunds as provided

1 under section 15.365.

2

DIVISION IV

3

EDUCATION

4

COLLEGE STUDENT AID COMMISSION

5

Sec. 71. There is appropriated from the general fund of

6

the state to the college student aid commission for the fiscal

7

year beginning July 1, 2004, and ending June 30, 2005, the

8

following amounts, or so much thereof as may be necessary, to

9

be used for the purposes designated:

10

1. GENERAL ADMINISTRATION

11

For salaries, support, maintenance, miscellaneous purposes,

12

and for not more than the following full-time equivalent

13

positions:

14

..... \$ 298,825

15

..... FTEs 4.30

16

2. STUDENT AID PROGRAMS

17

For payments to students for the Iowa grant program:

18

..... \$ 1,029,784

19

3. DES MOINES UNIVERSITY -- OSTEOPATHIC MEDICAL CENTER

20

For the Des Moines university -- osteopathic medical center

21

for an initiative in primary health care to direct primary

22

care physicians to shortage areas in the state:

23

..... \$ 346,451

24

From the funds appropriated in this subsection, \$50,000

25

shall be used for forgivable loans in accordance with section

26

261.19, subsection 2.

27

4. NATIONAL GUARD EDUCATIONAL ASSISTANCE PROGRAM

28

For purposes of providing national guard educational

29

assistance under the program established in section 261.86:

30

..... \$ 2,900,000

31

5. TEACHER SHORTAGE FORGIVABLE LOAN PROGRAM

32

For the teacher shortage forgivable loan program

33

established in section 261.111:

34

..... \$ 460,472

35

Sec. 72. WORK-STUDY APPROPRIATION NULLIFICATION FOR FY

1 2004-2005. Notwithstanding section 261.85, for the fiscal
2 year beginning July 1, 2004, and ending June 30, 2005, the
3 amount appropriated for the work-study program under section
4 261.85 shall be zero.

5 DEPARTMENT FOR THE BLIND

6 Sec. 73. ADMINISTRATION. There is appropriated from the
7 general fund of the state to the department for the blind for
8 the fiscal year beginning July 1, 2004, and ending June 30,
9 2005, the following amount, or so much thereof as is
10 necessary, to be used for the purposes designated:

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

14	\$	1,541,907
15	FTEs	109.51

16 DEPARTMENT OF CULTURAL AFFAIRS

17 Sec. 74. There is appropriated from the general fund of
18 the state to the department of cultural affairs for the fiscal
19 year beginning July 1, 2004, and ending June 30, 2005, the
20 following amounts, or so much thereof as is necessary, to be
21 used for the purposes designated:

22 1. ADMINISTRATION

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

26	\$	214,475
27	FTEs	1.17

28 The department of cultural affairs shall coordinate
29 activities with the tourism office of the department of
30 economic development to promote attendance at the state
31 historical building and at this state's historic sites.

32 2. COMMUNITY CULTURAL GRANTS

33 For planning and programming for the community cultural
34 grants program established under section 303.3:

35	\$	299,240
----------	----	---------

1 3. HISTORICAL DIVISION

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

5 \$ 2,868,725
6 FTEs 54.78

7 4. HISTORIC SITES

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

11 \$ 526,459
12 FTEs 8.00

13 5. ARTS DIVISION

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

17 \$ 1,157,486
18 FTEs 7.55

19 DEPARTMENT OF EDUCATION

20 Sec. 75. There is appropriated from the general fund of
21 the state to the department of education for the fiscal year
22 beginning July 1, 2004, and ending June 30, 2005, the
23 following amounts, or so much thereof as may be necessary, to
24 be used for the purposes designated:

25 1. GENERAL ADMINISTRATION

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

29 \$ 5,168,114
30 FTEs 85.65

31 The director of the department of education shall ensure
32 that all school districts are aware of the state education
33 resources available on the state website for listing teacher
34 job openings and shall make every reasonable effort to enable
35 qualified practitioners to post their resumes on the state

1 website. The department shall administer the posting of job
2 vacancies for school districts, accredited nonpublic schools,
3 and area education agencies on the state website. The
4 department may coordinate this activity with the Iowa school
5 board association or other interested education associations
6 in the state.

7 2. VOCATIONAL EDUCATION ADMINISTRATION

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

11	\$	514,828
12	FTEs	18.25

13 3. VOCATIONAL REHABILITATION SERVICES DIVISION

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

17	\$	4,278,784
18	FTEs	281.50

19 The division of vocational rehabilitation services shall
20 seek funding from other sources, such as local funds, for
21 purposes of matching the state's federal vocational
22 rehabilitation allocation, as well as for matching other
23 federal vocational rehabilitation funding that may become
24 available.

25 Except where prohibited under federal law, the division of
26 vocational rehabilitation services of the department of
27 education shall accept client assessments, or assessments of
28 potential clients, performed by other agencies in order to
29 reduce duplication of effort.

30 Notwithstanding the full-time equivalent position limit
31 established in this lettered paragraph, for the fiscal year
32 ending June 30, 2005, if federal funding is received to pay
33 the costs of additional employees for the vocational
34 rehabilitation services division who would have duties
35 relating to vocational rehabilitation services paid for

1 through federal funding, authorization to hire not more than
2 4.00 additional full-time equivalent employees shall be
3 provided, the full-time equivalent position limit shall be
4 exceeded, and the additional employees shall be hired by the
5 division.

6 b. For matching funds for programs to enable persons with
7 severe physical or mental disabilities to function more
8 independently, including salaries and support, and for not
9 more than the following full-time equivalent position:

10	\$	54,150
11	FTEs	1.00

12 The highest priority use for the moneys appropriated under
13 this lettered paragraph shall be for programs that emphasize
14 employment and assist persons with severe physical or mental
15 disabilities to find and maintain employment to enable them to
16 function more independently.

17 4. STATE LIBRARY

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

21	\$	1,262,603
22	FTEs	18.00

23 b. For the enrich Iowa program:

24	\$	1,698,432
----------	----	-----------

25 (1) Funds allocated for purposes of the enrich Iowa
26 program as provided in this lettered paragraph shall be
27 distributed by the division of libraries and information
28 services to provide support for Iowa's libraries. The
29 commission of libraries shall develop rules governing the
30 allocation of funds provided by the general assembly for the
31 enrich Iowa program to provide direct state assistance to
32 public libraries and to fund the open access and access plus
33 programs. Direct state assistance to eligible public
34 libraries is provided as an incentive to improve library
35 services and to reduce inequities among communities in the

1 delivery of library services based on recognized and adopted
2 performance measures. Funds distributed as direct state
3 assistance shall be distributed to eligible public libraries
4 that are in compliance with performance measures adopted by
5 rule by the commission of libraries. The funds allocated as
6 provided in this lettered paragraph shall not be used for the
7 costs of administration by the division. The amount of direct
8 state assistance distributed to each eligible public library
9 shall be based upon the following:

10 (a) The level of compliance by the eligible public library
11 with the performance measures adopted by the commission as
12 provided in this subparagraph.

13 (b) The number of people residing within an eligible
14 library's geographic service area for whom the library
15 provides services.

16 (c) The amount of other funding the eligible public
17 library received in the previous fiscal year for providing
18 services to rural residents and to contracting communities.

19 (2) Moneys received by a public library under this
20 lettered paragraph shall supplement, not supplant, any other
21 funding received by the library.

22 (3) For purposes of this section, "eligible public
23 library" means a public library that meets all of the
24 following requirements:

25 (a) Submits to the division all of the following:

26 (i) The report provided for under section 256.51,
27 subsection 1, paragraph "h".

28 (ii) An application and accreditation report, in a format
29 approved by the commission, that provides evidence of the
30 library's compliance with at least one level of the standards
31 established in accordance with section 256.51, subsection 1,
32 paragraph "k".

33 (iii) Any other application or report the division deems
34 necessary for the implementation of the enrich Iowa program.

35 (b) Participates in the library resource and information

1 sharing programs established by the state library.

2 (c) Is a public library established by city ordinance or a
3 library district as provided in chapter 336.

4 (4) Each eligible public library shall maintain a separate
5 listing within its budget for payments received and
6 expenditures made pursuant to this lettered paragraph, and
7 shall annually submit this listing to the division.

8 (5) By January 15, 2006, the division shall submit a
9 program evaluation report to the general assembly and the
10 governor detailing the uses and the impacts of funds allocated
11 under this lettered paragraph.

12 (6) A public library that receives funds in accordance
13 with this lettered paragraph shall have an internet use policy
14 in place, which may or may not include internet filtering.
15 The library shall submit a report describing the library's
16 internet use efforts to the division.

17 (7) A public library that receives funds in accordance
18 with this lettered paragraph shall provide open access, the
19 reciprocal borrowing program, as a service to its patrons, at
20 a reimbursement rate determined by the state library.

21 5. LIBRARY SERVICE AREA SYSTEM

22 For state aid:

23 \$ 1,376,558

24 6. PUBLIC BROADCASTING DIVISION

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

28 \$ 6,568,514

29 FTEs 78.00

30 7. REGIONAL TELECOMMUNICATIONS COUNCILS

31 For state aid and for not more than the following full-time
32 equivalent positions:

33 \$ 1,600,806

34 FTEs 6.00

35 a. Of the amount appropriated in this subsection, \$360,328

1 shall be allocated to the public broadcasting division for
2 purposes of providing support for functions related to the
3 Iowa communications network, including but not limited to the
4 following functions: development of distance learning
5 applications; development of a central information source on
6 the internet relating to educational uses of the network;
7 second-line technical support for network sites; testing and
8 initializing sites onto the network; and coordinating the work
9 of the education telecommunications council.

10 b. Of the amount appropriated in this subsection,
11 \$1,240,478 shall be allocated to the regional
12 telecommunications councils established in section 8D.5. The
13 regional telecommunications councils shall use the funds to
14 provide technical assistance for network classrooms, planning
15 and troubleshooting for local area networks, scheduling of
16 video sites, and other related support activities.

17 8. VOCATIONAL EDUCATION TO SECONDARY SCHOOLS

18 For reimbursement for vocational education expenditures
19 made by secondary schools:

20 \$ 2,936,904

21 Funds appropriated in this subsection shall be used for
22 expenditures made by school districts to meet the standards
23 set in sections 256.11, 258.4, and 260C.14 as a result of the
24 enactment of 1989 Iowa Acts, chapter 278. Funds shall be used
25 as reimbursement for vocational education expenditures made by
26 secondary schools in the manner provided by the department of
27 education for implementation of the standards set in 1989 Iowa
28 Acts, chapter 278.

29 9. SCHOOL FOOD SERVICE

30 For use as state matching funds for federal programs that
31 shall be disbursed according to federal regulations, including
32 salaries, support, maintenance, and miscellaneous purposes:

33 \$ 2,509,683

34 10. IOWA EMPOWERMENT FUND

35 For deposit in the school ready children grants account of

1 the Iowa empowerment fund created in section 28.9:

2 \$ 13,381,594

3 a. From the moneys deposited in the school ready children
4 grants account for the fiscal year beginning July 1, 2004, and
5 ending June 30, 2005, not more than \$200,000 is allocated for
6 the community empowerment office and other technical
7 assistance activities. It is the intent of the general
8 assembly that regional technical assistance teams will be
9 established and will include staff from various agencies, as
10 appropriate, including the area education agencies, community
11 colleges, and the Iowa state university of science and
12 technology cooperative extension service in agriculture and
13 home economics. The Iowa empowerment board shall direct staff
14 to work with the advisory council to inventory technical
15 assistance needs. Funds allocated under this lettered
16 paragraph may be used by the Iowa empowerment board for the
17 purpose of skills development and support for ongoing training
18 of the regional technical assistance teams. However, funds
19 shall not be used for additional staff or for the
20 reimbursement of staff.

21 b. Notwithstanding any other provision of law to the
22 contrary, the community empowerment office shall use the
23 documentation created by the legislative services agency to
24 continue the implementation of the four-year phase-in period
25 of the distribution formula approved by the community
26 empowerment board.

27 c. As a condition of receiving funding appropriated in
28 this subsection, each community empowerment area board shall
29 report to the Iowa empowerment board progress on each of the
30 state indicators approved by the state board, as well as
31 progress on local indicators. The community empowerment area
32 board must also submit a written plan amendment extending by
33 one year the area's comprehensive school ready children grant
34 plan developed for providing services for children from birth
35 through five years of age and provide other information

1 specified by the Iowa empowerment board. The amendment may
2 also provide for changes in the programs and services provided
3 under the plan. The Iowa empowerment board shall establish a
4 submission deadline for the plan amendment that allows a
5 reasonable period of time for preparation of the plan
6 amendment and for review and approval or request for
7 modification of the plan amendment by the Iowa empowerment
8 board. In addition, the community empowerment board must
9 continue to comply with reporting provisions and other
10 requirements adopted by the Iowa empowerment board in
11 implementing section 28.8.

12 11. TEXTBOOKS OF NONPUBLIC SCHOOL PUPILS

13 To provide funds for costs of providing textbooks to each
14 resident pupil who attends a nonpublic school as authorized by
15 section 301.1. The funding is limited to \$20 per pupil and
16 shall not exceed the comparable services offered to resident
17 public school pupils:

18 \$ 590,458

19 12. STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM

20 For purposes, as provided in law, of the student
21 achievement and teacher quality program established pursuant
22 to chapter 284:

23 \$ 43,113,894

24 13. COMMUNITY COLLEGES

25 For general state financial aid to merged areas as defined
26 in section 260C.2 in accordance with chapters 258 and 260C:

27 \$139,779,244

28 The funds appropriated in this subsection shall be
29 allocated as follows:

- 30 a. Merged Area I \$ 6,708,091
- 31 b. Merged Area II \$ 7,879,554
- 32 c. Merged Area III \$ 7,319,927
- 33 d. Merged Area IV \$ 3,577,825
- 34 e. Merged Area V \$ 7,485,252
- 35 f. Merged Area VI \$ 6,934,944

1	g.	Merged Area VII	\$ 10,006,202
2	h.	Merged Area IX	\$ 12,306,903
3	i.	Merged Area X	\$ 19,314,140
4	j.	Merged Area XI	\$ 20,499,245
5	k.	Merged Area XII	\$ 8,076,106
6	l.	Merged Area XIII	\$ 8,304,674
7	m.	Merged Area XIV	\$ 3,620,486
8	n.	Merged Area XV	\$ 11,392,398
9	o.	Merged Area XVI	\$ 6,353,497

10 Sec. 76. BOARD OF EDUCATIONAL EXAMINERS LICENSING FEES.

11 Notwithstanding section 272.10, up to 85 percent of any funds
12 received annually resulting from an increase in fees approved
13 and implemented for licensing by the state board of
14 educational examiners after July 1, 1997, and before June 30,
15 2003, and up to 70 percent of any funds received annually
16 resulting from an increase in fees approved and implemented
17 for licensing by the state board after July 1, 2003, shall be
18 available for the fiscal year beginning July 1, 2004, to the
19 state board for purposes related to the state board's duties,
20 including, but not limited to, additional full-time equivalent
21 positions. The director of the department of administrative
22 services shall draw warrants upon the treasurer of state from
23 the funds appropriated as provided in this section and shall
24 make the funds resulting from the increase in fees available
25 during the fiscal year to the state board on a monthly basis.

26 Sec. 77. MINIMUM TEACHER SALARY REQUIREMENTS -- FY 2004-
27 2005.

28 1. Notwithstanding section 284.7, subsection 1, paragraph
29 "a", subparagraph (2), the minimum teacher salary paid by a
30 school district or area education agency for purposes of
31 teacher compensation in accordance with chapter 284, for the
32 fiscal year beginning July 1, 2004, and ending June 30, 2005,
33 shall be the minimum salary amount the school district or area
34 education agency paid to a first-year beginning teacher or,
35 the minimum salary amount the school district or area

1 education agency would have paid a first-year beginning
2 teacher if the school district or area education agency had
3 participated in the program in the 2001-2002 school year, in
4 accordance with section 284.7, subsection 1, Code Supplement
5 2001. If the school district or area education agency did not
6 employ a first-year beginning teacher in the 2001-2002 school
7 year, the minimum salary is the amount that the district would
8 have paid a first-year beginning teacher under chapter 284 in
9 the 2001-2002 school year.

10 2. Notwithstanding section 284.7, subsection 1, paragraph
11 "b", subparagraph (2), the minimum career teacher salary paid
12 to a career teacher who was a beginning teacher in the 2001-
13 2002 school year, by a school district or area education
14 agency participating in the student achievement and teacher
15 quality program, for the school year beginning July 1, 2004,
16 and ending June 30, 2005, shall be, unless the school district
17 has a minimum career teacher salary that exceeds thirty
18 thousand dollars, one thousand dollars greater than the
19 minimum salary amount the school district or area education
20 agency paid to a first-year beginning teacher if the school
21 district or area education agency participated in the program
22 during the 2001-2002 school year, or the minimum salary amount
23 the school district or area education agency would have paid a
24 first-year beginning teacher if the school district or area
25 education agency had participated in the program in the 2001-
26 2002 school year, in accordance with section 284.7, subsection
27 1, Code Supplement 2001.

28 3. Notwithstanding section 284.7, subsection 1, paragraph
29 "b", subparagraph (2), and except as provided in subsection 2,
30 the minimum career teacher salary paid by a school district or
31 area education agency participating in the student achievement
32 and teacher quality program, for purposes of teacher
33 compensation in accordance with chapter 284, for the school
34 year beginning July 1, 2004, and ending June 30, 2005, shall
35 be the minimum salary amount the school district or area

1 education agency paid to a career teacher if the school
2 district or area education agency participated in the program
3 during the 2001-2002 school year, or, the minimum salary
4 amount the school district or area education agency would have
5 paid a career teacher if the school district or area education
6 agency had participated in the program in the 2001-2002 school
7 year, in accordance with section 284.7, subsection 1, Code
8 Supplement 2001.

9 Sec. 78. SUPPLEMENTAL AID FOR THE IOWA PUBLIC BROADCASTING
10 DIVISION. Notwithstanding the provisions of section 8.33, or
11 any other provision of law to the contrary, \$158,000 from the
12 moneys from the appropriation made in section 284.13,
13 subsection 1, paragraph "d", as amended by this division of
14 this Act, which remain unexpended or unencumbered on June 30,
15 2004, shall not revert but shall remain available for
16 expenditure in the succeeding fiscal year by the department of
17 education for the public broadcasting division to supplement
18 the appropriation made in this division of this Act for the
19 public broadcasting division.

20 STATE BOARD OF REGENTS

21 Sec. 79. There is appropriated from the general fund of
22 the state to the state board of regents for the fiscal year
23 beginning July 1, 2004, and ending June 30, 2005, the
24 following amounts, or so much thereof as may be necessary, to
25 be used for the purposes designated:

26 1. OFFICE OF STATE BOARD OF REGENTS

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

30 \$ 1,160,398
31 FTEs 16.00

32 The state board of regents, the department of management,
33 and the legislative services agency shall cooperate to
34 determine and agree upon, by November 15, 2004, the amount
35 that needs to be appropriated for tuition replacement for the

1 fiscal year beginning July 1, 2005.

2 The state board of regents shall submit a monthly financial
3 report in a format agreed upon by the state board of regents
4 office and the legislative services agency.

5 b. For allocation by the state board of regents to the
6 state university of Iowa, the Iowa state university of science
7 and technology, and the university of northern Iowa to
8 reimburse the institutions for deficiencies in their operating
9 funds resulting from the pledging of tuitions, student fees
10 and charges, and institutional income to finance the cost of
11 providing academic and administrative buildings and facilities
12 and utility services at the institutions:

13 \$ 13,009,474

14 Notwithstanding section 8.33, funds appropriated for the
15 purposes in this lettered paragraph remaining unencumbered or
16 unobligated at the end of the fiscal year shall not revert to
17 the general fund of the state but shall be available for
18 expenditure for the purposes specified in this lettered
19 paragraph during the subsequent fiscal year.

20 c. For funds to be allocated to the southwest Iowa
21 graduate studies center:

22 \$ 105,956

23 d. For funds to be allocated to the siouxland interstate
24 metropolitan planning council for the tristate graduate center
25 under section 262.9, subsection 21:

26 \$ 77,941

27 e. For funds to be allocated to the quad-cities graduate
28 studies center:

29 \$ 157,144

30 2. STATE UNIVERSITY OF IOWA

31 a. General university, including lakeside laboratory

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

35 \$219,937,344

1 FTEs 4,055.62

2 It is the intent of the general assembly that the
3 university continue progress on the school of public health
4 and the public health initiative for the purposes of
5 establishing an accredited school of public health and for
6 funding an initiative for the health and independence of
7 elderly Iowans. From the funds appropriated in this lettered
8 paragraph, the university may use up to \$2,100,000 for the
9 school of public health and the public health initiative.

10 b. University hospitals

11 For salaries, support, maintenance, equipment, and
12 miscellaneous purposes and for medical and surgical treatment
13 of indigent patients as provided in chapter 255, for medical
14 education, and for not more than the following full-time
15 equivalent positions:

16 \$ 27,284,584

17 FTEs 5,471.01

18 Of the amount appropriated in this lettered paragraph,
19 \$25,950,166 shall be considered encumbered until January 1,
20 2005.

21 (1) However, if the department of human services adjusts
22 hospital payments to provide an increased base rate to offset
23 the high cost incurred for providing services to medical
24 assistance patients prior to January 1, 2005, a portion of the
25 amount specified in this unnumbered paragraph equal to the
26 increased Medicaid payment shall revert to the general fund of
27 the state. Notwithstanding section 8.54, subsection 7, the
28 amount required to revert under this subparagraph shall not be
29 considered to be appropriated for purposes of the state
30 general fund expenditure limitation for the fiscal year
31 beginning July 1, 2004.

32 (2) If the adjustment described in subparagraph (1) to
33 increase the base rate is not made prior to January 1, 2005,
34 the amount specified in this unnumbered paragraph shall no
35 longer be considered encumbered and shall be available for the

1 purposes originally specified.

2 (3) Any incremental increase in the base rate made
3 pursuant to subparagraph (1) shall not be used in determining
4 the university of Iowa hospital and clinics disproportionate
5 share rate or when determining the statewide average base rate
6 for purposes of calculating indirect medical education rates.

7 The university of Iowa hospitals and clinics shall, within
8 the context of chapter 255 and when medically appropriate,
9 make reasonable efforts to extend the university of Iowa
10 hospitals and clinics' use of home telemedicine and other
11 technologies to reduce the frequency of visits to the hospital
12 required by the indigent patients.

13 The university of Iowa hospitals and clinics shall submit
14 quarterly a report regarding the portion of the appropriation
15 in this lettered paragraph expended on medical education. The
16 report shall be submitted in a format jointly developed by the
17 university of Iowa hospitals and clinics, the legislative
18 services agency, and the department of management, and shall
19 delineate the expenditures and purposes of the funds.

20 Funds appropriated in this lettered paragraph shall not be
21 used to perform abortions except medically necessary
22 abortions, and shall not be used to operate the early
23 termination of pregnancy clinic except for the performance of
24 medically necessary abortions. For the purpose of this
25 lettered paragraph, an abortion is the purposeful interruption
26 of pregnancy with the intention other than to produce a live-
27 born infant or to remove a dead fetus, and a medically
28 necessary abortion is one performed under one of the following
29 conditions:

30 (1) The attending physician certifies that continuing the
31 pregnancy would endanger the life of the pregnant woman.

32 (2) The attending physician certifies that the fetus is
33 physically deformed, mentally deficient, or afflicted with a
34 congenital illness.

35 (3) The pregnancy is the result of a rape which is

1 reported within 45 days of the incident to a law enforcement
2 agency or public or private health agency which may include a
3 family physician.

4 (4) The pregnancy is the result of incest which is
5 reported within 150 days of the incident to a law enforcement
6 agency or public or private health agency which may include a
7 family physician.

8 (5) The abortion is a spontaneous abortion, commonly known
9 as a miscarriage, wherein not all of the products of
10 conception are expelled.

11 The total quota allocated to the counties for indigent
12 patients for the fiscal year beginning July 1, 2004, shall not
13 be lower than the total quota allocated to the counties for
14 the fiscal year commencing July 1, 1998. The total quota
15 shall be allocated among the counties on the basis of the 2000
16 census pursuant to section 255.16.

17 c. Psychiatric hospital

18 For salaries, support, maintenance, equipment,
19 miscellaneous purposes, for the care, treatment, and
20 maintenance of committed and voluntary public patients, and
21 for not more than the following full-time equivalent
22 positions:

23	\$	7,043,056
24	FTEs	272.11

25 d. Center for disabilities and development

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

29	\$	6,363,265
30	FTEs	143.34

31 From the funds appropriated in this lettered paragraph,
32 \$200,000 shall be allocated for purposes of the employment
33 policy group.

34 e. Oakdale campus

35 For salaries, support, maintenance, miscellaneous purposes,

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

3 \$ 2,657,335
4 FTEs 43.25

5 f. State hygienic laboratory

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

9 \$ 3,802,520
10 FTEs 102.49

11 g. Family practice program

12 For allocation by the dean of the college of medicine, with
13 approval of the advisory board, to qualified participants, to
14 carry out chapter 148D for the family practice program,
15 including salaries and support, and for not more than the
16 following full-time equivalent positions:

17 \$ 2,075,948
18 FTEs 192.40

19 h. Child health care services

20 For specialized child health care services, including
21 childhood cancer diagnostic and treatment network programs,
22 rural comprehensive care for hemophilia patients, and the Iowa
23 high-risk infant follow-up program, including salaries and
24 support, and for not more than the following full-time
25 equivalent positions:

26 \$ 649,066
27 FTEs 53.46

28 i. Statewide cancer registry

29 For the statewide cancer registry, and for not more than
30 the following full-time equivalent positions:

31 \$ 178,739
32 FTEs 2.40

33 j. Substance abuse consortium

34 For funds to be allocated to the Iowa consortium for
35 substance abuse research and evaluation, and for not more than

1 the following full-time equivalent positions:

2 \$ 64,871
3 FTEs 1.50

4 k. Center for biocatalysis

5 For the center for biocatalysis, and for not more than the
6 following full-time equivalent positions:

7 \$ 881,384
8 FTEs 5.20

9 l. Primary health care initiative

10 For the primary health care initiative in the college of
11 medicine and for not more than the following full-time
12 equivalent positions:

13 \$ 759,875
14 FTEs 7.75

15 From the funds appropriated in this lettered paragraph,
16 \$330,000 shall be allocated to the department of family
17 practice at the state university of Iowa college of medicine
18 for family practice faculty and support staff.

19 m. Birth defects registry

20 For the birth defects registry and for not more than the
21 following full-time equivalent positions:

22 \$ 44,636
23 FTEs 1.30

24 3. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

25 a. General university

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

29 \$173,189,751
30 FTEs 3,647.42

31 It is the intent of the general assembly that the
32 university continue progress on the center for excellence in
33 fundamental plant sciences. From the funds appropriated in
34 this lettered paragraph, the university may use up to
35 \$4,670,000 for the center for excellence in fundamental plant

1 sciences.

2 b. Agricultural experiment station

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

6 \$ 31,019,520

7 FTEs 546.98

8 c. Cooperative extension service in agriculture and home
9 economics

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

13 \$ 19,738,432

14 FTEs 383.34

15 d. Leopold center

16 For agricultural research grants at Iowa state university
17 under section 266.39B, and for not more than the following
18 full-time equivalent positions:

19 \$ 464,319

20 FTEs 11.25

21 e. Livestock disease research

22 For deposit in and the use of the livestock disease
23 research fund under section 267.8:

24 \$ 220,708

25 4. UNIVERSITY OF NORTHERN IOWA

26 a. General university

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

30 \$ 77,804,507

31 FTEs 1,398.01

32 It is the intent of the general assembly that the
33 university continue progress on the implementation of a
34 masters in social work program. From the funds appropriated
35 in this lettered paragraph, the university may use up to

1 \$450,000 for the implementation of the masters in social work
2 program, up to \$100,000 for the roadside vegetation project,
3 and up to \$200,000 for the Iowa office for staff development.

4 b. Recycling and reuse center

5 For purposes of the recycling and reuse center, and for not
6 more than the following full-time equivalent positions:

7	\$	211,858
8	FTEs	3.00

9 5. STATE SCHOOL FOR THE DEAF

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

13	\$	8,261,706
14	FTEs	126.60

15 6. IOWA BRAILLE AND SIGHT SAVING SCHOOL

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

19	\$	4,622,122
20	FTEs	81.00

21 7. TUITION AND TRANSPORTATION COSTS

22 For payment to local school boards for the tuition and
23 transportation costs of students residing in the Iowa braille
24 and sight saving school and the state school for the deaf
25 pursuant to section 262.43 and for payment of certain
26 clothing, prescription, and transportation costs for students
27 at these schools pursuant to section 270.5:

28	\$	15,020
----------	----	--------

29 Sec. 80. MEDICAL ASSISTANCE -- SUPPLEMENTAL AMOUNTS. For
30 the fiscal year beginning July 1, 2004, and ending June 30,
31 2005, the department of human services shall continue the
32 supplemental disproportionate share and a supplemental
33 indirect medical education adjustment applicable to state-
34 owned acute care hospitals with more than 500 beds and shall
35 reimburse qualifying hospitals pursuant to that adjustment

1 with a supplemental amount for services provided medical
2 assistance recipients. The adjustment shall generate
3 supplemental payments intended to equal the state
4 appropriation made to a qualifying hospital for treatment of
5 indigent patients as provided in chapter 255. To the extent
6 of the supplemental payments, a qualifying hospital shall,
7 after receipt of the funds, transfer to the department of
8 human services an amount equal to the actual supplemental
9 payments that were made in that month. The aggregate amounts
10 for the fiscal year shall not exceed the state appropriation
11 made to the qualifying hospital for treatment of indigent
12 patients as provided in chapter 255. The department of human
13 services shall deposit these funds in the department's medical
14 assistance account. To the extent that state funds
15 appropriated to a qualifying hospital for the treatment of
16 indigent patients as provided in chapter 255 have been
17 transferred to the department of human services as a result of
18 these supplemental payments made to the qualifying hospital,
19 the department shall not, directly or indirectly, recoup the
20 supplemental payments made to a qualifying hospital for any
21 reason, unless an equivalent amount of the funds transferred
22 to the department of human services by a qualifying hospital
23 pursuant to this provision is transferred to the qualifying
24 hospital by the department.

25 If the state supplemental amount allotted to the state of
26 Iowa for the federal fiscal year beginning October 1, 2004,
27 and ending September 30, 2005, pursuant to section 1923(f)(3)
28 of the federal Social Security Act, as amended, or pursuant to
29 federal payments for indirect medical education is greater
30 than the amount necessary to fund the federal share of the
31 supplemental payments specified in the preceding paragraph,
32 the department of human services shall increase the
33 supplemental disproportionate share or supplemental indirect
34 medical education adjustment by the lesser of the amount
35 necessary to utilize fully the state supplemental amount or

1 the amount of state funds appropriated to the state university
2 of Iowa general education fund and allocated to the university
3 for the college of medicine. The state university of Iowa
4 shall transfer from the allocation for the college of medicine
5 to the department of human services, on a monthly basis, an
6 amount equal to the additional supplemental payments made
7 during the previous month pursuant to this paragraph. A
8 qualifying hospital receiving supplemental payments pursuant
9 to this paragraph that are greater than the state
10 appropriation made to the qualifying hospital for treatment of
11 indigent patients as provided in chapter 255 shall be
12 obligated as a condition of its participation in the medical
13 assistance program to transfer to the state university of Iowa
14 general education fund on a monthly basis an amount equal to
15 the funds transferred by the state university of Iowa to the
16 department of human services. To the extent that state funds
17 appropriated to the state university of Iowa and allocated to
18 the college of medicine have been transferred to the
19 department of human services as a result of these supplemental
20 payments made to the qualifying hospital, the department shall
21 not, directly or indirectly, recoup these supplemental
22 payments made to a qualifying hospital for any reason, unless
23 an equivalent amount of the funds transferred to the
24 department of human services by the state university of Iowa
25 pursuant to this paragraph is transferred to the qualifying
26 hospital by the department.

27 Continuation of the supplemental disproportionate share and
28 supplemental indirect medical education adjustment shall
29 preserve the funds available to the university hospital for
30 medical and surgical treatment of indigent patients as
31 provided in chapter 255 and to the state university of Iowa
32 for educational purposes at the same level as provided by the
33 state funds initially appropriated for that purpose.

34 The department of human services shall, in any compilation
35 of data or other report distributed to the public concerning

1 payments to providers under the medical assistance program,
2 set forth reimbursements to a qualifying hospital through the
3 supplemental disproportionate share and supplemental indirect
4 medical education adjustment as a separate item and shall not
5 include such payments in the amounts otherwise reported as the
6 reimbursement to a qualifying hospital for services to medical
7 assistance recipients.

8 For purposes of this section, "supplemental payment" means
9 a supplemental payment amount paid for medical assistance to a
10 hospital qualifying for that payment under this section.

11 Sec. 81. For the fiscal year beginning July 1, 2004, and
12 ending June 30, 2005, the state board of regents may use
13 notes, bonds, or other evidences of indebtedness issued under
14 section 262.48 to finance projects that will result in energy
15 cost savings in an amount that will cause the state board to
16 recover the cost of the projects within an average of six
17 years.

18 Sec. 82. Notwithstanding section 270.7, the department of
19 administrative services shall pay the state school for the
20 deaf and the Iowa braille and sight saving school the moneys
21 collected from the counties during the fiscal year beginning
22 July 1, 2004, for expenses relating to prescription drug costs
23 for students attending the state school for the deaf and the
24 Iowa braille and sight saving school.

25 Sec. 83. Section 256.44, subsection 7, Code 2003, is
26 amended to read as follows:

27 7. The department shall prorate the amount of the annual
28 awards paid in accordance with this section when the number of
29 award recipients exceeds one thousand one hundred individuals.
30 The department may prorate the amount of an annual award when
31 a teacher who meets the qualifications of subsection 1 is
32 employed on a less than full-time basis by a school district.
33 The state board shall adopt rules under chapter 17A
34 establishing criteria for the proration of annual awards.

35 Sec. 84. Section 261.19, subsection 2, Code 2003, is

1 amended to read as follows:

2 2. (1) Notwithstanding the administration provisions of
3 subsection 1, the forgivable loan program established pursuant
4 to subsection 1 shall be administered by the commission in
5 conjunction with Des Moines university. Des Moines university
6 shall match on an equal basis state aid appropriated for
7 purposes of the forgivable loan program.

8 (2) Des Moines university shall provide recommendations to
9 the commission for students who meet the eligibility
10 requirements of the forgivable loan program. A forgivable
11 loan may be awarded to a resident of Iowa who is enrolled at
12 Des Moines university -- osteopathic medical center if the
13 student agrees to practice in this state for a period of time
14 to be determined by the commission at the time the loan is
15 awarded. Forgivable loans to eligible students shall not
16 become due until after the student completes a residency
17 program. Interest on the loans shall begin to accrue the day
18 following the student's graduation date. If the student
19 completes the period of practice established by the commission
20 and agreed to by the student, the loan amount shall be
21 forgiven. The loan amount shall not be forgiven if the
22 osteopathic physician fails to complete the required time
23 period of practice in this state or fails to satisfactorily
24 continue in the university's program of medical education.

25 Sec. 85. Section 257B.1B, subsection 1, Code 2003, is
26 amended to read as follows:

27 1. Fifty-five percent of the moneys deposited in the fund
28 to the department of education for allocation to the reading
29 recovery center to assist school districts in developing
30 reading recovery programs. ~~From the moneys allocated in this~~
31 ~~subsection, one hundred thousand dollars shall be distributed~~
32 ~~to the reading recovery center, and the remaining balance~~
33 ~~shall be distributed to the area education agencies in the~~
34 ~~proportion that the number of children who are eligible for~~
35 ~~free or reduced-price meals under the federal National School~~

1 ~~Lunch-Act-and-the-federal-Child-Nutrition-Act-of-1966,42~~
2 ~~U.S.C.-§-1751--1785,-in-the-basic-enrollment-of-grades-one~~
3 ~~through-six-in-the-area-served-by-an-agency,-bears-to-the-sum~~
4 ~~of-the-number-of-children-who-are-eligible-for-free-or-reduced~~
5 ~~price-meals-under-the-federal-National-School-Lunch-Act-and~~
6 ~~the-federal-Child-Nutrition-Act-of-1966,42-U.S.C.-§~~
7 ~~1751--1785,-in-the-basic-enrollments-of-grades-one-through-six~~
8 ~~in-all-of-the-areas-served-by-area-education-agencies-in-the~~
9 ~~state-for-the-budget-year.~~

10 Sec. 86. Section 261.25, subsections 1, 2, and 3, Code
11 Supplement 2003, are amended to read as follows:

12 1. There is appropriated from the general fund of the
13 state to the commission for each fiscal year the sum of ~~forty-~~
14 ~~six~~ forty-seven million ~~four~~ one hundred ~~seventeen~~ fifty-seven
15 thousand ~~nine~~ five hundred ~~sixty-four~~ fifteen dollars for
16 tuition grants.

17 2. There is appropriated from the general fund of the
18 state to the commission for each fiscal year the sum of four
19 hundred ~~seventy-seven~~ sixty-five thousand one hundred ~~three~~
20 seventy-five dollars for scholarships.

21 3. There is appropriated from the general fund of the
22 state to the commission for each fiscal year the sum of two
23 million ~~three~~ five hundred ~~seventy-five~~ thirty-three thousand
24 ~~six~~ one hundred ~~fifty-seven~~ fifteen dollars for vocational-
25 technical tuition grants.

26 Sec. 87. Section 279.20, Code 2003, is amended to read as
27 follows:

28 279.20 SUPERINTENDENT -- TERM.

29 1. The board of directors of a school district may employ
30 a superintendent of schools for a term of not to exceed three
31 years. However, the board's initial contract with a
32 superintendent shall not exceed one year if the board is
33 obligated to pay a former superintendent under an unexpired
34 contract. The superintendent shall be the executive officer
35 of the board and have such powers and duties as may be

1 prescribed by rules adopted by the board or by law. Boards of
2 directors may jointly exercise the powers conferred by this
3 section.

4 2. The board of directors of a school district may
5 delegate the authority to hire support personnel and sign the
6 support personnel employment contracts if the board adopts a
7 policy authorizing the superintendent to perform such duties
8 and specifying the positions the superintendent is authorized
9 to fill. For purposes of this subsection, the term "support
10 personnel" includes, but is not limited to, bus drivers,
11 custodians, educational associates, and clerical and food
12 service employees.

13 Sec. 88. Section 284.10, subsection 3, Code Supplement
14 2003, is amended by striking the subsection.

15 Sec. 89. Section 284.13, subsection 1, paragraphs b, d,
16 and e, Code Supplement 2003, are amended to read as follows:

17 b. For the fiscal year beginning July 1, ~~2003~~ 2004, and
18 ending June 30, ~~2004~~ 2005, to the department of education, the
19 amount of one million seven hundred thousand dollars for the
20 issuance of national board certification awards in accordance
21 with section 256.44.

22 d. For the fiscal year beginning July 1, 2003, and ending
23 June 30, 2004, up to one million dollars to the department of
24 education for purposes of establishing ~~maintaining~~ the
25 evaluator training program, ~~including but not limited to an~~
26 ~~evaluation process, the training of providers, development of~~
27 ~~a provider approval process, training materials and costs, for~~
28 ~~payment to practitioners under section 284.10, subsection 3,~~
29 ~~and to pay any applicable costs of the employer's share of~~
30 ~~contributions to federal social security and the Iowa public~~
31 ~~employees' retirement system or a pension and annuity~~
32 ~~retirement system established under chapter 294, for such~~
33 ~~amounts paid by the district, and for subsidies to school~~
34 ~~districts for training costs. A portion of the funds~~
35 ~~allocated to the department for purposes of this paragraph may~~

1 ~~be-used-by-the-department-for-administrative-purposes-~~
2 Notwithstanding section 8.33, from the moneys allocated under
3 this paragraph for the fiscal year beginning July 1, 2003,
4 that remain unobligated or unexpended at the end of the fiscal
5 year, one hundred fifty thousand dollars shall not revert but
6 shall remain available for expenditure to maintain the
7 evaluator training program, and up to five hundred thousand
8 dollars shall remain available to supplement moneys allocated
9 pursuant to paragraph "f" of this subsection.

10 e. For the fiscal year beginning July 1, ~~2003~~ 2004, and
11 ending June 30, ~~2004~~ 2005, up to ~~three~~ four hundred ~~seventy-~~
12 ~~five~~ thousand dollars to the department of education for
13 purposes of implementing the career development program
14 requirements of section 284.6, and the review panel
15 requirements of section 284.9. From the moneys allocated to
16 the department pursuant to this paragraph, not less than
17 seventy-five thousand dollars shall be used to administer the
18 ambassador to education position in accordance with section
19 256.45. A portion of the funds allocated to the department
20 for purposes of this paragraph may be used by the department
21 for administrative purposes. Notwithstanding section 8.33,
22 moneys allocated for purposes of this paragraph prior to July
23 1, 2004, which remain unobligated or unexpended at the end of
24 the fiscal year for which the moneys were appropriated, shall
25 remain available for expenditure for the purposes for which
26 they were allocated, for the fiscal year beginning July 1,
27 2004, and ending June 30, 2005.

28 Sec. 90. EFFECTIVE DATE. The provisions of this division
29 of this Act providing for supplemental aid for the Iowa public
30 broadcasting division and amending section 284.13, subsection
31 1, paragraphs "d" and "e", relating to moneys carried over to
32 the 2004-2005 fiscal year, being deemed of immediate
33 importance, takes effect upon enactment.

34
35

DIVISION V
HEALTH AND HUMAN SERVICES

1

ELDER AFFAIRS

2

Sec. 91. DEPARTMENT OF ELDER AFFAIRS. There is

3

appropriated from the general fund of the state to the

4

department of elder affairs for the fiscal year beginning July

5

1, 2004, and ending June 30, 2005, the following amount, or so

6

much thereof as is necessary, to be used for the purposes

7

designated:

8

For aging programs for the department of elder affairs and

9

area agencies on aging to provide citizens of Iowa who are 60

10

years of age and older with case management for the frail

11

elderly, the retired and senior volunteer program, resident

12

advocate committee coordination, employment, and other

13

services which may include, but are not limited to, adult day

14

services, respite care, chore services, telephone reassurance,

15

information and assistance, and home repair services,

16

including the winterizing of homes, and for the construction

17

of entrance ramps which make residences accessible to the

18

physically handicapped, and for salaries, support,

19

administration, maintenance, miscellaneous purposes, and for

20

not more than the following full-time equivalent positions

21

with the department of elder affairs:

22

..... \$ 2,625,146

23

..... FTEs 26.75

24

1. Funds appropriated in this section may be used to

25

supplement federal funds under federal regulations. To

26

receive funds appropriated in this section, a local area

27

agency on aging shall match the funds with moneys from other

28

sources according to rules adopted by the department. Funds

29

appropriated in this section may be used for elderly services

30

not specifically enumerated in this section only if approved

31

by an area agency on aging for provision of the service within

32

the area.

33

2. Of the funds allocated in this section and any other

34

state funds allocated for aging programs of the area agencies

35

on aging not more than 7.5 percent of the total amount

1 allocated shall be used for area agencies on aging
2 administrative purposes.

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

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

12 HEALTH

13 Sec. 92. DEPARTMENT OF PUBLIC HEALTH. There is
14 appropriated from the general fund of the state to the Iowa
15 department of public health for the fiscal year beginning July
16 1, 2004, and ending June 30, 2005, the following amounts, or
17 so much thereof as is necessary, to be used for the purposes
18 designated:

19 1. ADDICTIVE DISORDERS

20 For reducing the prevalence of use of tobacco, alcohol, and
21 other drugs, and treating individuals affected by addictive
22 behaviors, including gambling, and for not more than the
23 following full-time equivalent positions:

24	\$	1,267,111
25	FTEs	15.75

26 a. The department shall continue to coordinate with
27 substance abuse treatment and prevention providers regardless
28 of funding source to assure the delivery of substance abuse
29 treatment and prevention programs.

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

1 c. The department and any grantee or subgrantee of the
2 department shall not discriminate against a nongovernmental
3 organization that provides substance abuse treatment and
4 prevention services or applies for funding to provide those
5 services on the basis that the organization has a religious
6 character. The department shall report to the governor and
7 the general assembly on or before February 1, 2005, regarding
8 the number of religious or other nongovernmental organizations
9 that applied for funds in the preceding fiscal year, the
10 amounts awarded to those organizations, and the basis for any
11 refusal by the department or grantee or subgrantee of the
12 department to award funds to any of those organizations that
13 applied.

14 2. ADULT WELLNESS

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

19	\$	304,067
20	FTEs	20.85

21 3. CHILD AND ADOLESCENT WELLNESS

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

25	\$	915,803
26	FTEs	44.10

27 4. CHRONIC CONDITIONS

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

31	\$	845,863
32	FTEs	10.00

33 5. COMMUNITY CAPACITY

34 For strengthening the health care delivery system at the
35 local level, and for not more than the following full-time

1 equivalent positions:

2 \$ 1,267,359
3 FTEs 21.60

4 Of the funds appropriated in this subsection, \$100,000 is
5 allocated for a child vision screening program implemented
6 through the university of Iowa hospitals and clinics in
7 collaboration with community empowerment areas.

8 6. ELDERLY WELLNESS

9 For optimizing the health of persons 60 years of age and
10 older, and for not more than the following full-time

11 equivalent positions:

12 \$ 9,233,985
13 FTEs 4.95

14 The department shall implement elderly wellness services in
15 a manner that ensures that the services provided are not
16 payable by a third-party source. The department shall submit
17 a report by December 1, 2004, to the persons in this division
18 of this Act designated to receive reports regarding the
19 provision of services and expenditures for the services.

20 7. ENVIRONMENTAL HAZARDS

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

24 \$ 251,808
25 FTEs 8.30

26 8. INFECTIOUS DISEASES

27 For reducing the incidence and prevalence of communicable
28 diseases, and for not more than the following full-time
29 equivalent positions:

30 \$ 1,079,703
31 FTEs 38.25

32 9. INJURIES

33 For providing support and protection to victims of abuse or
34 injury, or programs that are designed to prevent abuse or
35 injury, and for not more than the following full-time

1 equivalent positions:

2 \$ 1,379,358
3 FTEs 9.10

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

7 10. PUBLIC PROTECTION

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

11 \$ 6,598,873
12 FTEs 152.05

13 a. The department may expend funds received from licensing
14 fees in addition to amounts appropriated in this subsection,
15 if those additional expenditures are directly the result of a
16 scope of practice review committee's unanticipated litigation
17 costs arising from the discharge of an examining board's
18 regulatory duties. Before the department expends or encumbers
19 funds for a scope of practice review committee or for an
20 amount in excess of the funds budgeted for an examining board,
21 the director of the department of management shall approve the
22 expenditure or encumbrance. The amounts necessary to fund any
23 unanticipated litigation or scope of practice review committee
24 expense in the fiscal year beginning July 1, 2004, shall not
25 exceed 5 percent of the average annual fees generated by the
26 boards for the previous two fiscal years. The funds
27 authorized for expenditure pursuant to this lettered paragraph
28 are appropriated to the department for the purposes described
29 in this paragraph.

30 b. For the fiscal year beginning July 1, 2004, the
31 department shall retain fees collected from the certification
32 of lead inspectors and lead abaters pursuant to section
33 135.105A to support the certification program; and shall
34 retain fees collected from the licensing, registration,
35 authorization, accreditation, and inspection of x-ray machines

1 used for mammographically guided breast biopsy, screening, and
2 diagnostic mammography, pursuant to section 136C.10 to support
3 the administration of the chapter. The department may also
4 retain fees collected pursuant to section 136C.10 on all
5 shippers of radioactive material waste containers transported
6 across Iowa if the department does not obtain funding to
7 support the oversight and regulation of this activity, and for
8 x-ray radiology examination fees collected by the department
9 and reimbursed to a private organization conducting the
10 examination. Fees retained by the department pursuant to this
11 lettered paragraph are appropriated to the department for the
12 purposes described in this lettered paragraph.

13 c. The department may retain and expend not more than
14 \$297,961 for lease and maintenance expenses from fees
15 collected pursuant to section 147.80 by the board of dental
16 examiners, the board of pharmacy examiners, the board of
17 medical examiners, and the board of nursing in the fiscal year
18 beginning July 1, 2004, and ending June 30, 2005. Fees
19 retained by the department pursuant to this lettered paragraph
20 are appropriated to the department for the purposes described
21 in this lettered paragraph.

22 d. The department may retain and expend not more than
23 \$100,000 for reduction of the number of days necessary to
24 process medical license requests and for reduction of the
25 number of days needed for consideration of malpractice cases
26 from fees collected pursuant to section 147.80 by the board of
27 medical examiners in the fiscal year beginning July 1, 2004,
28 and ending June 30, 2005. Fees retained by the department
29 pursuant to this lettered paragraph are appropriated to the
30 department for the purposes described in this lettered
31 paragraph.

32 e. The board of dental examiners may retain and expend not
33 more than \$148,060 from revenues generated pursuant to section
34 147.80. Fees retained by the board pursuant to this lettered
35 paragraph are appropriated to the department to be used for

1 the purposes of regulating dental assistants.

2 f. The board of medical examiners, the board of pharmacy
3 examiners, the board of dental examiners, and the board of
4 nursing shall prepare estimates of projected receipts to be
5 generated by the licensing, certification, and examination
6 fees of each board as well as a projection of the fairly
7 apportioned administrative costs and rental expenses
8 attributable to each board. Each board shall annually review
9 and adjust its schedule of fees so that, as nearly as
10 possible, projected receipts equal projected costs.

11 g. The board of medical examiners, the board of pharmacy
12 examiners, the board of dental examiners, and the board of
13 nursing shall retain their individual executive officers, but
14 are strongly encouraged to share administrative, clerical, and
15 investigative staffs to the greatest extent possible. The
16 department shall submit a status report regarding the sharing
17 of staff under this paragraph to the persons designated in
18 this division of this Act to receive reports by December 1,
19 2004.

20 h. For the fiscal year beginning July 1, 2004, the board
21 of nursing may retain and expend 90 percent of the revenues
22 generated from any increase in licensing fees pursuant to
23 section 147.80 for purposes related to the state board's
24 duties, including but not limited to the addition of full-time
25 equivalent positions for program services, investigations, and
26 for claiming of medical assistance program funding for school
27 district nursing services provided for students. Fees
28 retained by the board pursuant to this lettered paragraph are
29 appropriated to the board of nursing for the purposes
30 described in this paragraph.

31 11. RESOURCE MANAGEMENT

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

35 \$ 406,707

1 FTEs 47.30

2 12. The university of Iowa hospitals and clinics under the
3 control of the state board of regents shall not receive
4 indirect costs from the funds appropriated in this section.

5 13. A local health care provider or nonprofit health care
6 organization seeking grant moneys administered by the Iowa
7 department of public health shall provide documentation that
8 the provider or organization has coordinated its services with
9 other local entities providing similar services.

10 14. a. The department shall apply for available federal
11 funds for sexual abstinence education programs.

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

17 c. Any sexual abstinence education program awarded moneys
18 under the grant program shall meet the definition of
19 abstinence education in the federal law. Grantees shall be
20 evaluated based upon the extent to which the abstinence
21 program successfully communicates the goals set forth in the
22 federal law.

23 d. It is the intent of the general assembly that the Iowa
24 department of public health and the department of human
25 services shall coordinate programs regarding pregnancy
26 prevention to the greatest extent possible.

27 Sec. 93. GAMBLING TREATMENT FUND -- APPROPRIATION.

28 1. There is appropriated from funds available in the
29 gambling treatment fund established in the office of the
30 treasurer of state pursuant to section 99G.39 to the Iowa
31 department of public health for the fiscal year beginning July
32 1, 2004, and ending June 30, 2005, the following amount, or so
33 much thereof as is necessary, to be used for the purpose
34 designated:

35 a. Addictive disorders

1 To be utilized for the benefit of persons with addictions:

2 \$ 1,690,000

3 The appropriation made in this paragraph shall be made from
4 proceeds credited to the gambling treatment fund due to an
5 increase in the percentage of gambling proceeds credited to
6 the gambling treatment fund if any enactment of legislation by
7 the 2004 Eightieth General Assembly in the Regular or
8 Extraordinary Legislative Session increases the percentage of
9 gambling proceeds credited to the gambling treatment fund.

10 It is the intent of the general assembly that from the
11 moneys appropriated in this section, persons with a dual
12 diagnosis of substance abuse and gambling addictions shall be
13 given priority in treatment services.

14 b. Gambling treatment program

15 The funds in the gambling treatment fund after the
16 appropriation in paragraph "a" is made are appropriated and
17 shall be used for funding of administrative costs and to
18 provide programs which may include, but are not limited to,
19 outpatient and follow-up treatment for persons affected by
20 problem gambling, rehabilitation and residential treatment
21 programs, information and referral services, education and
22 preventive services, and financial management services.

23 2. Unless provided otherwise in legislation enacted by the
24 Eightieth General Assembly in 2004, for the fiscal year
25 beginning July 1, 2004, and ending June 30, 2005, from the tax
26 revenue received by the state racing and gaming commission
27 pursuant to section 99D.15, subsections 1, 3, and 4, an amount
28 equal to three-tenths of one percent of the gross sum wagered
29 by the pari-mutuel method is to be deposited into the gambling
30 treatment fund.

31 Sec. 94. VITAL RECORDS. The vital records modernization
32 project as enacted in 1993 Iowa Acts, chapter 55, section 1,
33 as amended by 1994 Iowa Acts, chapter 1068, section 8, as
34 amended by 1997 Iowa Acts, chapter 203, section 9, 1998 Iowa
35 Acts, chapter 1221, section 9, and 1999 Iowa Acts, chapter

1 201, section 17, and as continued by 2000 Iowa Acts, chapter
2 1222, section 10, 2001 Iowa Acts, chapter 182, section 13,
3 2002 Iowa Acts, Second Extraordinary Session, chapter 1003,
4 section 104, and 2003 Iowa Acts, chapter 175, section 4, shall
5 be extended until June 30, 2005, and the increased fees to be
6 collected pursuant to that project shall continue to be
7 collected and are appropriated to the Iowa department of
8 public health until June 30, 2005. The department shall
9 submit a report to the persons designated by this Act to
10 receive reports no later than September 1, 2004, concerning
11 the status of the modernization project, the fees collected,
12 and a target date for the project's completion.

13 Sec. 95. SCOPE OF PRACTICE REVIEW PROJECT. The scope of
14 practice review committee pilot project as enacted in 1997
15 Iowa Acts, chapter 203, section 6, as continued by 2002 Iowa
16 Acts, Second Extraordinary Session, chapter 1003, section 107,
17 and 2003 Iowa Acts, chapter 175, section 5, shall be extended
18 until June 30, 2005. The Iowa department of public health
19 shall submit an annual progress report to the governor and the
20 general assembly by January 15 and shall include any
21 recommendations for legislative action as a result of review
22 committee activities. The department may contract with a
23 school or college of public health in Iowa to assist in
24 implementing the project.

25 Sec. 96. AIDS DRUG ASSISTANCE PROGRAM. The Iowa
26 department of public health and the department of human
27 services shall collaborate to identify funding within the
28 funds available for the fiscal year beginning July 1, 2004, to
29 use in leveraging the maximum amount of federal funding
30 through the federal Ryan White Care Act, Title II, AIDS drug
31 assistance program for AIDS drug assistance program
32 supplemental drug treatment grants. The Iowa department of
33 public health shall submit a report regarding the results of
34 this directive to the persons specified in this Act to receive
35 reports.

1 COMMISSION OF VETERANS AFFAIRS

2 Sec. 97. COMMISSION OF VETERANS AFFAIRS. There is
3 appropriated from the general fund of the state to the
4 commission of veterans affairs for the fiscal year beginning
5 July 1, 2004, and ending June 30, 2005, the following amounts,
6 or so much thereof as is necessary, to be used for the
7 purposes designated:

8 1. COMMISSION OF VETERANS AFFAIRS ADMINISTRATION

9 For salaries, support, maintenance, miscellaneous purposes,
10 including the war orphans educational aid fund established
11 pursuant to chapter 35, and for not more than the following
12 full-time equivalent positions:

13	\$	293,971
14	FTEs	4.00

15 Of the funds appropriated in this subsection, \$100,000
16 shall be used by the commission to contract with the
17 department of elder affairs to utilize local veterans affairs
18 commissions and the retired senior volunteers program to
19 increase the utilization by eligible individuals of benefits
20 available through the federal department of veterans affairs.

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

28 2. IOWA VETERANS HOME

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

32	\$	16,189,139
33	FTEs	843.50

34 a. The Iowa veterans home may use the gifts accepted by
35 the chairperson of the commission of veterans affairs and

1 other resources available to the commission for use at the
2 Iowa veterans home.

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

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

13 d. The Iowa veterans home shall operate with a net state
14 general fund appropriation. The amount appropriated in this
15 subsection is the net amount of state moneys projected to be
16 needed for the Iowa veterans home. The purposes of operating
17 with a net state general fund appropriation are to encourage
18 the Iowa veterans home to operate with increased self-
19 sufficiency, to improve quality and efficiency, and to support
20 collaborative efforts among all funders of services available
21 from the Iowa veterans home. Moneys appropriated in this
22 subsection may be used throughout the fiscal year in the
23 manner necessary for purposes of cash flow management, and for
24 purposes of cash flow management the Iowa veterans home may
25 temporarily draw more than the amount appropriated, provided
26 the amount appropriated is not exceeded at the close of the
27 fiscal year.

28 e. Revenues attributable to the Iowa veterans home for the
29 fiscal year beginning July 1, 2004, shall be deposited into
30 the Iowa veterans home account and shall be treated as
31 repayment receipts, including but not limited to all of the
32 following:

33 (1) Federal veterans administration payments.

34 (2) Medical assistance revenue received under chapter
35 249A.

1 (3) Federal Medicare program payments.

2 (4) Moneys received from client financial participation.

3 (5) Other revenues generated from current, new, or
4 expanded services which the Iowa veterans home is authorized
5 to provide.

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

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

15 HUMAN SERVICES

16 Sec. 98. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK
17 GRANT. There is appropriated from the fund created in section
18 8.41 to the department of human services for the fiscal year
19 beginning July 1, 2004, and ending June 30, 2005, from moneys
20 received under the federal temporary assistance for needy
21 families (TANF) block grant pursuant to the federal Personal
22 Responsibility and Work Opportunity Reconciliation Act of
23 1996, Pub. L. No. 104-193, and successor legislation, which
24 are federally appropriated for the federal fiscal years
25 beginning October 1, 2003, and ending September 30, 2004, and
26 beginning October 1, 2004, and ending September 30, 2005, the
27 following amounts, or so much thereof as is necessary, to be
28 used for the purposes designated:

29 If the total amount of federal government appropriations
30 received for Iowa's portion of the TANF block grant amounts
31 for the federal fiscal years beginning October 1, 2003, and
32 ending September 30, 2004, and beginning October 1, 2004, and
33 ending September 30, 2005, is less than \$131,524,959, it is
34 the intent of the general assembly to act expeditiously during
35 the 2005 legislative session to adjust appropriations or take

1 other actions to address the reduced amount. Moneys
2 appropriated in this section shall be used in accordance with
3 the federal law making the funds available, applicable Iowa
4 law, appropriations made from the general fund of the state in
5 this Act for the purpose designated, and administrative rules
6 adopted to implement the federal and Iowa law:

7 1. To be credited to the family investment program account
8 and used for assistance under the family investment program
9 under chapter 239B:

10 \$ 45,277,569

11 2. To be credited to the family investment program account
12 and used for the job opportunities and basic skills (JOBS)
13 program, and implementing family investment agreements, in
14 accordance with chapter 239B:

15 \$ 13,412,794

16 3. For field operations:

17 \$ 19,480,254

18 4. For general administration:

19 \$ 3,660,030

20 5. For local administrative costs:

21 \$ 2,136,565

22 6. For state child care assistance:

23 \$ 18,073,746

24 a. Of the funds appropriated in this subsection, \$200,000
25 shall be used for provision of educational opportunities to
26 registered child care home providers in order to improve
27 services and programs offered by this category of providers
28 and to increase the number of providers. The department may
29 contract with institutions of higher education or child care
30 resource and referral centers to provide the educational
31 opportunities. Allowable administrative costs under the
32 contracts shall not exceed 5 percent. The application for a
33 grant shall not exceed two pages in length.

34 b. Of the funds appropriated in this subsection, the
35 maximum amount allowed under Pub. L. No. 104-193 and successor

1 legislation shall be transferred to the child care and
2 development block grant appropriation. Funds appropriated in
3 this subsection that remain following the transfer shall be
4 used to provide direct spending for the child care needs of
5 working parents in families eligible for the family investment
6 program.

7 6A. For mental health and developmental disabilities
8 community services:

9 \$ 4,500,610

10 7. For child and family services:

11 \$ 30,275,728

12 8. For child abuse prevention grants:

13 \$ 250,000

14 9. For pregnancy prevention grants on the condition that
15 family planning services are funded:

16 \$ 2,514,413

17 a. If the department receives approval of a waiver from
18 the centers for Medicare and Medicaid services of the United
19 States department of health and human services to provide
20 family planning services, of the amount appropriated in this
21 subsection, \$533,580 shall be transferred to the appropriation
22 in this Act for child and family services.

23 b. Pregnancy prevention grants shall be awarded to
24 programs in existence on or before July 1, 2004, if the
25 programs are comprehensive in scope and have demonstrated
26 positive outcomes. Grants shall be awarded to pregnancy
27 prevention programs which are developed after July 1, 2004, if
28 the programs are comprehensive in scope and are based on
29 existing models that have demonstrated positive outcomes.
30 Grants shall comply with the requirements provided in 1997
31 Iowa Acts, chapter 208, section 14, subsections 1 and 2,
32 including the requirement that grant programs must emphasize
33 sexual abstinence. Priority in the awarding of grants shall
34 be given to programs that serve areas of the state which
35 demonstrate the highest percentage of unplanned pregnancies of

1 females age 13 or older but younger than age 18 within the
2 geographic area to be served by the grant.

3 c. In addition to the full-time equivalent positions
4 funded in this Act, the department may use a portion of the
5 funds appropriated in this subsection to employ up to an
6 additional 1.00 FTE for the administration of programs
7 specified in this subsection.

8 10. For technology needs and other resources necessary to
9 meet federal welfare reform reporting, tracking, and case
10 management requirements:

11 \$ 1,037,186

12 11. For the healthy opportunities for parents to
13 experience success (HOPES) program administered by the Iowa
14 department of public health to target child abuse prevention:

15 \$ 200,000

16 12. To be credited to the state child care assistance
17 appropriation made in this section to be used for funding of
18 community-based early childhood programs targeted to children
19 from birth through five years of age, developed by community
20 empowerment areas as provided in this subsection:

21 \$ 7,350,000

22 a. The department may transfer TANF block grant funding
23 appropriated and allocated in this subsection to the child
24 care and development block grant appropriation in accordance
25 with federal law as necessary to comply with the provisions of
26 this subsection. The funding shall then be provided to
27 community empowerment areas for the fiscal year beginning July
28 1, 2004, in accordance with all of the following:

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

31 (2) The maximum funding amount a community empowerment
32 area is eligible to receive shall be determined by applying
33 the area's percentage of the state's average monthly family
34 investment program population in the preceding fiscal year to
35 the total amount appropriated for fiscal year 2004-2005 from

1 the TANF block grant to fund community-based programs targeted
2 to children from birth through five years of age developed by
3 community empowerment areas.

4 (3) A community empowerment area receiving funding shall
5 comply with any federal reporting requirements associated with
6 the use of that funding and other results and reporting
7 requirements established by the Iowa empowerment board. The
8 department shall provide technical assistance in identifying
9 and meeting the federal requirements.

10 (4) The availability of funding provided under this
11 subsection is subject to changes in federal requirements and
12 amendments to Iowa law.

13 b. The moneys distributed in accordance with this
14 subsection shall be used by communities for the purposes of
15 enhancing quality child care capacity in support of parent
16 capability to obtain or retain employment. The moneys shall
17 be used with a primary emphasis on low-income families and
18 children from birth to five years of age. Moneys shall be
19 provided in a flexible manner to communities, and shall be
20 used to implement strategies identified by the communities to
21 achieve such purposes. In addition to the full-time
22 equivalent positions authorized in this division of this Act,
23 1.00 FTE position is authorized and the department may use
24 funding appropriated in this subsection for provision of
25 technical assistance and other support to communities
26 developing and implementing strategies with moneys distributed
27 in accordance with this subsection.

28 c. Moneys that are subject to this subsection which are
29 not distributed to a community empowerment area or otherwise
30 remain unobligated or unexpended at the end of the fiscal year
31 shall revert to the fund created in section 8.41 to be
32 available for appropriation by the general assembly in a
33 subsequent fiscal year.

34 13. For a pilot program to be established in a judicial
35 district, selected by the department and the judicial council,

1 to provide employment and support services to delinquent child
2 support obligors as an alternative to commitment to jail as
3 punishment for contempt of court:

4 \$ 200,000

5 Of the amounts appropriated in this section, \$11,904,734
6 for the fiscal year beginning July 1, 2004, shall be
7 transferred to the appropriation of the federal social
8 services block grant for that fiscal year. If the federal
9 government revises requirements to reduce the amount that may
10 be transferred to the federal social services block grant, it
11 is the intent of the general assembly to act expeditiously
12 during the 2005 legislative session to adjust appropriations
13 or the transfer amount or take other actions to address the
14 reduced amount.

15 Eligible funding available under the TANF block grant that
16 is not appropriated or not otherwise expended shall be
17 considered reserved for economic downturns and welfare reform
18 purposes and is subject to further state appropriation to
19 support families in their movement toward self-sufficiency.

20 Federal funding received that is designated for activities
21 supporting marriage or two-parent families is appropriated to
22 the Iowa marriage initiative grant fund created in section
23 234.45.

24 Sec. 99. IOWA MARRIAGE INITIATIVE GRANT FUND.

25 1. Moneys credited to the Iowa marriage initiative grant
26 fund under 2003 Iowa Acts, chapter 175, section 7, subsection
27 15, and any other moneys credited to the fund are appropriated
28 to the department for the fiscal year beginning July 1, 2004,
29 and ending June 30, 2005, to be used in accordance with this
30 section.

31 2. The department shall establish an Iowa fatherhood and
32 family initiative grant program utilizing funds credited to
33 the Iowa marriage initiative grant fund created in section
34 234.45 to fund services to support fatherhood and to encourage
35 the formation and maintenance of two-parent families that are

1 secure and nurturing. The department of human services shall
2 adopt rules pursuant to chapter 17A to administer the grant
3 fund and to establish procedures for awarding of grants.

4 3. The program shall require that a grantee be a nonprofit
5 organization incorporated in this state with demonstrated
6 successful experience in facilitating fatherhood promotion
7 activities, marriage and family promotion activities, in using
8 media resources to promote fatherhood and marriage and family
9 formation, in making presentations to service or faith-based
10 organizations, and in raising private funding for activities
11 that support fatherhood, marriage, and families.

12 4. Preference in awarding grants may be given to those
13 nonprofit organizations working with faith-based groups and
14 those groups targeting young fathers.

15 5. The program activities funded by a grant shall include
16 but are not limited to all of the following:

17 a. Working with individuals who have a demonstrated
18 ability in working with at-risk fathers or working with those
19 who may solemnize marriages pursuant to section 595.10 to
20 utilize premarital diagnostic tools, to implement marriage
21 agreements developed by the individuals who may solemnize
22 marriages pursuant to section 595.10 that provide for an
23 appropriate engagement period and premarital and post marital
24 counseling, and to use volunteer mentors in program
25 activities.

26 b. Provision of a series of meetings sharing best
27 practices that encourage young fathers to fulfill their
28 responsibilities to the expectant mother of the child during
29 the pregnancy, and to the mother of the child following the
30 birth of the child, that promote happy and healthy marriages,
31 and that offer counseling to determine the father's level of
32 commitment to the child and the child's mother.

33 6. The program activities funded by a grant shall be
34 privately funded at no less than fifty percent of the grant
35 amount.

1 7. Grants shall be awarded in a manner that results in
2 provision of services throughout the state in an equal number
3 of urban and rural geographic areas.

4 8. The department shall implement the grant program so
5 that the initial request for proposals is issued on or before
6 October 1, 2004, and so that any grants are awarded on or
7 before January 1, 2005.

8 9. A grantee shall submit a quarterly financial report to
9 the department and to the legislative services agency and
10 shall be subject to an annual independent evaluation to assess
11 accomplishment of the purposes of the program.

12 10. The department shall provide a copy of the request for
13 proposals and shall submit a report concerning the proposals
14 received and grants awarded to those persons designated by
15 this division of this Act to receive reports.

16 11. The department may adopt emergency rules to implement
17 the provisions of this section.

18 Sec. 100. FAMILY INVESTMENT PROGRAM ACCOUNT.

19 1. Moneys credited to the family investment program (FIP)
20 account for the fiscal year beginning July 1, 2004, and ending
21 June 30, 2005, shall be used in accordance with the following
22 requirements:

23 a. The department of human services shall provide
24 assistance in accordance with chapter 239B.

25 b. The department shall continue the special needs program
26 under FIP.

27 c. The department shall continue to comply with federal
28 welfare reform data requirements pursuant to the
29 appropriations made for that purpose.

30 2. The department may use a portion of the moneys credited
31 to the FIP account under this section, as necessary for
32 salaries, support, maintenance, and miscellaneous purposes for
33 not more than the following full-time equivalent positions
34 which are in addition to any other full-time equivalent
35 positions authorized by this division of this Act:

1 FTEs 9.98

2 3. The department may transfer funds in accordance with
3 section 8.39, either federal or state, to or from the child
4 care appropriations made for the fiscal year beginning July 1,
5 2004, if the department deems this would be a more effective
6 method of paying for JOBS program child care, to maximize
7 federal funding, or to meet federal maintenance of effort
8 requirements.

9 4. Moneys appropriated in this division of this Act and
10 credited to the FIP account for the fiscal year beginning July
11 1, 2004, and ending June 30, 2005, are allocated as follows:

12 a. For the family development and self-sufficiency grant
13 program as provided under section 217.12:

14 \$ 5,133,042

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

19 (2) Based upon the annual evaluation report concerning
20 each grantee funded by previously appropriated funds and
21 through the solicitation of additional grant proposals, the
22 family development and self-sufficiency council may use the
23 allocated funds to renew or expand existing grants or award
24 new grants. In utilizing the funding allocated in this
25 lettered paragraph, the council shall give consideration, in
26 addition to other criteria established by the council, to a
27 grantee's intended use of local funds with a grant and to
28 whether approval of a grant proposal would expand the
29 availability of the program's services.

30 (3) The department may continue to implement the family
31 development and self-sufficiency grant program statewide
32 during FY 2004-2005.

33 b. For the diversion subaccount of the FIP account:

34 \$ 2,814,000

35 (1) Moneys allocated to the diversion subaccount shall be

1 used to implement FIP diversion statewide while continuing the
2 local flexibility in program design. A family that meets
3 income eligibility requirements for FIP may receive a one-time
4 payment to remedy an immediate need in order to permit the
5 family to maintain self-sufficiency without providing ongoing
6 cash assistance. A FIP participant family may receive
7 diversion assistance to overcome barriers to obtaining
8 employment and to assist in stabilizing employment in order to
9 increase the likelihood of the family leaving FIP more
10 quickly. The department shall assess and screen individuals
11 who would most likely benefit from the assistance. In
12 addition to the full-time equivalent positions authorized in
13 this division of this Act, 1.00 FTE is authorized for purposes
14 of diversion. The department may adopt additional eligibility
15 criteria as necessary for compliance with federal law and for
16 screening those families who would be most likely to become
17 eligible for FIP if diversion incentives would not be
18 provided.

19 (2) A portion of the moneys allocated for the subaccount
20 may be used for field operations salaries, data management
21 system development, and implementation costs and support
22 deemed necessary by the director of human services in order to
23 administer the FIP diversion program.

24 (3) Of the funds allocated in this lettered paragraph, not
25 more than \$250,000 shall be used to develop or continue
26 community-level parental obligation pilot projects. The
27 requirements established under 2001 Iowa Acts, chapter 191,
28 section 3, subsection 5, paragraph "c", subparagraph (3),
29 shall remain applicable to the parental obligation pilot
30 projects for fiscal year 2004-2005.

31 c. For the food stamp employment and training program:
32 \$ 64,278

33 5. Of the child support collections assigned under FIP, an
34 amount equal to the federal share of support collections shall
35 be credited to the child support recovery appropriation. Of

1 the remainder of the assigned child support collections
2 received by the child support recovery unit, a portion shall
3 be credited to the FIP account and a portion may be used to
4 increase recoveries.

5 6. The department may adopt emergency administrative rules
6 for the family investment, food stamp, and medical assistance
7 programs, if necessary, to comply with federal requirements.

8 7. The department may continue the initiative to
9 streamline and simplify the employer verification process for
10 applicants, participants, and employers in the administration
11 of the department's programs. The department may contract
12 with companies collecting data from employers when the
13 information is needed in the administration of these programs.
14 The department may limit the availability of the initiative on
15 the basis of geographic area or number of individuals.

16 Sec. 101. FAMILY INVESTMENT PROGRAM GENERAL FUND. There
17 is appropriated from the general fund of the state to the
18 department of human services for the fiscal year beginning
19 July 1, 2004, and ending June 30, 2005, the following amount,
20 or so much thereof as is necessary, to be used for the purpose
21 designated:

22 To be credited to the family investment program (FIP)
23 account and used for family investment program assistance
24 under chapter 239B:

25 \$ 39,045,438

26 1. The department of workforce development, in
27 consultation with the department of human services, shall
28 continue to utilize recruitment and employment practices to
29 include former and current FIP recipients.

30 2. The department of human services shall continue to work
31 with the department of workforce development and local
32 community collaborative efforts to provide support services
33 for FIP participants. The support services shall be directed
34 to those participant families who would benefit from the
35 support services and are likely to have success in achieving

1 economic independence.

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

4 4. The department shall continue to work with religious
5 organizations and other charitable institutions to increase
6 the availability of host homes, referred to as second chance
7 homes or other living arrangements under the federal Personal
8 Responsibility and Work Opportunity Reconciliation Act of
9 1996, Pub. L. No. 104-193, § 103, and successor legislation.
10 The purpose of the homes or arrangements is to provide a
11 supportive and supervised living arrangement for minor parents
12 receiving assistance under the family investment program who,
13 under chapter 239B, may receive assistance while living in an
14 alternative setting other than with their parent or legal
15 guardian.

16 Sec. 102. CHILD SUPPORT RECOVERY. There is appropriated
17 from the general fund of the state to the department of human
18 services for the fiscal year beginning July 1, 2004, and
19 ending June 30, 2005, the following amount, or so much thereof
20 as is necessary, to be used for the purposes designated:

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

24	\$	5,715,656
25	FTEs	407.00

26 1. The director of human services, within the limitations
27 of the moneys appropriated in this section, or moneys
28 transferred from the family investment program account for
29 this purpose, shall establish new positions and add employees
30 to the child support recovery unit if the director determines
31 that both the current and additional employees together can
32 reasonably be expected to maintain or increase net state
33 revenue at or beyond the budgeted level.

34 2. Nonpublic assistance application fees and other user
35 fees received by the child support recovery unit are

1 appropriated and shall be used for the purposes of the child
2 support recovery program. The director of human services may
3 add positions within the limitations of the amount
4 appropriated for salaries and support for the positions.

5 3. The director of human services, in consultation with
6 the department of management and the legislative fiscal
7 committee, is authorized to receive and deposit state child
8 support incentive earnings in the manner specified under
9 applicable federal requirements.

10 4. a. The director of human services may establish new
11 positions and add state employees to the child support
12 recovery unit or contract for delivery of services if the
13 director determines the employees are necessary to replace
14 county-funded positions eliminated due to termination,
15 reduction, or nonrenewal of a chapter 28E contract. However,
16 the director must also determine that the resulting increase
17 in the state share of child support recovery incentives
18 exceeds the cost of the positions or contract, the positions
19 or contract are necessary to ensure continued federal funding
20 of the program, or the new positions or contract can
21 reasonably be expected to recover at least twice the amount of
22 money necessary to pay the salaries and support for the new
23 positions or the contract will generate at least 200 percent
24 of the cost of the contract.

25 b. Employees in full-time positions that transition from
26 county government to state government employment under this
27 subsection are exempt from testing, selection, and appointment
28 provisions of chapter 19A and from the provisions of
29 collective bargaining agreements relating to the filling of
30 vacant positions.

31 5. Surcharges paid by obligors and received by the unit as
32 a result of the referral of support delinquency by the child
33 support recovery unit to any private collection agency are
34 appropriated to the department and shall be used to pay the
35 costs of any contracts with the collection agencies.

1 6. The department shall expend up to \$31,000, including
2 federal financial participation, for the fiscal year beginning
3 July 1, 2004, for a child support public awareness campaign.
4 The department and the office of the attorney general shall
5 cooperate in continuation of the campaign. The public
6 awareness campaign shall emphasize, through a variety of media
7 activities, the importance of maximum involvement of both
8 parents in the lives of their children as well as the
9 importance of payment of child support obligations.

10 7. Federal access and visitation grant moneys shall be
11 issued directly to private not-for-profit agencies that
12 provide services designed to increase compliance with the
13 child access provisions of court orders, including but not
14 limited to neutral visitation site and mediation services.

15 Sec. 103. MEDICAL ASSISTANCE. There is appropriated from
16 the general fund of the state to the department of human
17 services for the fiscal year beginning July 1, 2004, and
18 ending June 30, 2005, the following amount, or so much thereof
19 as is necessary, to be used for the purpose designated:

20 For medical assistance reimbursement and associated costs
21 as specifically provided in the reimbursement methodologies in
22 effect on June 30, 2004, except as otherwise expressly
23 authorized by law, including reimbursement for abortion
24 services, which shall be available under the medical
25 assistance program only for those abortions which are
26 medically necessary:

27 \$352,794,101

28 1. Medically necessary abortions are those performed under
29 any of the following conditions:

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

32 b. The attending physician certifies that the fetus is
33 physically deformed, mentally deficient, or afflicted with a
34 congenital illness.

35 c. The pregnancy is the result of a rape which is reported

1 within 45 days of the incident to a law enforcement agency or
2 public or private health agency which may include a family
3 physician.

4 d. The pregnancy is the result of incest which is reported
5 within 150 days of the incident to a law enforcement agency or
6 public or private health agency which may include a family
7 physician.

8 e. Any spontaneous abortion, commonly known as a
9 miscarriage, if not all of the products of conception are
10 expelled.

11 2. Notwithstanding section 8.39, the department may
12 transfer funds appropriated in this section to a separate
13 account established in the department's case management unit
14 for expenditures required to provide case management services
15 for mental health, mental retardation, and developmental
16 disabilities services under medical assistance which are
17 jointly funded by the state and county, pending final
18 settlement of the expenditures. Funds received by the case
19 management unit in settlement of the expenditures shall be
20 used to replace the transferred funds and are available for
21 the purposes for which the funds were appropriated in this
22 section.

23 3. a. The county of legal settlement shall be billed for
24 50 percent of the nonfederal share of the cost of case
25 management provided for adults, day treatment, and partial
26 hospitalization in accordance with sections 249A.26 and
27 249A.27, and 100 percent of the nonfederal share of the cost
28 of care for adults which is reimbursed under a federally
29 approved home and community-based services waiver that would
30 otherwise be approved for provision in an intermediate care
31 facility for persons with mental retardation (ICFMR), provided
32 under the medical assistance program. The state shall have
33 responsibility for the remaining 50 percent of the nonfederal
34 share of the cost of case management provided for adults, day
35 treatment, and partial hospitalization. For persons without a

1 county of legal settlement, the state shall have
2 responsibility for 100 percent of the nonfederal share of the
3 costs of case management provided for adults, day treatment,
4 partial hospitalization, and the home and community-based
5 services waiver. The case management services specified in
6 this subsection shall be billed to a county only if the
7 services are provided outside of a managed care contract.

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

13 c. Medical assistance funding for case management services
14 for eligible persons 17 years of age and younger shall also be
15 provided to persons residing in counties with child welfare
16 decategorization projects implemented in accordance with
17 section 232.188, provided these projects have included these
18 persons in their service plan and the decategorization project
19 county is willing to provide the nonfederal share of costs.

20 d. When paying the necessary and legal expenses of ICFMR
21 services, the cost payment requirements of section 222.60
22 shall be considered fulfilled when payment is made in
23 accordance with the medical assistance payment rates
24 established for ICFMRs by the department and the state or a
25 county of legal settlement is not obligated for any amount in
26 excess of the rates.

27 e. Unless a county has paid or is paying for the
28 nonfederal share of the cost of a person's home and community-
29 based waiver services or ICFMR placement under the county's
30 mental health, mental retardation, and developmental
31 disabilities services fund, or unless a county of legal
32 settlement would become liable for the costs of services at
33 the ICFMR level of care for a person due to the person
34 reaching the age of majority, the state shall pay the
35 nonfederal share of the costs of an eligible person's services

1 under the home and community-based waiver for persons with
2 brain injury.

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

10 5. Of the funds appropriated to the Iowa department of
11 public health for addictive disorders, \$950,000 for the fiscal
12 year beginning July 1, 2004, shall be transferred to the
13 department of human services for an integrated substance abuse
14 managed care system.

15 6. In administering the medical assistance home and
16 community-based services waivers, the total number of openings
17 at any one time shall be limited to the number approved for a
18 waiver by the secretary of the United States department of
19 health and human services. The openings shall be available on
20 a first-come, first-served basis.

21 7. The department of human services, in consultation with
22 the Iowa department of public health and the department of
23 education, shall continue the program to utilize the early and
24 periodic screening, diagnosis, and treatment (EPSDT) funding
25 under medical assistance, to the extent possible, to implement
26 the screening component of the EPSDT program through the
27 school system. The department may enter into contracts to
28 utilize maternal and child health centers, the public health
29 nursing program, or school nurses in implementing this
30 provision.

31 8. If the federal centers for Medicare and Medicaid
32 services approves a waiver request from the department, the
33 department shall provide a period of 12 months of guaranteed
34 eligibility for medical assistance family planning services
35 only, regardless of the change in circumstances of a woman who

1 was a medical assistance recipient when a pregnancy ended.
2 The department shall also provide this guaranteed eligibility
3 to women who are at least 13 years of age but less than 45
4 years of age with countable income at or below 200 percent of
5 the federal poverty level.

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

16 10. The Iowa medical assistance drug utilization review
17 commission shall submit copies of the board's annual review,
18 including facts and findings, of the drugs on the department's
19 prior authorization list to the department and to the members
20 of the joint appropriations subcommittee on health and human
21 services.

22 11. The department of human services shall submit a
23 Medicaid state plan amendment to the centers for Medicare and
24 Medicaid services of the United States department of health
25 and human services to provide that for the fiscal year
26 beginning July 1, 2004, and ending June 30, 2005, the
27 department of human services shall adjust hospital payments to
28 state-owned acute-care hospitals with over 500 beds to offset
29 the high cost incurred by such facilities for providing
30 services to medical assistance patients. The amendment shall
31 provide that adjustments shall be made to the payments for
32 inpatient hospital services to which the hospital would
33 otherwise be entitled under the medical assistance program.
34 Additionally, the amendment shall provide that the adjustments
35 shall be established at the level intended to increase the

1 medical assistance payments to qualifying hospitals up to the
2 lesser of the categorical Medicare upper payment limit for
3 inpatient services, or the hospital-specific limit, as defined
4 under 42 C.F.R. 447.272, 42 C.F.R. 447.321, and 42 U.S.C. §
5 1396r-4(g), as applicable.

6 Sec. 104. HEALTH INSURANCE PREMIUM PAYMENT PROGRAM. There
7 is appropriated from the general fund of the state to the
8 department of human services for the fiscal year beginning
9 July 1, 2004, and ending June 30, 2005, the following amount,
10 or so much thereof as is necessary, to be used for the purpose
11 designated:

12 For administration of the health insurance premium payment
13 program, including salaries, support, maintenance, and
14 miscellaneous purposes, and for not more than the following
15 full-time equivalent positions:

16	\$	606,429
17	FTEs	20.95

18 Sec. 105. MEDICAL CONTRACTS. There is appropriated from
19 the general fund of the state to the department of human
20 services for the fiscal year beginning July 1, 2004, and
21 ending June 30, 2005, the following amount, or so much thereof
22 as is necessary, to be used for the purpose designated:

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

26	\$	9,725,035
27	FTEs	1.00

28 1. In any managed care contract for mental health or
29 substance abuse services entered into or extended by the
30 department on or after July 1, 2004, the request for proposals
31 shall provide for coverage of dual diagnosis mental health and
32 substance abuse treatment provided at the state mental health
33 institute at Mount Pleasant. To the extent possible, the
34 department shall also amend any such contract existing on July
35 1, 2004, to provide for such coverage.

1 2. Up to \$665,000 of the moneys deposited in the
2 pharmaceutical settlement account created pursuant to section
3 249A.33 is appropriated to the department for the fiscal year
4 beginning July 1, 2004, and ending June 30, 2005, to be used
5 for the procurement of and transition to the new medical
6 assistance program fiscal intermediary vendors.

7 Sec. 106. MEDICAL ASSISTANCE PROGRAM -- REQUIREMENTS.

8 1. The department of human services shall do all of the
9 following:

10 a. Consistent with applicable state and federal law, issue
11 one or more requests for proposals to purchase certain durable
12 medical equipment or supplies if such a procurement strategy
13 will reduce the costs of these items to the medical assistance
14 program while maintaining appropriate access and quality
15 standards.

16 b. Expand the recipient lock-in program, surveillance and
17 utilization review activities, and program audit activities to
18 the greatest extent possible. Any savings realized from the
19 expansion may be used to the extent necessary to pay the costs
20 associated with implementation of this subsection. The
21 department shall report the amount of any savings realized and
22 the amount of any costs paid to the persons designated in this
23 Act to receive reports.

24 c. Implement a health insurance data match program and
25 other third-party obligor collection enhancements. The
26 program shall require that all insurance carriers in the state
27 provide an electronic copy of a list of their insureds, in a
28 format approved by the department, to be used to match against
29 a listing of medical assistance recipients. The information
30 submitted shall be used solely to identify third-party payors
31 for medical assistance recipients and shall be kept
32 confidential. Insurers shall begin providing the information
33 to the department by July 1, 2004.

34 d. Notwithstanding any provision of law to the contrary,
35 institute a process whereby home health agencies are required

1 to bill the Medicare program for appropriate home health
2 services. The process shall require that as a condition of
3 receiving payment under the medical assistance program, the
4 home health agency must attach a Medicare denial of benefits
5 form to the Medicaid program claim form.

6 e. Reimburse physicians who administer injectable drugs in
7 an amount that is equal to the invoiced cost paid by the
8 physician to the party from whom the drug was purchased. A
9 separate payment shall be made for administration of the drug.

10 f. Identify and initiate a process for reducing reliance
11 on intermediate care facilities for persons with mental
12 retardation level of care and substituting community-based
13 care.

14 g. Institute a process to draw down the maximum amount of
15 disproportionate share hospital reimbursement under the
16 medical assistance program as provided in the federal
17 Prescription Drug and Medicare Improvement Act of 2003 to
18 increase the reimbursement to a county-owned hospital in a
19 county with a population over 200,000.

20 h. (1) Adopt rules that require a pharmacist to dispense
21 the less expensive, reasonably available, interchangeable drug
22 product as allowed by the most current formulary or supplement
23 of the formulary, unless the practitioner indicates that no
24 substitution is allowed.

25 (2) For the purposes of the rules adopted under this
26 subsection:

27 (a) "Interchangeable drug product" means a product
28 containing a drug in the same amounts of the same active
29 ingredients in the same dosage form as other products with the
30 same generic or chemical name and which provides the lowest
31 net cost to the state.

32 (b) "Lowest net cost" means the amount paid by the state
33 to the pharmacy for a drug under the current retail pharmacy
34 reimbursement formula, less any discounts or rebates,
35 including those paid pursuant to federal Medicaid law during

1 the previous calendar quarter, and inclusive of all dispensing
2 fees.

3 2. The department may adopt emergency rules and shall
4 apply for any federal waivers or plan amendments necessary to
5 implement the provisions of this section.

6 Sec. 107. STATE SUPPLEMENTARY ASSISTANCE.

7 1. There is appropriated from the general fund of the
8 state to the department of human services for the fiscal year
9 beginning July 1, 2004, and ending June 30, 2005, the
10 following amount, or so much thereof as is necessary, to be
11 used for the purposes designated:

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

15 \$ 19,273,135

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

23 3. If during the fiscal year beginning July 1, 2004, the
24 department projects that state supplementary assistance
25 expenditures for a calendar year will not meet the federal
26 pass-along requirement specified in Title XVI of the federal
27 Social Security Act, section 1618, as codified in 42 U.S.C. §
28 1382g, the department may take actions including but not
29 limited to increasing the personal needs allowance for
30 residential care facility residents and making programmatic
31 adjustments or upward adjustments of the residential care
32 facility or in-home health-related care reimbursement rates
33 prescribed in this division of this Act to ensure that federal
34 requirements are met. In addition, the department may make
35 other programmatic and rate adjustments necessary to remain

1 within the amount appropriated in this section while ensuring
2 compliance with federal requirements. The department may
3 adopt emergency rules to implement the provisions of this
4 subsection.

5 Sec. 108. CHILDREN'S HEALTH INSURANCE PROGRAM. There is
6 appropriated from the general fund of the state to the
7 department of human services for the fiscal year beginning
8 July 1, 2004, and ending June 30, 2005, the following amount,
9 or so much thereof as is necessary, to be used for the purpose
10 designated:

11 For maintenance of the healthy and well kids in Iowa (hawk-
12 i) program pursuant to chapter 514I for receipt of federal
13 financial participation under Title XXI of the federal Social
14 Security Act, which creates the state children's health
15 insurance program:

16 \$ 12,618,275

17 1. The department may transfer funds appropriated in this
18 section to be used for the purpose of expanding health care
19 coverage to children under the medical assistance program.
20 The department shall provide periodic updates to the general
21 assembly of expenditures of funds appropriated in this
22 section.

23 2. Moneys in the hawk-i trust fund are appropriated to the
24 department of human services and shall be used to offset any
25 program costs for the fiscal year beginning July 1, 2004, and
26 ending June 30, 2005.

27 Sec. 109. CHILD CARE ASSISTANCE. There is appropriated
28 from the general fund of the state to the department of human
29 services for the fiscal year beginning July 1, 2004, and
30 ending June 30, 2005, the following amount, or so much thereof
31 as is necessary, to be used for the purpose designated:

32 For child care programs:

33 \$ 5,050,752

34 1. a. Of the funds appropriated in this section,
35 \$4,525,228 shall be used for state child care assistance in

1 accordance with section 237A.13.

2 b. During the 2004-2005 fiscal year, the moneys deposited
3 in the child care credit fund created in section 237A.28 are
4 appropriated to the department to be used for state child care
5 assistance in accordance with section 237A.13, in addition to
6 the moneys allocated for that purpose in paragraph "a".

7 2. Nothing in this section shall be construed or is
8 intended as, or shall imply, a grant of entitlement for
9 services to persons who are eligible for assistance due to an
10 income level consistent with the waiting list requirements of
11 section 237A.13. Any state obligation to provide services
12 pursuant to this section is limited to the extent of the funds
13 appropriated in this section.

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

17 4. The department may use any of the funds appropriated in
18 this section as a match to obtain federal funds for use in
19 expanding child care assistance and related programs. For the
20 purpose of expenditures of state and federal child care
21 funding, funds shall be considered obligated at the time
22 expenditures are projected or are allocated to the
23 department's service areas. Projections shall be based on
24 current and projected caseload growth, current and projected
25 provider rates, staffing requirements for eligibility
26 determination and management of program requirements including
27 data systems management, staffing requirements for
28 administration of the program, contractual and grant
29 obligations and any transfers to other state agencies, and
30 obligations for decategorization or innovation projects.

31 5. A portion of the state match for the federal child care
32 and development block grant shall be provided through the
33 state general fund appropriation for child development grants
34 and other programs for at-risk children in section 279.51.

35 6. If the department receives additional funding from the

1 federal government designated for purposes of improving child
2 care quality, the funding shall be used for additional child
3 care consultant positions within the department's field
4 operations.

5 Sec. 110. CHILD CARE QUALITY RATING SYSTEM.

6 1. By December 15, 2004, the department of human services
7 shall submit to the governor and general assembly a plan for
8 implementation of a voluntary child care provider quality
9 rating system. In developing the implementation plan for the
10 quality rating system, the department of human services shall
11 partner with the community empowerment office in the
12 department of management and the state child care advisory
13 council. The department shall also coordinate with the state
14 agencies represented on the Iowa empowerment board, child care
15 resource and referral service grantees under section 237A.26,
16 and other agencies and organizations that focus on community-
17 based early childhood services.

18 2. The implementation plan shall detail the rating system
19 structure, including the number of quality levels, outline the
20 manner in which the system will be administered, identify the
21 statutory and rule changes needed, identify implementation
22 costs and funding strategies, include a communication plan
23 targeted to both providers and parents, and propose an
24 implementation timeline.

25 3. Each quality rating level in the proposed system may
26 address one or more of the following quality variables: staff
27 education, training, and credentials; director education and
28 training; an environmental rating scale or other means to
29 assess or evaluate the physical, health, and safety aspects of
30 a child care facility; parental involvement; staff-to-child
31 ratios; national accreditation; compliance history;
32 curriculum; business practices; staff retention; staff
33 compensation and benefits; provider membership in early
34 childhood professional organizations; and other appropriate
35 quality variables.

1 4. In providing support and recognition for providers who
2 seek to attain higher quality rating levels, the plan may
3 propose payment of a reimbursement differential under the
4 state child care assistance program. In addition, the plan
5 may provide for supplying provider quality ratings on the
6 department's internet site and in other consumer information
7 distributed pursuant to section 237A.25 and in information
8 supplied to parents by child care resource and referral
9 services.

10 Sec. 111. JUVENILE INSTITUTIONS. There is appropriated
11 from the general fund of the state to the department of human
12 services for the fiscal year beginning July 1, 2004, and
13 ending June 30, 2005, the following amounts, or so much
14 thereof as is necessary, to be used for the purposes
15 designated:

16 1. For operation of the Iowa juvenile home at Toledo and
17 for salaries, support, maintenance, and for not more than the
18 following full-time equivalent positions:

19 \$ 6,061,266
20 FTES 130.54

21 The department is requested to convene a group to review
22 the programs and services of the Iowa juvenile home and to
23 present the governor and general assembly with suggestions for
24 improvements. The group should review previous studies and
25 reports on the institution. The membership of the group
26 should include but is not limited to representatives of
27 departmental field staff, juvenile judges, juvenile court
28 officers, alumni of the institution, other departmental
29 institutions, community-based providers, and other interested
30 parties.

31 2. For operation of the state training school at Eldora
32 and for salaries, support, maintenance, and for not more than
33 the following full-time equivalent positions:

34 \$ 9,570,563
35 FTES 218.53

1 3. During the fiscal year beginning July 1, 2004, the
2 population levels at the state juvenile institutions shall not
3 exceed the population guidelines established under 1990 Iowa
4 Acts, chapter 1239, section 21, as adjusted for subsequent
5 changes in capacity at the institutions.

6 4. A portion of the moneys appropriated in this section
7 shall be used by the state training school and by the Iowa
8 juvenile home for grants for adolescent pregnancy prevention
9 activities at the institutions in the fiscal year beginning
10 July 1, 2004.

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

14 Sec. 112. CHILD AND FAMILY SERVICES.

15 1. There is appropriated from the general fund of the
16 state to the department of human services for the fiscal year
17 beginning July 1, 2004, and ending June 30, 2005, the
18 following amount, or so much thereof as is necessary, to be
19 used for the purpose designated:

20 For child and family services:
21 \$ 100,135,253

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

32 3. a. Of the funds appropriated in this section, up to
33 \$34,653,383 is allocated as the statewide expenditure target
34 under section 232.143 for group foster care maintenance and
35 services.

1 b. If at any time after September 30, 2004, annualization
2 of a service area's current expenditures indicates a service
3 area is at risk of exceeding its group foster care expenditure
4 target under section 232.143 by more than 5 percent, the
5 department and juvenile court services shall examine all group
6 foster care placements in that service area in order to
7 identify those which might be appropriate for termination. In
8 addition, any aftercare services believed to be needed for the
9 children whose placements may be terminated shall be
10 identified. The department and juvenile court services shall
11 initiate action to set dispositional review hearings for the
12 placements identified. In such a dispositional review
13 hearing, the juvenile court shall determine whether needed
14 aftercare services are available and whether termination of
15 the placement is in the best interest of the child and the
16 community.

17 c. Of the funds allocated in this subsection, \$1,398,403
18 is allocated as the state match funding for 50 highly
19 structured juvenile program beds. If the number of beds
20 provided for in this lettered paragraph is not utilized, the
21 remaining funds allocated may be used for group foster care.

22 d. For the fiscal year beginning July 1, 2004, the
23 requirements of section 232.143 applicable to the juvenile
24 court and to representatives of the juvenile court shall be
25 applicable instead to juvenile court services and to
26 representatives of juvenile court services. The
27 representatives appointed by the department of human services
28 and by juvenile court services to establish the plan to
29 contain expenditures for children placed in group foster care
30 ordered by the court within the budget target allocated to the
31 service area shall establish the plan in a manner so as to
32 ensure the moneys allocated to the service area under section
33 232.143 shall last the entire fiscal year. Funds for a child
34 placed in group foster care shall be considered encumbered for
35 the duration of the child's projected or actual length of

1 stay, whichever is applicable.

2 4. In accordance with the provisions of section 232.188,
3 the department shall continue the program to decategorize
4 child welfare services funding. Of the funds appropriated in
5 this section, \$3,000,000 is allocated specifically for
6 expenditure through the decategorization of child welfare
7 funding pools and governance boards established pursuant to
8 section 232.188. Notwithstanding section 8.33, moneys
9 allocated in this subsection that remain unencumbered or
10 unobligated at the close of the fiscal year shall not revert
11 but shall remain available for expenditure for the purposes
12 designated until the close of the succeeding fiscal year. It
13 is the intent of the general assembly that the department
14 continue its practice of providing strong support for Iowa's
15 nationally recognized initiative of decategorization of child
16 welfare funding.

17 5. Of the funds appropriated in this section, up to
18 \$915,892 is allocated for additional funding of the family
19 preservation program.

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

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

29 8. Notwithstanding section 234.35, subsection 1, for the
30 fiscal year beginning July 1, 2004, state funding for shelter
31 care paid pursuant to section 234.35, subsection 1, paragraph
32 "h", shall be limited to \$6,926,718.

33 9. The department shall continue to make adoption
34 presubsidy and adoption subsidy payments to adoptive parents
35 at the beginning of the month for the current month.

1 10. Federal funds received by the state during the fiscal
2 year beginning July 1, 2004, as the result of the expenditure
3 of state funds appropriated during a previous state fiscal
4 year for a service or activity funded under this section, are
5 appropriated to the department to be used as additional
6 funding for services and purposes provided for under this
7 section. Notwithstanding section 8.33, moneys received in
8 accordance with this subsection that remain unencumbered or
9 unobligated at the close of the fiscal year shall not revert
10 to any fund but shall remain available for the purposes
11 designated until the close of the succeeding fiscal year.

12 11. Of the moneys appropriated in this section, not more
13 than \$442,100 is allocated to provide clinical assessment
14 services as necessary to continue funding of children's
15 rehabilitation services under medical assistance in accordance
16 with federal law and requirements. The funding allocated is
17 the amount projected to be necessary for providing the
18 clinical assessment services.

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

21 13. Of the moneys appropriated in this section, up to
22 \$2,859,851 is allocated for the payment of the expenses of
23 court-ordered services provided to juveniles which are a
24 charge upon the state pursuant to section 232.141, subsection
25 4.

26 a. Notwithstanding section 232.141 or any other provision
27 of law to the contrary, the amount allocated in this
28 subsection shall be distributed to the judicial districts as
29 determined by the state court administrator. The state court
30 administrator shall make the determination of the distribution
31 amounts on or before June 15, 2004.

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

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

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

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

22 14. a. Of the funding appropriated in this section,
23 \$3,062,193 is allocated to provide school-based supervision of
24 children adjudicated under chapter 232, including not more
25 than \$1,431,597 from the allocation in this section for court-
26 ordered services. Not more than \$15,000 of the funding
27 allocated in this subsection may be used for the purpose of
28 training.

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

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

35 16. Notwithstanding section 234.39, subsection 5, and 2000

1 Iowa Acts, chapter 1228, section 43, the department may
2 operate a subsidized guardianship program if the United States
3 department of health and human services approves a waiver
4 under Title IV-E of the federal Social Security Act or the
5 federal Social Security Act is amended to allow Title IV-E
6 funding to be used for subsidized guardianship, and the
7 subsidized guardianship program can be operated without loss
8 of Title IV-E funds.

9 17. The department shall work with foster and adoptive
10 families, private child welfare agencies, and advocates to
11 identify savings alternatives in the adoption subsidy program.
12 The department may adopt emergency rules to implement this
13 subsection.

14 18. The department shall develop a plan for privatizing
15 the administration of the foster care and adoption programs.
16 The plan shall be submitted to the governor and the general
17 assembly on or before December 15, 2004.

18 19. Of the amount appropriated in this section, \$100,000
19 shall be transferred to the Iowa department of public health
20 to be used for the child protection center grant program in
21 accordance with section 135.118.

22 20. Of the amount appropriated in this section, \$148,000
23 shall be used for funding of one or more child welfare
24 diversion and mediation pilot projects as provided in House
25 File 2462.

26 Sec. 113. JUVENILE DETENTION HOME FUND. Moneys deposited
27 in the juvenile detention home fund created in section 232.142
28 during the fiscal year beginning July 1, 2004, and ending June
29 30, 2005, are appropriated to the department of human services
30 for the fiscal year beginning July 1, 2004, and ending June
31 30, 2005, for distribution as follows:

32 1. An amount equal to ten percent of the costs of the
33 establishment, improvement, operation, and maintenance of
34 county or multicounty juvenile detention homes in the fiscal
35 year beginning July 1, 2003. Moneys appropriated for

1 distribution in accordance with this subsection shall be
2 allocated among eligible detention homes, prorated on the
3 basis of an eligible detention home's proportion of the costs
4 of all eligible detention homes in the fiscal year beginning
5 July 1, 2003. Notwithstanding section 232.142, subsection 3,
6 the financial aid payable by the state under that provision
7 for the fiscal year beginning July 1, 2004, shall be limited
8 to the amount appropriated for the purposes of this
9 subsection.

10 2. For renewal of a grant to a county with a population
11 between 189,000 and 196,000 for implementation of the county's
12 runaway treatment plan under section 232.195:

13 \$ 80,000

14 3. For continuation and expansion of the community
15 partnership for child protection sites:

16 \$ 318,000

17 4. For grants to counties implementing a runaway treatment
18 plan under section 232.195.

19 5. The remainder for additional allocations to county or
20 multicounty juvenile detention homes, in accordance with the
21 distribution requirements of subsection 1.

22 Sec. 114. FAMILY SUPPORT SUBSIDY PROGRAM. There is
23 appropriated from the general fund of the state to the
24 department of human services for the fiscal year beginning
25 July 1, 2004, and ending June 30, 2005, the following amount,
26 or so much thereof as is necessary, to be used for the purpose
27 designated:

28 For the family support subsidy program:

29 \$ 1,936,434

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

34 2. Notwithstanding section 225C.38, subsection 1, the
35 monthly family support payment amount for the fiscal year

1 beginning July 1, 2004, shall remain the same as the payment
2 amount in effect on June 30, 2004.

3 Sec. 115. CONNER DECREE. There is appropriated from the
4 general fund of the state to the department of human services
5 for the fiscal year beginning July 1, 2004, and ending June
6 30, 2005, the following amount, or so much thereof as is
7 necessary, to be used for the purpose designated:

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

12 \$ 42,623

13 Sec. 116. MENTAL HEALTH INSTITUTES. There is appropriated
14 from the general fund of the state to the department of human
15 services for the fiscal year beginning July 1, 2004, and
16 ending June 30, 2005, the following amounts, or so much
17 thereof as is necessary, to be used for the purposes
18 designated:

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

23 \$ 12,927,556

24 FTEs 227.65

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

29 \$ 7,410,346

30 FTEs 113.15

31 3. For the state mental health institute at Independence
32 for salaries, support, maintenance, and miscellaneous purposes
33 and for not more than the following full-time equivalent
34 positions:

35 \$ 17,239,768

1 FTEs 317.80

2 The state mental health institute at Independence shall
3 continue the 30 psychiatric medical institution for children
4 (PMIC) beds authorized in section 135H.6, in a manner which
5 results in no net state expenditure amount in excess of the
6 amount appropriated in this subsection. Counties are not
7 responsible for the costs of PMIC services described in this
8 subsection. Subject to the approval of the department, with
9 the exception of revenues required under section 249A.11 to be
10 credited to the appropriation in this division of this Act for
11 medical assistance, revenues attributable to the PMIC beds
12 described in this subsection for the fiscal year beginning
13 July 1, 2004, and ending June 30, 2005, shall be deposited in
14 the institute's account, including but not limited to any of
15 the following revenues:

- 16 a. The federal share of medical assistance revenue
- 17 received under chapter 249A.
- 18 b. Moneys received through client participation.
- 19 c. Any other revenues directly attributable to the PMIC
- 20 beds.

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

25	\$	6,109,205
26	FTEs	100.44

27 a. Funding is provided in this subsection for the state
28 mental health institute at Mount Pleasant to continue the dual
29 diagnosis mental health and substance abuse program on a net
30 budgeting basis in which 50 percent of the actual per diem and
31 ancillary services costs are chargeable to the patient's
32 county of legal settlement or as a state case, as appropriate.
33 Subject to the approval of the department, revenues
34 attributable to the dual diagnosis program for the fiscal year
35 beginning July 1, 2004, and ending June 30, 2005, shall be

1 deposited in the institute's account, including but not
2 limited to all of the following revenues:

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

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

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

9 (4) Moneys received through client participation.

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

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

14 (1) A county may split the charges between the county's
15 mental health, mental retardation, and developmental
16 disabilities services fund and the county's budget for
17 substance abuse expenditures.

18 (2) If an individual is committed to the custody of the
19 department of corrections at the time the individual is
20 referred for dual diagnosis treatment, the department of
21 corrections shall be charged for the costs of treatment.

22 (3) Prior to an individual's admission for dual diagnosis
23 treatment, the individual shall have been screened through a
24 county's single entry point process to determine the
25 appropriateness of the treatment.

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

30 (5) Notwithstanding section 8.33, state mental health
31 institute revenues related to the dual diagnosis program that
32 remain unencumbered or unobligated at the close of the fiscal
33 year shall not revert but shall remain available up to the
34 amount which would allow the state mental health institute to
35 meet credit obligations owed to counties as a result of year-

1 end per diem adjustments for the dual diagnosis program.

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

5 6. As part of the discharge planning process at the state
6 mental health institutes, the department shall provide
7 assistance in obtaining eligibility for federal supplemental
8 security income (SSI) to those individuals whose care at a
9 state mental health institute is the financial responsibility
10 of the state or a county.

11 Sec. 117. STATE RESOURCE CENTERS. There is appropriated
12 from the general fund of the state to the department of human
13 services for the fiscal year beginning July 1, 2004, and
14 ending June 30, 2005, the following amounts, or so much
15 thereof as is necessary, to be used for the purposes
16 designated:

17 1. For the state resource center at Glenwood for salaries,
18 support, maintenance, and miscellaneous purposes:
19 \$ 8,550,280

20 2. For the state resource center at Woodward for salaries,
21 support, maintenance, and miscellaneous purposes:
22 \$ 4,520,459

23 3. a. The department shall continue operating the state
24 resource centers at Glenwood and Woodward with a net general
25 fund appropriation. The amounts allocated in this section are
26 the net amounts of state moneys projected to be needed for the
27 state resource centers. The purposes of operating with a net
28 general fund appropriation are to encourage the state resource
29 centers to operate with increased self-sufficiency, to improve
30 quality and efficiency, and to support collaborative efforts
31 between the state resource centers and counties and other
32 funders of services available from the state resource centers.
33 The state resource centers shall not be operated under the net
34 appropriation in a manner which results in a cost increase to
35 the state or cost shifting between the state, the medical

1 assistance program, counties, or other sources of funding for
2 the state resource centers. Moneys appropriated in this
3 section may be used throughout the fiscal year in the manner
4 necessary for purposes of cash flow management, and for
5 purposes of cash flow management the state resource centers
6 may temporarily draw more than the amounts appropriated,
7 provided the amounts appropriated are not exceeded at the
8 close of the fiscal year.

9 b. Subject to the approval of the department, except for
10 revenues under section 249A.11, revenues attributable to the
11 state resource centers for the fiscal year beginning July 1,
12 2004, shall be deposited into each state resource center's
13 account, including but not limited to all of the following:

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

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

18 (3) Federal Medicare program payments.

19 (4) Moneys received from client financial participation.

20 (5) Other revenues generated from current, new, or
21 expanded services which the state resource center is
22 authorized to provide.

23 c. For the purposes of allocating the salary adjustment
24 fund moneys appropriated in another division of this Act or
25 another Act, the state resource centers shall be considered to
26 be funded entirely with state moneys.

27 d. Notwithstanding section 8.33, up to \$500,000 of a state
28 resource center's revenues that remain unencumbered or
29 unobligated at the close of the fiscal year shall not revert
30 but shall remain available to be used in the succeeding fiscal
31 year.

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

35 5. The department may continue to bill for state resource

1 center services utilizing a scope of services approach used
2 for private providers of ICFMR services, in a manner which
3 does not shift costs between the medical assistance program,
4 counties, or other sources of funding for the state resource
5 centers.

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

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

24 8. If existing capacity limitations are reached in
25 operating units, a waiting list is in effect for a service or
26 a special need for which a payment source or other funding is
27 available for the service or to address the special need, and
28 facilities for the service or to address the special need can
29 be provided within the available payment source or other
30 funding, the superintendent of a state resource center may
31 authorize opening not more than two units or other facilities
32 and to begin implementing the service or addressing the
33 special need during fiscal year 2004-2005.

34 Sec. 118. MI/MR/DD STATE CASES. There is appropriated
35 from the general fund of the state to the department of human

1 services for the fiscal year beginning July 1, 2004, and
2 ending June 30, 2005, the following amount, or so much thereof
3 as is necessary, to be used for the purpose designated:

4 For purchase of local services for persons with mental
5 illness, mental retardation, and developmental disabilities
6 where the client has no established county of legal
7 settlement:

8 \$ 11,014,619

9 The general assembly encourages the department to continue
10 discussions with the Iowa state association of counties and
11 administrators of county central point of coordination offices
12 regarding proposals for moving state cases to county budgets.

13 Sec. 119. MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES --
14 COMMUNITY SERVICES FUND. There is appropriated from the
15 general fund of the state to the mental health and
16 developmental disabilities community services fund created in
17 section 225C.7 for the fiscal year beginning July 1, 2004, and
18 ending June 30, 2005, the following amount, or so much thereof
19 as is necessary, to be used for the purpose designated:

20 For mental health and developmental disabilities community
21 services in accordance with this division of this Act:
22 \$ 17,757,890

23 1. Of the funds appropriated in this section, \$17,727,890
24 shall be allocated to counties for funding of community-based
25 mental health and developmental disabilities services. The
26 moneys shall be allocated to a county as follows:

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

31 b. Fifty percent based upon the county's proportion of the
32 state's general population.

33 2. a. A county shall utilize the funding the county
34 receives pursuant to subsection 1 for services provided to
35 persons with a disability, as defined in section 225C.2.

1 However, no more than 50 percent of the funding shall be used
2 for services provided to any one of the service populations.

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

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

11 4. a. Funding appropriated for purposes of the federal
12 social services block grant is allocated for distribution to
13 counties for local purchase of services for persons with
14 mental illness or mental retardation or other developmental
15 disability.

16 b. The funds allocated in this subsection shall be
17 expended by counties in accordance with the county's approved
18 county management plan. A county without an approved county
19 management plan shall not receive allocated funds until the
20 county's management plan is approved.

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

23 (1) Fifty percent based upon the county's proportion of
24 the state's population of persons with an annual income which
25 is equal to or less than the poverty guideline established by
26 the federal office of management and budget.

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

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

33 Sec. 120. PERSONAL ASSISTANCE. There is appropriated from
34 the general fund of the state to the department of human
35 services for the fiscal year beginning July 1, 2004, and

1 ending June 30, 2005, the following amount, or so much thereof
2 as is necessary, to be used for the purpose designated:

3 For continuation of a pilot project for the personal
4 assistance services program in accordance with this section:
5 \$ 205,748

6 1. The funds appropriated in this section shall be used to
7 continue the pilot project for the personal assistance
8 services program under section 225C.46 in an urban and a rural
9 area. Not more than 10 percent of the amount appropriated
10 shall be used for administrative costs. The pilot project
11 shall not be implemented in a manner which would require
12 additional county or state costs for assistance provided to an
13 individual served under the pilot project.

14 2. In accordance with 2001 Iowa Acts, chapter 191, section
15 25, subsection 2, new applicants shall not be accepted into
16 the pilot project. An individual receiving services under the
17 pilot project as of June 30, 2004, shall continue receiving
18 services until the individual voluntarily leaves the project
19 or until another program with similar services exists.

20 Sec. 121. SEXUALLY VIOLENT PREDATORS.

21 1. There is appropriated from the general fund of the
22 state to the department of human services for the fiscal year
23 beginning July 1, 2004, and ending June 30, 2005, the
24 following amount, or so much thereof as is necessary, to be
25 used for the purpose designated:

26 For costs associated with the commitment and treatment of
27 sexually violent predators in the unit located at the state
28 mental health institute at Cherokee, including costs of legal
29 services and other associated costs, including salaries,
30 support, maintenance, and miscellaneous purposes and for not
31 more than the following full-time equivalent positions:
32 \$ 2,833,646
33 FTEs 50.00

34 2. Unless specifically prohibited by law, if the amount
35 charged provides for recoupment of at least the entire amount

1 of direct and indirect costs, the department of human services
2 may contract with other states to provide care and treatment
3 of persons placed by the other states at the unit for sexually
4 violent predators at Cherokee. The moneys received under such
5 a contract shall be considered to be repayment receipts and
6 used for the purposes of the appropriation made in this
7 section.

8 Sec. 122. FIELD OPERATIONS. There is appropriated from
9 the general fund of the state to the department of human
10 services for the fiscal year beginning July 1, 2004, and
11 ending June 30, 2005, the following amount, or so much thereof
12 as is necessary, to be used for the purposes designated:

- 13 1. For field operations, including salaries, support,
14 maintenance, and miscellaneous purposes and for not more than
15 the following full-time equivalent positions:
16 \$ 49,897,364
17 FTEs 1,844.49

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

20 2. In operating the service area system established
21 pursuant to 2001 Iowa Acts, Second Extraordinary Session,
22 chapter 4, for the fiscal year beginning July 1, 2004, and
23 ending June 30, 2005, the department shall utilize the service
24 areas and service area administrators in lieu of regions and
25 regional administrators, notwithstanding the references to
26 department regions or regional administrators in sections
27 232.2, 232.52, 232.68, 232.72, 232.102, 232.117, 232.127,
28 232.143, 232.188, and 234.35, or other provision in law. The
29 department shall submit proposed legislation under section
30 2.16 for consideration by the Eighty-first General Assembly,
31 2005 Session, to correct the references in the necessary Code
32 sections.

33 Sec. 123. GENERAL ADMINISTRATION. There is appropriated
34 from the general fund of the state to the department of human
35 services for the fiscal year beginning July 1, 2004, and

1 ending June 30, 2005, the following amount, or so much thereof
2 as is necessary, to be used for the purpose designated:

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

6 \$ 10,863,434
7 FTEs 292.00

8 Of the funds appropriated in this section, \$57,000 is
9 allocated for the prevention of disabilities policy council
10 established in section 225B.3.

11 Sec. 124. VOLUNTEERS. There is appropriated from the
12 general fund of the state to the department of human services
13 for the fiscal year beginning July 1, 2004, and ending June
14 30, 2005, the following amount, or so much thereof as is
15 necessary, to be used for the purpose designated:

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

18 Sec. 125. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY
19 ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE
20 DEPARTMENT OF HUMAN SERVICES.

21 1. a. (1) For the fiscal year beginning July 1, 2004,
22 nursing facilities shall be reimbursed at 100 percent of the
23 modified price-based case-mix reimbursement rate. Nursing
24 facilities reimbursed under the medical assistance program
25 shall submit annual cost reports and additional documentation
26 as required by rules adopted by the department.

27 (2) For the fiscal year beginning July 1, 2004, the total
28 state funding amount for the nursing facility budget shall not
29 exceed \$154,013,248. The department, in cooperation with
30 nursing facility representatives, shall review projections for
31 state funding expenditures for reimbursement of nursing
32 facilities on a quarterly basis and the department shall
33 determine if an adjustment to the medical assistance
34 reimbursement rate is necessary in order to provide
35 reimbursement within the state funding amount. Any temporary

1 enhanced federal financial participation that may become
2 available to the Iowa medical assistance program during the
3 fiscal year shall not be used in projecting the nursing
4 facility budget. Notwithstanding 2001 Iowa Acts, chapter 192,
5 section 4, subsection 2, paragraph "c", and subsection 3,
6 paragraph "a", subparagraph (2), if the state funding
7 expenditures for the nursing facility budget for the fiscal
8 year beginning July 1, 2004, is projected to exceed the amount
9 specified in this subparagraph, the department shall adjust
10 the inflation factor of the reimbursement rate calculation for
11 only the nursing facilities reimbursed under the case-mix
12 reimbursement system to maintain expenditures of the nursing
13 facility budget within the specified amount.

14 b. For the fiscal year beginning July 1, 2004, the
15 department shall reimburse pharmacy dispensing fees using a
16 single rate of \$4.26 per prescription, or the pharmacy's usual
17 and customary fee, whichever is lower.

18 c. For the fiscal year beginning July 1, 2004,
19 reimbursement rates for inpatient and outpatient hospital
20 services shall remain at the rates in effect on June 30, 2004.
21 The department shall continue the outpatient hospital
22 reimbursement system based upon ambulatory patient groups
23 implemented pursuant to 1994 Iowa Acts, chapter 1186, section
24 25, subsection 1, paragraph "f". In addition, the department
25 shall continue the revised medical assistance payment policy
26 implemented pursuant to that paragraph to provide
27 reimbursement for costs of screening and treatment provided in
28 the hospital emergency room if made pursuant to the
29 prospective payment methodology developed by the department
30 for the payment of outpatient services provided under the
31 medical assistance program. Any rebasing of hospital
32 inpatient or outpatient rates shall not increase total
33 payments for inpatient and outpatient services.

34 d. For the fiscal year beginning July 1, 2004,
35 reimbursement rates for rural health clinics, hospices,

1 independent laboratories, and acute mental hospitals shall be
2 increased in accordance with increases under the federal
3 Medicare program or as supported by their Medicare audited
4 costs.

5 e. (1) For the fiscal year beginning July 1, 2004,
6 reimbursement rates for home health agencies shall remain at
7 the rates in effect on June 30, 2004.

8 (2) Notwithstanding 2003 Iowa Acts, chapter 112, section
9 7, subsection 7, the department shall establish a fixed-fee
10 reimbursement schedule for home health agencies under the
11 medical assistance program beginning July 1, 2005. The
12 department shall submit a status report regarding the
13 development of the fixed-fee schedule to the fiscal committee
14 of the legislative council no later than September 1, 2004.

15 f. For the fiscal year beginning July 1, 2004, federally
16 qualified health centers shall receive cost-based
17 reimbursement for 100 percent of the reasonable costs for the
18 provision of services to recipients of medical assistance.

19 g. Beginning July 1, 2004, the reimbursement rates for
20 dental services shall remain at the rates in effect on June
21 30, 2004.

22 h. Beginning July 1, 2004, the reimbursement rates for
23 community mental health centers shall remain at the rates in
24 effect on June 30, 2004.

25 i. For the fiscal year beginning July 1, 2004, the maximum
26 reimbursement rate for psychiatric medical institutions for
27 children shall remain at the rate in effect on June 30, 2004,
28 based on per day rates for actual costs.

29 j. For the fiscal year beginning July 1, 2004, unless
30 otherwise specified in this Act, all noninstitutional medical
31 assistance provider reimbursement rates shall remain at the
32 rates in effect on June 30, 2004, except for area education
33 agencies, local education agencies, infant and toddler
34 services providers, and those providers whose rates are
35 required to be determined pursuant to section 249A.20.

1 k. Notwithstanding section 249A.20, the average
2 reimbursement rates for health care providers eligible for use
3 of the federal Medicare resource-based relative value scale
4 reimbursement methodology under that section shall remain at
5 the rate in effect on June 30, 2004; however, this rate shall
6 not exceed the maximum level authorized by the federal
7 government.

8 2. For the fiscal year beginning July 1, 2004, the
9 reimbursement rate for residential care facilities shall not
10 be less than the minimum payment level as established by the
11 federal government to meet the federally mandated maintenance
12 of effort requirement. The flat reimbursement rate for
13 facilities electing not to file semiannual cost reports shall
14 not be less than the minimum payment level as established by
15 the federal government to meet the federally mandated
16 maintenance of effort requirement.

17 3. For the fiscal year beginning July 1, 2004, the
18 reimbursement rate for providers reimbursed under the in-home-
19 related care program shall not be less than the minimum
20 payment level as established by the federal government to meet
21 the federally mandated maintenance of effort requirement.

22 4. Unless otherwise directed in this section, when the
23 department's reimbursement methodology for any provider
24 reimbursed in accordance with this section includes an
25 inflation factor, this factor shall not exceed the amount by
26 which the consumer price index for all urban consumers
27 increased during the calendar year ending December 31, 2002.

28 5. Notwithstanding section 234.38, in the fiscal year
29 beginning July 1, 2004, the foster family basic daily
30 maintenance rate and the maximum adoption subsidy rate for
31 children ages 0 through 5 years shall be \$14.28, the rate for
32 children ages 6 through 11 years shall be \$15.07, the rate for
33 children ages 12 through 15 years shall be \$16.83, and the
34 rate for children ages 16 and older shall be \$16.83.

35 6. For the fiscal year beginning July 1, 2004, the maximum

1 reimbursement rates for social service providers shall remain
2 at the rates in effect on June 30, 2004. However, the rates
3 may be adjusted under any of the following circumstances:

4 a. If a new service was added after June 30, 2004, the
5 initial reimbursement rate for the service shall be based upon
6 actual and allowable costs.

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

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

21 8. For the fiscal year beginning July 1, 2004, the
22 reimbursement rates for rehabilitative treatment and support
23 services providers shall remain at the rates in effect on June
24 30, 2004.

25 9. For the fiscal year beginning July 1, 2004, the
26 combined service and maintenance components of the
27 reimbursement rate paid for shelter care services purchased
28 under a contract shall be based on the financial and
29 statistical report submitted to the department. The maximum
30 reimbursement rate shall be \$83.69 per day. The department
31 shall reimburse a shelter care provider at the provider's
32 actual and allowable unit cost, plus inflation, not to exceed
33 the maximum reimbursement rate.

34 10. For the fiscal year beginning July 1, 2004, the
35 department shall calculate reimbursement rates for

1 intermediate care facilities for persons with mental
2 retardation at the 80th percentile.

3 11. For the fiscal year beginning July 1, 2004, for child
4 care providers, the department shall set provider
5 reimbursement rates based on the rate reimbursement survey
6 completed in December 1998. The department shall set rates in
7 a manner so as to provide incentives for a nonregistered
8 provider to become registered.

9 12. For the fiscal year beginning July 1, 2004,
10 reimbursements for providers reimbursed by the department of
11 human services may be modified if appropriated funding is
12 allocated for that purpose from the senior living trust fund
13 created in section 249H.4, or as specified in appropriations
14 from the healthy Iowans tobacco trust created in section
15 12.65.

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

18 Sec. 126. TRANSFER AUTHORITY. Subject to the provisions
19 of section 8.39, for the fiscal year beginning July 1, 2004,
20 if necessary to meet federal maintenance of effort
21 requirements or to transfer federal temporary assistance for
22 needy families block grant funding to be used for purposes of
23 the federal social services block grant or to meet cash flow
24 needs resulting from delays in receiving federal funding or to
25 implement, in accordance with this division of this Act,
26 targeted case management for child protection and for
27 activities currently funded with juvenile court services,
28 county, or community moneys and state moneys used in
29 combination with such moneys, the department of human services
30 may transfer within or between any of the appropriations made
31 in this division of this Act and appropriations in law for the
32 federal social services block grant to the department for the
33 following purposes, provided that the combined amount of state
34 and federal temporary assistance for needy families block
35 grant funding for each appropriation remains the same before

1 and after the transfer:

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

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

10 Sec. 127. FRAUD AND RECOUPMENT ACTIVITIES. During the
11 fiscal year beginning July 1, 2004, notwithstanding the
12 restrictions in section 239B.14, recovered moneys generated
13 through fraud and recoupment activities are appropriated to
14 the department of human services to be used for additional
15 fraud and recoupment activities performed by the department of
16 human services or the department of inspections and appeals,
17 and the department of human services may add not more than
18 five full-time equivalent positions, in addition to those
19 funded in this division of this Act, subject to both of the
20 following conditions:

21 1. The director of human services determines that the
22 investment can reasonably be expected to increase recovery of
23 assistance paid in error, due to fraudulent or nonfraudulent
24 actions, in excess of the amount recovered in the fiscal year
25 beginning July 1, 1997.

26 2. The amount expended for the additional fraud and
27 recoupment activities shall not exceed the amount of the
28 projected increase in assistance recovered.

29 Sec. 128. MEDICAL ASSISTANCE PROGRAM -- NONREVERSION FOR
30 FY 2003-2004. Notwithstanding section 8.33, if moneys
31 appropriated in 2003 Iowa Acts, chapter 175, for the medical
32 assistance program from the general fund of the state, the
33 senior living trust fund, or the hospital trust fund, or in
34 2003 Iowa Acts, chapter 183, from the healthy Iowans tobacco
35 trust are in excess of actual expenditures for the medical

1 assistance program and remain unencumbered or unobligated at
2 the close of the fiscal year, the excess moneys shall not
3 revert, and notwithstanding any provision of law to the
4 contrary, shall not be transferred to any other appropriation
5 but shall remain available for expenditure for the purpose
6 designated until the close of the succeeding fiscal year.

7 Sec. 129. EMERGENCY RULES. If specifically authorized by
8 a provision of this division of this Act, the department of
9 human services or the mental health and developmental
10 disabilities commission may adopt administrative rules under
11 section 17A.4, subsection 2, and section 17A.5, subsection 2,
12 paragraph "b", to implement the provisions and the rules shall
13 become effective immediately upon filing or on a later
14 effective date specified in the rules, unless the effective
15 date is delayed by the administrative rules review committee.
16 Any rules adopted in accordance with this section shall not
17 take effect before the rules are reviewed by the
18 administrative rules review committee. The delay authority
19 provided to the administrative rules review committee under
20 section 17A.4, subsection 5, and section 17A.8, subsection 9,
21 shall be applicable to a delay imposed under this section,
22 notwithstanding a provision in those sections making them
23 inapplicable to section 17A.5, subsection 2, paragraph "b".
24 Any rules adopted in accordance with the provisions of this
25 section shall also be published as notice of intended action
26 as provided in section 17A.4.

27 Sec. 130. REPORTS.

28 1. Any reports or information required to be compiled and
29 submitted under this division of this Act shall be submitted
30 to the chairpersons and ranking members of the joint
31 appropriations subcommittee on health and human services, the
32 legislative services agency, and the legislative caucus staffs
33 on or before the dates specified for submission of the reports
34 or information.

35 2. In order to reduce mailing and paper processing costs,

1 the department shall provide, to the extent feasible, reports,
2 notices, minutes, and other documents by electronic means to
3 those persons who have the capacity to access the documents in
4 that manner.

5 Sec. 131. LAW INAPPLICABLE FOR FISCAL YEAR 2004-2005.

6 1. The following provisions in Code or rule shall be
7 suspended for the period beginning July 1, 2004, and ending
8 June 30, 2005:

9 a. The requirements of section 239B.2A, relating to school
10 attendance by children participating in the family investment
11 program.

12 b. For a case permanency plan, as defined in section
13 232.2, the requirement for a six-month case permanency plan
14 review for an intact family.

15 2. The department may adopt emergency rules to implement
16 the provisions of this section.

17 Sec. 132. NEW SECTION. 217.14 REFUGEE SERVICES
18 FOUNDATION.

19 1. The department of human services shall cause a refugee
20 services foundation to be created for the sole purpose of
21 engaging in refugee resettlement activities to promote the
22 welfare and self-sufficiency of refugees who live in Iowa and
23 who are not citizens of the United States. The foundation may
24 establish an endowment fund to assist in the financing of its
25 activities. The foundation shall be incorporated under
26 chapter 504A.

27 2. The foundation shall be created in a manner so that
28 donations and bequests to the foundation qualify as tax
29 deductible under federal and state income tax laws. The
30 foundation is not a state agency and shall not exercise
31 sovereign power of the state. The state is not liable for any
32 debts of the foundation.

33 3. The refugee services foundation shall have a board of
34 directors of five members. One member shall be appointed by
35 the governor and four members shall be appointed by the

1 director of human services. Members of the board shall serve
2 three-year terms beginning on July 1, and ending on June 30.
3 A vacancy on the board shall be filled in the same manner as
4 the original appointment for the remainder of the term. Not
5 more than two members appointed by the director of human
6 services shall be of the same gender or of the same political
7 party.

8 4. The refugee services foundation may accept and
9 administer trusts deemed by the board to be beneficial.
10 Notwithstanding section 633.63, the foundation may act as
11 trustee of such a trust.

12 Sec. 133. NEW SECTION. 249A.34 MEDICAL ASSISTANCE MENTAL
13 HEALTH QUALITY OF CARE IMPROVEMENT COMMITTEE.

14 1. The department shall establish a medical assistance
15 mental health quality of care improvement committee to improve
16 medical assistance patient access to appropriate mental health
17 care and to make recommendations for cost saving mechanisms
18 for the delivery of mental health services under the medical
19 assistance program. The committee membership shall include
20 members of the public representing mental health advocates,
21 mental health care consumers, and mental health care
22 providers, including providers in private psychiatric
23 practice, as well as geriatric psychiatry, institutional
24 psychiatry, and child psychiatry disciplines. The membership
25 shall also include a designee of each of the following: the
26 medical assistance pharmaceutical and therapeutics committee
27 created pursuant to section 249A.20A, the university of Iowa
28 hospitals and clinics department of psychiatry, the Iowa
29 medical assistance drug utilization review commission created
30 in section 249A.24, the director of public health, and the
31 director of human services.

32 2. The medical assistance mental health quality of care
33 improvement committee shall advise the department in the
34 implementation of all of the following:

35 a. Clinical treatment algorithms for schizophrenia, major

1 depressive disorder, and bipolar disorder. The algorithms
2 shall be utilized in lieu of policies restricting access to
3 care and medication and shall not be subject to prior
4 authorization requirements or medication preferences.

5 b. A mental health polypharmacy review process, including
6 but not limited to data collection and analysis and medical
7 service provider education.

8 3. The medical assistance mental health quality of care
9 improvement committee shall, on an ongoing basis, review and
10 recommend other mechanisms to promote medical assistance
11 patient access to improved quality of care and the use of
12 other cost saving mechanisms, including but not limited to
13 implementing disease management programs for mental health
14 disorders, expanding assertive community treatment programs,
15 improving methods for gathering and analyzing data regarding
16 the delivery of mental health care, and implementing other
17 effective treatment programs.

18 4. This section is repealed July 1, 2007.

19 Sec. 134. NEW SECTION. 505.25 INFORMATION PROVIDED TO
20 MEDICAL ASSISTANCE PROGRAM.

21 A carrier, as defined in section 514C.13, shall provide the
22 department of human services with the names of all of its
23 insureds, in a format required by the department of human
24 services, for the sole purpose of comparing the names of such
25 insureds with the names of recipients of the medical
26 assistance program. Insurers shall begin providing the
27 information to the department by July 1, 2004.

28 Sec. 135. 2001 Iowa Acts, chapter 192, section 4,
29 subsection 3, paragraphs e and f, are amended to read as
30 follows:

31 e. The department shall calculate the rate ceiling for the
32 direct-care cost component at 120 percent of the median of
33 case-mix adjusted costs. Nursing facilities with case-mix
34 adjusted costs at 95 percent of the median or greater, shall
35 receive an amount equal to their costs not to exceed 120

1 percent of the median. Nursing facilities with case-mix
2 adjusted costs below 95 percent of the median shall receive an
3 excess payment allowance by having their payment rate for the
4 direct-care cost component calculated as their case-mix
5 adjusted cost plus 100 percent of the difference between 95
6 percent of the median and their case-mix adjusted cost, not to
7 exceed 10 percent of the median of case-mix adjusted costs.
8 Beginning July 1, 2004, nursing facilities with case-mix
9 adjusted costs below 95 percent of the median shall receive an
10 excess payment allowance by having their payment rate for the
11 direct-care cost component calculated as their case-mix
12 adjusted cost plus 50 percent of the difference between 95
13 percent of the median and their case-mix adjusted cost, not to
14 exceed 10 percent of the median of case-mix adjusted costs.
15 Any excess payment allowance realized from the direct care
16 cost component of the modified price-based case-mix
17 reimbursement shall be expended to increase the compensation
18 of direct care workers or to increase the ratio of direct care
19 workers to residents. The department of human services shall
20 implement a new monitoring and reporting system to assess
21 compliance with the provisions of this paragraph.

22 f. The department shall calculate the rate ceiling for the
23 nondirect care cost component at 110 percent of the median of
24 non-case-mix adjusted costs. Nursing facilities with non-
25 case-mix adjusted costs at 96 percent of the median or greater
26 shall receive an amount equal to their costs not to exceed 110
27 percent of the median. Nursing facilities with non-case-mix
28 adjusted costs below 96 percent of the median shall receive an
29 excess payment allowance that is their costs plus 65 percent
30 of the difference between 96 percent of the median and their
31 non-case-mix adjusted costs, not to exceed 8 percent of the
32 median of non-case-mix adjusted costs. Beginning July 1,
33 2004, nursing facilities with non-case-mix adjusted costs
34 below 96 percent of the median shall receive an excess payment
35 allowance that is their costs plus 32.5 percent of the

1 difference between 96 percent of the median and their non-
2 case-mix adjusted costs, not to exceed 8 percent of the median
3 of non-case-mix adjusted costs. Any excess payment allowance
4 realized from the nondirect care cost component of the
5 modified price-based case-mix reimbursement shall be used to
6 fund quality of life improvements. The department of human
7 services shall implement a new monitoring and reporting system
8 to assess compliance with the provisions of this paragraph.

9 Sec. 136. 2003 Iowa Acts, chapter 175, section 13,
10 subsection 2, as amended by 2003 Iowa Acts, 1st Extraordinary
11 Session, chapter 2, section 6, is amended to read as follows:

12 2. The department may either continue or reprocure the
13 contract existing on June 30, 2003, with the department's
14 fiscal agent. If the department initiates reprocurement of
15 the contract, of the amount appropriated in this Act for the
16 medical assistance program, up to \$500,000 may be used to
17 begin the implementation process.

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

24 Sec. 137. 2003 Iowa Acts, chapter 175, section 9, is
25 amended by adding the following new subsection:

26 NEW SUBSECTION. 5. Notwithstanding section 8.33, moneys
27 appropriated in this section that were allocated by the
28 department for the purpose of meeting federal food stamp
29 electronic benefit transfer requirements that remain
30 unencumbered or unobligated at the close of the fiscal year
31 shall not revert but shall remain available for expenditure
32 for the purpose designated until the close of the succeeding
33 fiscal year.

34 Sec. 138. 2003 Iowa Acts, chapter 175, section 18,
35 subsection 9, is amended to read as follows:

1 9. Notwithstanding section 234.35, subsection 1, for the
2 fiscal year beginning July 1, 2003, state funding for shelter
3 care paid pursuant to section 234.35, subsection 1, paragraph
4 "h", shall be limited to ~~\$67,922,509~~ \$10,122,509.

5 Sec. 139. 2003 Iowa Acts, chapter 175, section 56,
6 subsection 2, paragraph g, is amended to read as follows:

7 g. Notwithstanding section 8.33, up to ~~\$500,000~~ \$1,000,000
8 of the Iowa veterans home revenues that remain unencumbered or
9 unobligated at the close of the fiscal year shall not revert
10 but shall remain available to be used in the succeeding fiscal
11 year.

12 Sec. 140. 2003 Iowa Acts, chapter 178, section 45, is
13 amended by adding the following new unnumbered paragraph:

14 NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33,
15 moneys appropriated in this section that remain unencumbered
16 or unobligated at the close of the fiscal year shall not
17 revert but shall remain available for expenditure for the
18 child and family services until the close of the succeeding
19 fiscal year.

20 Sec. 141. 2003 Iowa Acts, chapter 179, section 2,
21 subsection 2, paragraph b, is amended to read as follows:

22 ~~b. For deposit in the risk pool created in the property~~
23 ~~tax relief fund and for distribution in accordance with~~
24 ~~section 426B.57, subsection 2~~ For medical assistance
25 reimbursement, in addition to other appropriations made for
26 purposes of the medical assistance program for the fiscal year
27 beginning July 1, 2004, and ending June 30, 2005:

28 \$ 2,000,000

29 Sec. 142. EFFECTIVE DATES. The following provisions of
30 this division of this Act, being deemed of immediate
31 importance, take effect upon enactment:

32 1. The provision under the appropriation for child and
33 family services, relating to requirements of section 232.143
34 for representatives of the department of human services and
35 juvenile court services to establish a plan for continuing

1 group foster care expenditures for the 2004-2005 fiscal year.

2 2. The provision under the appropriation for child and
3 family services, relating to the state court administrator
4 determining allocation of court-ordered services funding by
5 June 15, 2004.

6 3. The provision relating to nonreversion and prohibited
7 transfer of the appropriations for the medical assistance
8 program for the fiscal year beginning July 1, 2003, and ending
9 June 30, 2004.

10 4. The provisions in this division of this Act relating to
11 insurance carriers providing listings of insureds to the
12 department of human services including the provision creating
13 section 505.25.

14 5. The provision amending 2003 Iowa Acts, chapter 175,
15 section 13, subsection 2, as amended by 2003 Iowa Acts, First
16 Extraordinary Session, chapter 2, section 6.

17 6. The provisions amending 2003 Iowa Acts, chapter 175,
18 section 9, section 18, subsection 9, and section 56.

19 7. The provision amending 2003 Iowa Acts, chapter 178,
20 section 45.

21 8. The provision amending 2003 Iowa Acts, chapter 179,
22 section 2, subsection 2, paragraph "b".

23 DIVISION VI

24 SENIOR LIVING AND HOSPITAL TRUST FUNDS

25 Sec. 143. DEPARTMENT OF ELDER AFFAIRS. There is
26 appropriated from the senior living trust fund created in
27 section 249H.4 to the department of elder affairs for the
28 fiscal year beginning July 1, 2004, and ending June 30, 2005,
29 the following amount, or so much thereof as is necessary, to
30 be used for the purpose designated:

31 For the development and implementation of a comprehensive
32 senior living program, including program administration and
33 costs associated with implementation, salaries, support,
34 maintenance, and miscellaneous purposes and for not more than
35 the following full-time equivalent positions:

1 \$ 8,222,118

2 FTEs 2.00

3 1. It is the intent of the general assembly that the
4 department not transfer moneys appropriated to the department
5 for purposes of the assisted living program and adult day care
6 for the fiscal year beginning July 1, 2004.

7 2. Notwithstanding section 249H.7, the department of elder
8 affairs shall distribute up to \$300,000 of the funds
9 appropriated in this section in a manner that will supplement
10 and maximize federal funds under the federal Older Americans
11 Act and shall not use the amount distributed for any
12 administrative purposes of either the department of elder
13 affairs or the area agencies on aging.

14 3. Of the moneys appropriated in this section, \$60,000
15 shall be used for the provision of training to resident
16 advocate committees for elder group homes, as defined in
17 section 231B.1, and licensed health care facilities as defined
18 in section 135C.1.

19 4. Of the moneys appropriated in this section, \$140,000
20 shall be used to provide two additional state long-term care
21 resident advocates.

22 5. Of the moneys appropriated in this section, \$500,000
23 shall be used to provide case management services to elders
24 who are not eligible for the medical assistance program.

25 Sec. 144. DEPARTMENT OF INSPECTIONS AND APPEALS. There is
26 appropriated from the senior living trust fund created in
27 section 249H.4 to the department of inspections and appeals
28 for the fiscal year beginning July 1, 2004, and ending June
29 30, 2005, the following amount, or so much thereof as is
30 necessary, to be used for the purpose designated:

31 For the inspection and certification of assisted living
32 facilities and adult day care services, including program
33 administration and costs associated with implementation,
34 salaries, support, maintenance, and miscellaneous purposes and
35 for not more than the following full-time equivalent

1 positions:

2 \$ 800,000

3 FTEs 6.00

4 Sec. 145. DEPARTMENT OF HUMAN SERVICES. There is
5 appropriated from the senior living trust fund created in
6 section 249H.4 to the department of human services for the
7 fiscal year beginning July 1, 2004, and ending June 30, 2005,
8 the following amounts, or so much thereof as is necessary, to
9 be used for the purposes designated:

10 1. To provide grants to nursing facilities for conversion
11 to assisted living programs or to provide long-term care
12 alternatives, to provide grants to intermediate care
13 facilities for persons with mental retardation for conversion
14 to assisted living programs or home and community-based
15 services, to provide grants to long-term care providers for
16 development of long-term care alternatives, to develop less
17 restrictive community-based services for placement of persons
18 currently residing in state resource centers, and for other
19 purposes specified in this subsection:

20 \$ 20,000,000

21 a. Up to 25 percent of the amount appropriated in this
22 subsection may be used for development of less restrictive
23 community-based services, including community residential
24 living alternatives, with a significant focus on reducing the
25 numbers of persons served in state resource centers and other
26 intermediate care facilities for persons with mental
27 retardation as well as for activities designed to facilitate
28 the planning for or placement of such services and persons.
29 Services provided under this paragraph are not intended to
30 require the closure of nursing facilities.

31 b. Up to \$2,000,000 of the moneys allocated in paragraph
32 "a" may, at the discretion of the director of human services,
33 be transferred to the Iowa finance authority for the purpose
34 of utilizing low-income housing tax credits for the
35 development of service-enriched housing for persons served in

1 the state resource centers and to assist in the development of
2 assisted living facilities that focus on addressing the needs
3 of persons with low income.

4 2. To supplement the medical assistance appropriation,
5 including program administration and costs associated with
6 implementation, salaries, support, maintenance, and
7 miscellaneous purposes, and for not more than the following
8 full-time equivalent positions:

9 \$101,600,000
10 FTEs 5.00

11 3. To provide reimbursement for health care services and
12 rent expenses to eligible persons through the home and
13 community-based services waiver and the state supplementary
14 assistance program, including program administration and data
15 system costs associated with implementation, salaries,
16 support, maintenance, and miscellaneous purposes:

17 \$ 1,733,406

18 Participation in the rent subsidy program shall be limited
19 to only those persons who are at risk for nursing facility
20 care.

21 4. To implement nursing facility provider reimbursements
22 as provided in 2001 Iowa Acts, chapter 192, section 4,
23 subsection 2, paragraph "c":

24 \$ 29,950,000

25 In order to carry out the purposes of this section, the
26 department shall transfer funds appropriated in this section
27 to supplement other appropriations made to the department of
28 human services.

29 5. Notwithstanding sections 249H.4 and 249H.5, the
30 department of human services may use moneys from the senior
31 living trust fund for cash flow purposes to make payments
32 under the nursing facility or hospital upper payment limit
33 methodology. The amount of any moneys so used shall be
34 refunded to the senior living trust fund within the same
35 fiscal year and in a prompt manner.

1 6. Notwithstanding section 8.33, moneys committed to
2 grantees under contract to provide for conversion to assisted
3 living programs or for development of long-term care
4 alternatives that remain unexpended at the close of the fiscal
5 year shall not revert to any fund but shall remain available
6 for expenditure for purposes of the contract.

7 Sec. 146. INSURANCE DIVISION OF THE DEPARTMENT OF
8 COMMERCE. There is appropriated from the senior living trust
9 fund created in section 249H.4 to the insurance division of
10 the department of commerce for the fiscal year beginning July
11 1, 2004, and ending June 30, 2005, the following amount, or so
12 much thereof as is necessary, to be used for the purpose
13 designated:

14 For administration of the long-term care insurance
15 partnership program including program administration and costs
16 associated with implementation, salaries, support,
17 maintenance, and miscellaneous purposes, and for not more than
18 the following full-time equivalent positions:

19	\$	265,000
20	FTEs	4.00

21 Sec. 147. CONVERSION GRANT PROJECTS -- RULES.

22 1. For the fiscal year beginning July 1, 2004, and ending
23 June 30, 2005, the department of human services shall continue
24 to give greater weight in the scoring methodology to nursing
25 facility conversion projects that are primarily for the
26 renovation and remodeling of the existing nursing facility
27 structure and give less weight to conversion projects that are
28 primarily for new construction. The department of human
29 services shall encourage cooperative efforts between the
30 department of inspections and appeals, the state fire marshal,
31 and the grant applicant to promote the acceptance of nursing
32 facility conversion projects that are primarily renovation and
33 remodeling of the existing nursing facility structure.

34 2. For the fiscal year beginning July 1, 2004, and ending
35 June 30, 2005, the department of inspections and appeals shall

1 certify all assisted living programs established through
2 nursing facility conversion grants. The department of
3 inspections and appeals shall consult with conversion grant
4 applicants and recipients to establish and monitor occupancy
5 agreements and assisted living program residents shall be
6 allowed access to third-party payors.

7 Sec. 148. HOSPITAL TRUST FUND. There is appropriated from
8 the hospital trust fund created in section 249I.4 to the
9 department of human services for the fiscal year beginning
10 July 1, 2004, and ending June 30, 2005, the following amount,
11 or so much thereof as is necessary, to be used for the purpose
12 designated:

13 To supplement the appropriations made for the medical
14 assistance program for that fiscal year:

15 \$ 37,500,000

16 Sec. 149. MEDICAL ASSISTANCE PROGRAM -- REVERSION TO
17 SENIOR LIVING TRUST FUND FOR FY 2004-2005. Notwithstanding
18 section 8.33, if moneys appropriated in this Act for purposes
19 of the medical assistance program for the fiscal year
20 beginning July 1, 2004, and ending June 30, 2005, from the
21 general fund of the state, the senior living trust fund, the
22 hospital trust fund, or the healthy Iowans tobacco trust fund
23 are in excess of actual expenditures for the medical
24 assistance program and remain unencumbered or unobligated at
25 the close of the fiscal year, the excess moneys shall not
26 revert but shall be transferred to the senior living trust
27 fund created in section 249H.4.

28 DIVISION VII

29 MENTAL HEALTH, MENTAL RETARDATION,

30 DEVELOPMENTAL DISABILITIES,

31 AND BRAIN INJURY SERVICES

32 Sec. 150. COUNTY HOSPITALS. There is appropriated from
33 the general fund of the state to the department of human
34 services for the fiscal year beginning July 1, 2004, and
35 ending June 30, 2005, the following amount, or so much thereof

1 as is necessary, for the purpose designated:

2 For support of mental health care services provided to
3 persons who are elderly or poor by county hospitals in
4 counties having a population of two hundred twenty-five
5 thousand or more:

6 \$ 200,000

7 Sec. 151. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND
8 DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR ALLOCATIONS
9 -- FISCAL YEAR 2005-2006.

10 1. There is appropriated from the general fund of the
11 state to the department of human services for the fiscal year
12 beginning July 1, 2005, and ending June 30, 2006, the
13 following amount, or so much thereof as is necessary, to be
14 used for the purpose designated:

15 For distribution to counties of the county mental health,
16 mental retardation, and developmental disabilities allowed
17 growth factor adjustment, as provided in this section in lieu
18 of the provisions of section 331.438, subsection 2, and
19 section 331.439, subsection 3, and chapter 426B:

20 \$ 28,507,362

21 2. The funding appropriated in this section is the allowed
22 growth factor adjustment for fiscal year 2005-2006, and is
23 allocated as follows:

24 a. For distribution to counties for fiscal year 2005-2006
25 in accordance with the formula in section 331.438, subsection
26 2, paragraph "b":

27 \$ 12,000,000

28 b. For deposit in the per capita expenditure target pool
29 created in the property tax relief fund and for distribution
30 in accordance with section 426B.5, subsection 1:

31 \$ 14,507,362

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

35 \$ 2,000,000

1 Sec. 152. 2003 Iowa Acts, chapter 179, section 2, is
2 amended by adding the following new subsections:

3 NEW SUBSECTION. 3. The following formula amounts shall be
4 utilized only to calculate preliminary distribution amounts
5 for fiscal year 2004-2005 under this section by applying the
6 indicated formula provisions to the formula amounts and
7 producing a preliminary distribution total for each county:

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

11 \$ 12,000,000

12 b. For calculation of a distribution amount for eligible
13 counties from the per capita expenditure target pool created
14 in the property tax relief fund in accordance with the
15 requirements in section 426B.5, subsection 1:

16 \$ 14,492,712

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

22 \$ 17,727,890

23 NEW SUBSECTION. 4. After applying the applicable
24 statutory distribution formulas to the amounts indicated in
25 subsection 3 for purposes of producing preliminary
26 distribution totals, the department of human services shall
27 apply a withholding factor to adjust an eligible individual
28 county's preliminary distribution total. An ending balance
29 percentage for each county shall be determined by expressing
30 the county's ending balance on a modified accrual basis under
31 generally accepted accounting principles for the fiscal year
32 beginning July 1, 2003, in the county's mental health, mental
33 retardation, and developmental disabilities services fund
34 created under section 331.424A, as a percentage of the
35 county's gross expenditures from that fund for that fiscal

1 year. The withholding factor for a county shall be the
2 following applicable percent:

3 a. For an ending balance percentage of less than 10
4 percent, a withholding factor of 0 percent. In addition to
5 the county's adjusted distribution total, a county that is
6 subject to this paragraph "a" shall receive an inflation
7 adjustment equal to 2.6 percent of the gross expenditures
8 reported for the county's services fund for that fiscal year.

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

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

13 d. For an ending balance percentage of 35 percent or more,
14 a withholding factor of 100 percent.

15 NEW SUBSECTION. 5. The total withholding amounts applied
16 pursuant to subsection 4 shall be equal to a withholding
17 target amount of \$4,753,963. If the department of human
18 services determines that the amount to be withheld in
19 accordance with subsection 4 is not equal to the target
20 withholding amount, the department shall adjust the
21 withholding factors listed in subsection 4 as necessary to
22 achieve the withholding target amount. However, in making
23 such adjustments to the withholding factors, the department
24 shall strive to minimize changes to the withholding factors
25 for those ending balance percentage ranges that are lower than
26 others and shall not adjust the zero withholding factor or the
27 inflation adjustment percentage specified in subsection 4,
28 paragraph "a".

29 NEW SUBSECTION. 6. If the department of human services is
30 able to draw down the maximum amount available to the state
31 under the medical assistance program disproportionate share
32 hospital reimbursement provisions and it is implemented in a
33 manner that results in an increase in the reimbursement to a
34 county-owned hospital in a county with a population over
35 200,000, an amount equal to the reimbursement increase paid to

1 the county hospital shall be withheld from the funds that
2 would otherwise be paid to that county in accordance with this
3 section. The county hospital shall establish a credit for the
4 county in an amount equal to the amount withheld pursuant to
5 this subsection. The county may apply the credit to the
6 county hospital's billings for services otherwise payable from
7 the county's services fund created under section 331.424A.
8 The funds that are withheld from the county pursuant to this
9 section shall be transferred to the general fund of the state.

10 DIVISION VIII

11 JUDICIAL BRANCH

12 Sec. 153. JUDICIAL BRANCH. There is appropriated from the
13 general fund of the state to the judicial branch for the
14 fiscal year beginning July 1, 2004, and ending June 30, 2005,
15 the following amount, or so much thereof as is necessary, to
16 be used for the purposes designated:

17 For salaries of supreme court justices, appellate court
18 judges, district court judges, district associate judges,
19 judicial magistrates and staff, state court administrator,
20 clerk of the supreme court, district court administrators,
21 clerks of the district court, juvenile court officers, board
22 of law examiners and board of examiners of shorthand reporters
23 and judicial qualifications commission, receipt and
24 disbursement of child support payments, reimbursement of the
25 auditor of state for expenses incurred in completing audits of
26 the offices of the clerks of the district court during the
27 fiscal year beginning July 1, 2004, and maintenance,
28 equipment, and miscellaneous purposes:

29 \$117,837,862

30 1. The judicial branch, except for purposes of internal
31 processing, shall use the current state budget system, the
32 state payroll system, and the Iowa finance and accounting
33 system in administration of programs and payments for
34 services, and shall not duplicate the state payroll,
35 accounting, and budgeting systems.

1 2. The judicial branch shall submit monthly financial
2 statements to the legislative services agency and the
3 department of management containing all appropriated accounts
4 in the same manner as provided in the monthly financial status
5 reports and personal services usage reports of the department
6 of administrative services. The monthly financial statements
7 shall include a comparison of the dollars and percentage spent
8 of budgeted versus actual revenues and expenditures on a
9 cumulative basis for full-time equivalent positions and
10 dollars.

11 3. The judicial branch shall focus efforts upon the
12 collection of delinquent fines, penalties, court costs, fees,
13 surcharges, or similar amounts.

14 4. It is the intent of the general assembly that the
15 offices of the clerks of the district court operate in all
16 ninety-nine counties and be accessible to the public as much
17 as is reasonably possible in order to address the relative
18 needs of the citizens of each county.

19 5. The judicial branch shall study the best practices and
20 efficiencies of each judicial district. In identifying the
21 most efficient judicial districts and the districts using best
22 practices, the judicial branch shall consider the average cost
23 to the judicial branch for processing each classification of
24 criminal offense or civil action and the overall number of
25 cases filed. The judicial branch shall file a report
26 regarding the study made and actions taken pursuant to this
27 subsection with the cochairpersons and ranking members of the
28 joint appropriations subcommittee on the justice system and to
29 the legislative services agency by December 15, 2004.

30 6. In addition to the requirements for transfers under
31 section 8.39, the judicial branch shall not change the
32 appropriations from the amounts appropriated to the judicial
33 branch in this division of this Act, unless notice of the
34 revisions is given prior to their effective date to the
35 legislative services agency. The notice shall include

1 information on the branch's rationale for making the changes
2 and details concerning the work load and performance measures
3 upon which the changes are based.

4 7. The judicial branch shall submit a semiannual update to
5 the legislative services agency specifying the amounts of
6 fines, surcharges, and court costs collected using the Iowa
7 court information system since the last report. The judicial
8 branch shall continue to facilitate the sharing of vital
9 sentencing and other information with other state departments
10 and governmental agencies involved in the criminal justice
11 system through the Iowa court information system.

12 8. The judicial branch shall provide a report to the
13 general assembly by January 1, 2005, concerning the amounts
14 received and expended from the enhanced court collections fund
15 created in section 602.1304 and the court technology and
16 modernization fund created in section 602.8108, subsection 5,
17 during the fiscal year beginning July 1, 2003, and ending June
18 30, 2004, and the plans for expenditures from each fund during
19 the fiscal year beginning July 1, 2004, and ending June 30,
20 2005. A copy of the report shall be provided to the
21 legislative services agency.

22 Sec. 154. JUDICIAL RETIREMENT FUND. There is appropriated
23 from the general fund of the state to the judicial retirement
24 fund for the fiscal year beginning July 1, 2004, and ending
25 June 30, 2005, the following amount, or so much thereof as is
26 necessary, to be used for the purpose designated:

27 Notwithstanding section 602.9104, for the state's
28 contribution to the judicial retirement fund in the amount of
29 9.71 percent of the basic salaries of the judges covered under
30 chapter 602, article 9:

31 \$ 2,039,664

32 Sec. 155. APPOINTMENT OF CLERK OF COURT. The appointment
33 of a clerk of the district court shall not occur unless the
34 state court administrator approves the appointment.

35 Sec. 156. POSTING OF REPORTS IN ELECTRONIC FORMAT --

1 LEGISLATIVE SERVICES AGENCY. All reports or copies of reports
2 required to be provided by the judicial branch for fiscal year
3 2004-2005 to the legislative services agency shall be provided
4 in an electronic format. The legislative services agency
5 shall post the reports on its internet site and shall notify
6 by electronic means all the members of the joint
7 appropriations subcommittee on the justice system when a
8 report is posted. Upon request, copies of the reports may be
9 mailed to members of the joint appropriations subcommittee on
10 the justice system.

11 DIVISION IX
12 JUSTICE SYSTEM

13 Sec. 157. DEPARTMENT OF JUSTICE.

14 1. There is appropriated from the general fund of the
15 state to the department of justice for the fiscal year
16 beginning July 1, 2004, and ending June 30, 2005, the
17 following amounts, or so much thereof as is necessary, to be
18 used for the purposes designated:

19 a. For the general office of attorney general for
20 salaries, support, maintenance, miscellaneous purposes
21 including the prosecuting attorneys training program, victim
22 assistance grants, office of drug control policy (ODCP)
23 prosecuting attorney program, legal services for persons in
24 poverty grants as provided in section 13.34, odometer fraud
25 enforcement, and for not more than the following full-time
26 equivalent positions:

27 \$ 7,565,245
28 FTEs 208.50

29 It is the intent of the general assembly that as a
30 condition of receiving the appropriation provided in this
31 lettered paragraph, the department of justice shall maintain a
32 record of the estimated time incurred representing each agency
33 or department.

34 b. For victim assistance grants:
35 \$ 5,000

1 The funds appropriated in this lettered paragraph shall be
2 used to provide grants to care providers providing services to
3 crime victims of domestic abuse or to crime victims of rape
4 and sexual assault.

5 2. In addition to the funds appropriated in subsection 1,
6 there is appropriated from the general fund of the state to
7 the department of justice for the fiscal year beginning July
8 1, 2004, and ending June 30, 2005, an amount not exceeding
9 \$200,000 to be used for the enforcement of the Iowa
10 competition law. The funds appropriated in this subsection
11 are contingent upon receipt by the general fund of the state
12 of an amount at least equal to the expenditure amount from
13 either damages awarded to the state or a political subdivision
14 of the state by a civil judgment under chapter 553, if the
15 judgment authorizes the use of the award for enforcement
16 purposes or costs or attorneys fees awarded the state in state
17 or federal antitrust actions. However, if the amounts
18 received as a result of these judgments are in excess of
19 \$200,000, the excess amounts shall not be appropriated to the
20 department of justice pursuant to this subsection. The
21 department of justice shall report the department's actual
22 costs and an estimate of the time incurred enforcing the
23 competition law, to the cochairpersons and ranking members of
24 the joint appropriations subcommittee on the justice system,
25 and to the legislative services agency by November 15, 2004.

26 3. In addition to the funds appropriated in subsection 1,
27 there is appropriated from the general fund of the state to
28 the department of justice for the fiscal year beginning July
29 1, 2004, and ending June 30, 2005, an amount not exceeding
30 \$1,125,000 to be used for public education relating to
31 consumer fraud and for enforcement of section 714.16, and an
32 amount not exceeding \$75,000 for investigation, prosecution,
33 and consumer education relating to consumer and criminal fraud
34 against older Iowans. The funds appropriated in this
35 subsection are contingent upon receipt by the general fund of

1 the state of an amount at least equal to the expenditure
2 amount from damages awarded to the state or a political
3 subdivision of the state by a civil consumer fraud judgment or
4 settlement, if the judgment or settlement authorizes the use
5 of the award for public education on consumer fraud. However,
6 if the funds received as a result of these judgments and
7 settlements are in excess of \$1,200,000, the excess funds
8 shall not be appropriated to the department of justice
9 pursuant to this subsection. The department of justice shall
10 report to the cochairpersons and ranking members of the joint
11 appropriations subcommittee on the justice system, and to the
12 legislative services agency by November 15, 2004, the
13 department's actual costs and an estimate of the time incurred
14 in providing education pursuant to and enforcing this
15 subsection.

16 4. The balance of the victim compensation fund established
17 in section 915.94 may be used to provide salary and support of
18 not more than 20.00 FTEs and to provide maintenance for the
19 victim compensation functions of the department of justice.

20 5. a. The department of justice, in submitting budget
21 estimates for the fiscal year commencing July 1, 2005,
22 pursuant to section 8.23, shall include a report of funding
23 from sources other than amounts appropriated directly from the
24 general fund of the state to the department of justice or to
25 the office of consumer advocate. These funding sources shall
26 include, but are not limited to, reimbursements from other
27 state agencies, commissions, boards, or similar entities, and
28 reimbursements from special funds or internal accounts within
29 the department of justice. The department of justice shall
30 report actual reimbursements for the fiscal year commencing
31 July 1, 2003, and actual and expected reimbursements for the
32 fiscal year commencing July 1, 2004.

33 b. The department of justice shall include the report
34 required under paragraph "a", as well as information regarding
35 any revisions occurring as a result of reimbursements actually

1 received or expected at a later date, in a report to the
2 cochairpersons and ranking members of the joint appropriations
3 subcommittee on the justice system and the legislative
4 services agency. The department of justice shall submit the
5 report on or before January 15, 2005.

6 Sec. 158. DEPARTMENT OF JUSTICE -- ENVIRONMENTAL CRIMES
7 INVESTIGATION AND PROSECUTION -- FUNDING. There is
8 appropriated from the environmental crime fund of the
9 department of justice, consisting of court-ordered fines and
10 penalties awarded to the department arising out of the
11 prosecution of environmental crimes, to the department of
12 justice for the fiscal year beginning July 1, 2004, and ending
13 June 30, 2005, an amount not exceeding \$20,000 to be used by
14 the department, at the discretion of the attorney general, for
15 the investigation and prosecution of environmental crimes,
16 including the reimbursement of expenses incurred by county,
17 municipal, and other local governmental agencies cooperating
18 with the department in the investigation and prosecution of
19 environmental crimes.

20 The funds appropriated in this section are contingent upon
21 receipt by the environmental crime fund of the department of
22 justice of an amount at least equal to the appropriations made
23 in this section and received from contributions, court-ordered
24 restitution as part of judgments in criminal cases, and
25 consent decrees entered into as part of civil or regulatory
26 enforcement actions. However, if the funds received during
27 the fiscal year are in excess of \$20,000, the excess funds
28 shall be deposited in the general fund of the state.

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

34 Sec. 159. OFFICE OF CONSUMER ADVOCATE. There is
35 appropriated from the general fund of the state to the office

1 of consumer advocate of the department of justice for the
2 fiscal year beginning July 1, 2004, and ending June 30, 2005,
3 the following amount, or so much thereof as is necessary, to
4 be used for the purposes designated:

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

8 \$ 2,803,862
9 FTEs 27.00

10 Sec. 160. DEPARTMENT OF CORRECTIONS -- FACILITIES.

11 1. There is appropriated from the general fund of the
12 state to the department of corrections for the fiscal year
13 beginning July 1, 2004, and ending June 30, 2005, the
14 following amounts, or so much thereof as is necessary, to be
15 used for the purposes designated:

16 For the operation of adult correctional institutions,
17 reimbursement of counties for certain confinement costs, and
18 federal prison reimbursement, to be allocated as follows:

19 a. For the operation of the Fort Madison correctional
20 facility, including salaries, support, maintenance, and
21 miscellaneous purposes:

22 \$ 38,009,504

23 b. For the operation of the Anamosa correctional facility,
24 including salaries, support, maintenance, and miscellaneous
25 purposes:

26 \$ 26,913,551

27 Moneys are provided within this appropriation for one full-
28 time substance abuse counselor for the Luster Heights
29 facility, for the purpose of certification of a substance
30 abuse program at that facility.

31 c. For the operation of the Oakdale correctional facility,
32 including salaries, support, maintenance, and miscellaneous
33 purposes:

34 \$ 23,536,936

35 d. For the operation of the Newton correctional facility,

1 including salaries, support, maintenance, and miscellaneous
2 purposes:

3 \$ 24,533,794

4 e. For the operation of the Mt. Pleasant correctional
5 facility, including salaries, support, maintenance, and
6 miscellaneous purposes:

7 \$ 22,464,361

8 f. For the operation of the Rockwell City correctional
9 facility, including salaries, support, maintenance, and
10 miscellaneous purposes:

11 \$ 7,772,369

12 g. For the operation of the Clarinda correctional
13 facility, including salaries, support, maintenance, and
14 miscellaneous purposes:

15 \$ 22,518,204

16 Moneys received by the department of corrections as
17 reimbursement for services provided to the Clarinda youth
18 corporation are appropriated to the department and shall be
19 used for the purpose of operating the Clarinda correctional
20 facility.

21 h. For the operation of the Mitchellville correctional
22 facility, including salaries, support, maintenance, and
23 miscellaneous purposes:

24 \$ 13,190,260

25 i. For the operation of the Fort Dodge correctional
26 facility, including salaries, support, maintenance, and
27 miscellaneous purposes:

28 \$ 25,880,530

29 j. For reimbursement of counties for temporary confinement
30 of work release and parole violators, as provided in sections
31 901.7, 904.908, and 906.17 and for offenders confined pursuant
32 to section 904.513:

33 \$ 674,954

34 k. For federal prison reimbursement, reimbursements for
35 out-of-state placements, and miscellaneous contracts:

1 \$ 241,293

2 The department of corrections shall use funds appropriated
3 in this subsection to continue to contract for the services of
4 a Muslim imam.

5 Sec. 161. DEPARTMENT OF CORRECTIONS -- ADMINISTRATION.

6 1. There is appropriated from the general fund of the
7 state to the department of corrections for the fiscal year
8 beginning July 1, 2004, and ending June 30, 2005, the
9 following amounts, or so much thereof as is necessary, to be
10 used for the purposes designated:

11 a. For general administration, including salaries,
12 support, maintenance, employment of an education director to
13 administer a centralized education program for the
14 correctional system, and miscellaneous purposes:

15 \$ 2,784,393

16 (1) It is the intent of the general assembly that as a
17 condition of receiving the appropriation provided in this
18 lettered paragraph, the department of corrections shall not,
19 except as otherwise provided in subparagraph (3), enter into a
20 new contract, unless the contract is a renewal of an existing
21 contract, for the expenditure of moneys in excess of \$100,000
22 during the fiscal year beginning July 1, 2004, for the
23 privatization of services performed by the department using
24 state employees as of July 1, 2004, or for the privatization
25 of new services by the department, without prior consultation
26 with any applicable state employee organization affected by
27 the proposed new contract and prior notification of the
28 cochairpersons and ranking members of the joint appropriations
29 subcommittee on the justice system.

30 (2) It is the intent of the general assembly that each
31 lease negotiated by the department of corrections with a
32 private corporation for the purpose of providing private
33 industry employment of inmates in a correctional institution
34 shall prohibit the private corporation from utilizing inmate
35 labor for partisan political purposes for any person seeking

1 election to public office in this state and that a violation
2 of this requirement shall result in a termination of the lease
3 agreement.

4 (3) It is the intent of the general assembly that as a
5 condition of receiving the appropriation provided in this
6 lettered paragraph, the department of corrections shall not
7 enter into a lease or contractual agreement pursuant to
8 section 904.809 with a private corporation for the use of
9 building space for the purpose of providing inmate employment
10 without providing that the terms of the lease or contract
11 establish safeguards to restrict, to the greatest extent
12 feasible, access by inmates working for the private
13 corporation to personal identifying information of citizens.

14 b. For educational programs for inmates at state penal
15 institutions:

16 \$ 1,008,358

17 It is the intent of the general assembly that moneys
18 appropriated in this lettered paragraph shall be used solely
19 for the purpose indicated and that the moneys shall not be
20 transferred for any other purpose. In addition, it is the
21 intent of the general assembly that the department shall
22 consult with the community colleges in the areas in which the
23 institutions are located to utilize moneys appropriated in
24 this lettered paragraph to fund the high school completion,
25 high school equivalency diploma, adult literacy, and adult
26 basic education programs in a manner so as to maintain these
27 programs at the institutions.

28 To maximize the funding for educational programs, the
29 department shall establish guidelines and procedures to
30 prioritize the availability of educational and vocational
31 training for inmates based upon the goal of facilitating an
32 inmate's successful release from the correctional institution.

33 The director of the department of corrections may transfer
34 moneys from Iowa prison industries for use in educational
35 programs for inmates.

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

7 c. For the development of the Iowa corrections offender
8 network (ICON) data system:

9 \$ 427,700

10 2. It is the intent of the general assembly that the
11 department of corrections shall continue to operate the
12 correctional farms under the control of the department at the
13 same or greater level of participation and involvement as
14 existed as of January 1, 2004, shall not enter into any rental
15 agreement or contract concerning any farmland under the
16 control of the department that is not subject to a rental
17 agreement or contract as of January 1, 2004, without prior
18 legislative approval, and shall further attempt to provide job
19 opportunities at the farms for inmates. The department shall
20 attempt to provide job opportunities at the farms for inmates
21 by encouraging labor-intensive farming or gardening where
22 appropriate, using inmates to grow produce and meat for
23 institutional consumption, researching the possibility of
24 instituting food canning and cook-and-chill operations, and
25 exploring opportunities for organic farming and gardening,
26 livestock ventures, horticulture, and specialized crops.

27 3. The department shall work to increase produce gardening
28 by inmates under the control of the correctional institutions,
29 and, if appropriate, may use the central distribution network
30 at the Woodward state resource center. The department shall
31 file a report with the cochairpersons and ranking members of
32 the joint appropriations subcommittee on the justice system by
33 December 1, 2004, regarding the feasibility of expanding the
34 number of acres devoted to organic gardening and to the
35 growing of organic produce for sale.

1 4. The department of corrections shall submit a report to
2 the general assembly by January 1, 2005, concerning moneys
3 recouped from inmate earnings for the reimbursement of
4 operational expenses of the applicable facility during the
5 fiscal year beginning July 1, 2003, for each correctional
6 institution and judicial district department of correctional
7 services. In addition, each correctional institution and
8 judicial district department of correctional services shall
9 continue to submit a report to the legislative services agency
10 on a monthly basis concerning moneys recouped from inmate
11 earnings pursuant to sections 904.702, 904.809, and 905.14.

12 5. The department of corrections, in consultation with the
13 board of parole, shall study the feasibility of establishing a
14 mentoring program using unpaid volunteers to mentor persons
15 who are on probation or parole. The department of corrections
16 shall file a report regarding the study with the
17 cochairpersons and ranking members of the joint appropriations
18 subcommittee on the justice system, and the legislative
19 services agency by December 15, 2004. The report shall detail
20 the feasibility of establishing such a mentoring program.

21 Sec. 162. JUDICIAL DISTRICT DEPARTMENTS OF CORRECTIONAL
22 SERVICES.

23 1. There is appropriated from the general fund of the
24 state to the department of corrections for the fiscal year
25 beginning July 1, 2004, and ending June 30, 2005, the
26 following amounts, or so much thereof as is necessary, to be
27 allocated as follows:

28 a. For the first judicial district department of
29 correctional services, including the treatment and supervision
30 of probation and parole violators who have been released from
31 the department of corrections violator program, the following
32 amount, or so much thereof as is necessary:

33 \$ 10,090,207

34 b. For the second judicial district department of
35 correctional services, including the treatment and supervision

1 of probation and parole violators who have been released from
2 the department of corrections violator program, the following
3 amount, or so much thereof as is necessary:

4 \$ 7,755,402

5 c. For the third judicial district department of
6 correctional services, including the treatment and supervision
7 of probation and parole violators who have been released from
8 the department of corrections violator program, the following
9 amount, or so much thereof as is necessary:

10 \$ 4,631,423

11 d. For the fourth judicial district department of
12 correctional services, including the treatment and supervision
13 of probation and parole violators who have been released from
14 the department of corrections violator program, the following
15 amount, or so much thereof as is necessary:

16 \$ 4,248,965

17 e. For the fifth judicial district department of
18 correctional services, including the treatment and supervision
19 of probation and parole violators who have been released from
20 the department of corrections violator program, the following
21 amount, or so much thereof as is necessary:

22 \$ 12,982,837

23 f. For the sixth judicial district department of
24 correctional services, including the treatment and supervision
25 of probation and parole violators who have been released from
26 the department of corrections violator program, the following
27 amount, or so much thereof as is necessary:

28 \$ 10,064,717

29 g. For the seventh judicial district department of
30 correctional services, including the treatment and supervision
31 of probation and parole violators who have been released from
32 the department of corrections violator program, the following
33 amount, or so much thereof as is necessary:

34 \$ 5,677,314

35 h. For the eighth judicial district department of

1 correctional services, including the treatment and supervision
2 of probation and parole violators who have been released from
3 the department of corrections violator program, the following
4 amount, or so much thereof as is necessary:

5 \$ 5,574,865

6 2. Each judicial district department of correctional
7 services, within the funding available, shall continue
8 programs and plans established within that district to provide
9 for intensive supervision, sex offender treatment, diversion
10 of low-risk offenders to the least restrictive sanction
11 available, job development, and expanded use of intermediate
12 criminal sanctions.

13 3. Each judicial district department of correctional
14 services shall provide alternatives to prison consistent with
15 chapter 901B. The alternatives to prison shall ensure public
16 safety while providing maximum rehabilitation to the offender.
17 A judicial district department may also establish a day
18 program.

19 4. The governor's office of drug control policy shall
20 consider federal grants made to the department of corrections
21 for the benefit of each of the eight judicial district
22 departments of correctional services as local government
23 grants, as defined pursuant to federal regulations.

24 Sec. 163. INTENT -- REPORTS.

25 1. The department of corrections shall submit a report on
26 inmate labor to the general assembly, to the cochairpersons
27 and the ranking members of the joint appropriations
28 subcommittee on the justice system, and to the legislative
29 services agency by January 15, 2005. The report shall
30 specifically address the progress the department has made in
31 implementing the requirements of section 904.701, inmate labor
32 on capital improvement projects, community work crews, inmate
33 produce gardening, and private-sector employment.

34 2. The department in cooperation with townships, the Iowa
35 cemetery associations, and other nonprofit or governmental

1 entities may use inmate labor to restore or preserve rural
2 cemeteries and historical landmarks. The department in
3 cooperation with the counties may also use inmate labor to
4 clean up roads, major water sources, and other water sources
5 around the state. Any governmental entity or nonprofit agency
6 using inmate labor pursuant to this subsection shall be immune
7 from civil or employer liability.

8 3. The department shall provide a report that details the
9 inmate capacity for each county jail, detention facility, or
10 municipal jail. The report shall also include population data
11 of the jails and detention facilities, and options for
12 integrating jails and detention facilities into the department
13 of corrections. The department shall file the report with the
14 cochairpersons and ranking members of the joint appropriations
15 subcommittee on the justice system and the legislative
16 services agency by December 15 of each year. The department
17 shall also coordinate and provide information to the counties
18 regarding available inmate bed space in each county jail,
19 detention facility, or municipal jail.

20 4. Each month the department shall provide a status report
21 regarding private-sector employment to the legislative
22 services agency beginning on July 1, 2004. The report shall
23 include the number of offenders employed in the private
24 sector, the combined number of hours worked by the offenders,
25 and the total amount of allowances, and the distribution of
26 allowances pursuant to section 904.702, including any moneys
27 deposited in the general fund of the state.

28 Sec. 164. STATE AGENCY PURCHASES FROM PRISON INDUSTRIES.

29 1. As used in this section, unless the context otherwise
30 requires, "state agency" means the government of the state of
31 Iowa, including but not limited to all executive branch
32 departments, agencies, boards, bureaus, and commissions, the
33 judicial branch, the general assembly and all legislative
34 agencies, institutions within the purview of the state board
35 of regents, and any corporation whose primary function is to

1 act as an instrumentality of the state.

2 2. State agencies are hereby encouraged to purchase
3 products from Iowa state industries, as defined in section
4 904.802, when purchases are required and the products are
5 available from Iowa state industries. State agencies shall
6 obtain bids from Iowa state industries for purchases of office
7 furniture exceeding \$5,000 or in accordance with applicable
8 administrative rules related to purchases for the agency.

9 Sec. 165. STATE PUBLIC DEFENDER. There is appropriated
10 from the general fund of the state to the office of the state
11 public defender of the department of inspections and appeals
12 for the fiscal year beginning July 1, 2004, and ending June
13 30, 2005, the following amounts, or so much thereof as is
14 necessary, to be allocated as follows for the purposes
15 designated:

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

19 \$ 16,663,446
20 FTES 202.00

21 2. For the fees of court-appointed attorneys for indigent
22 adults and juveniles, in accordance with section 232.141 and
23 chapter 815:

24 \$ 19,355,297

25 Sec. 166. IOWA LAW ENFORCEMENT ACADEMY.

26 1. There is appropriated from the general fund of the
27 state to the Iowa law enforcement academy for the fiscal year
28 beginning July 1, 2004, and ending June 30, 2005, the
29 following amount, or so much thereof as is necessary, to be
30 used for the purposes designated:

31 For salaries, support, maintenance, miscellaneous purposes,
32 including jailer training and technical assistance, and for
33 not more than the following full-time equivalent positions:

34 \$ 1,066,890
35 FTES 30.05

1 It is the intent of the general assembly that the Iowa law
2 enforcement academy may provide training of state and local
3 law enforcement personnel concerning the recognition of and
4 response to persons with Alzheimer's disease.

5 2. The Iowa law enforcement academy may select at least
6 five automobiles of the department of public safety, division
7 of the Iowa state patrol, prior to turning over the
8 automobiles to the department of administrative services to be
9 disposed of by public auction and the Iowa law enforcement
10 academy may exchange any automobile owned by the academy for
11 each automobile selected if the selected automobile is used in
12 training law enforcement officers at the academy. However,
13 any automobile exchanged by the academy shall be substituted
14 for the selected vehicle of the department of public safety
15 and sold by public auction with the receipts being deposited
16 in the depreciation fund to the credit of the department of
17 public safety, division of the Iowa state patrol.

18 Sec. 167. BOARD OF PAROLE. There is appropriated from the
19 general fund of the state to the board of parole for the
20 fiscal year beginning July 1, 2004, and ending June 30, 2005,
21 the following amount, or so much thereof as is necessary, to
22 be used for the purposes designated:

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

26	\$	1,067,910
27	FTEs	16.50

28 Sec. 168. DEPARTMENT OF PUBLIC DEFENSE. There is
29 appropriated from the general fund of the state to the
30 department of public defense for the fiscal year beginning
31 July 1, 2004, and ending June 30, 2005, the following amounts,
32 or so much thereof as is necessary, to be used for the
33 purposes designated:

34 1. MILITARY DIVISION

35 For salaries, support, maintenance, miscellaneous purposes,

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

3 \$ 5,084,143
4 FTEs 310.80

5 If there is a surplus in the general fund of the state for
6 the fiscal year ending June 30, 2005, within 60 days after the
7 close of the fiscal year, the military division may incur up
8 to an additional \$500,000 in expenditures from the surplus
9 prior to transfer of the surplus pursuant to section 8.57.

10 2. HOMELAND SECURITY AND EMERGENCY MANAGEMENT DIVISION

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

14 \$ 1,123,400
15 FTEs 25.25

16 Sec. 169. DEPARTMENT OF PUBLIC SAFETY. There is
17 appropriated from the general fund of the state to the
18 department of public safety for the fiscal year beginning July
19 1, 2004, and ending June 30, 2005, the following amounts, or
20 so much thereof as is necessary, to be used for the purposes
21 designated:

22 1. For the department's administrative functions,
23 including the criminal justice information system, and for not
24 more than the following full-time equivalent positions:

25 \$ 2,654,732
26 FTEs 37.00

27 2. For the division of criminal investigation and bureau
28 of identification, including the state's contribution to the
29 peace officers' retirement, accident, and disability system
30 provided in chapter 97A in the amount of 17 percent of the
31 salaries for which the funds are appropriated, to meet federal
32 fund matching requirements, and for not more than the
33 following full-time equivalent positions:

34 \$ 14,058,510
35 FTEs 221.50

1 The department of public safety, with the approval of the
2 department of management, may employ no more than two special
3 agents and four gaming enforcement officers for each
4 additional riverboat regulated after July 1, 2004, and one
5 special agent for each racing facility which becomes
6 operational during the fiscal year which begins July 1, 2004.
7 One additional gaming enforcement officer, up to a total of
8 four per riverboat, may be employed for each riverboat that
9 has extended operations to 24 hours and has not previously
10 operated with a 24-hour schedule. Positions authorized in
11 this paragraph are in addition to the full-time equivalent
12 positions otherwise authorized in this subsection.

13 3. a. For the division of narcotics enforcement,
14 including the state's contribution to the peace officers'
15 retirement, accident, and disability system provided in
16 chapter 97A in the amount of 17 percent of the salaries for
17 which the funds are appropriated, to meet federal fund
18 matching requirements, and for not more than the following
19 full-time equivalent positions:

20 \$ 3,930,089
21 FTEs 59.00

22 b. For the division of narcotics enforcement for
23 undercover purchases:

24 \$ 123,343

25 4. a. For the state fire marshal's office, including the
26 state's contribution to the peace officers' retirement,
27 accident, and disability system provided in chapter 97A in the
28 amount of 17 percent of the salaries for which the funds are
29 appropriated, and for not more than the following full-time
30 equivalent positions:

31 \$ 2,181,998
32 FTEs 39.00

33 b. For the state fire marshal's office, for fire
34 protection services as provided through the state fire service
35 and emergency response council as created in the department,

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

3	\$	638,021
4	FTEs	12.00

5 5. For the division of the Iowa state patrol of the
6 department of public safety, for salaries, support,
7 maintenance, workers' compensation costs, and miscellaneous
8 purposes, including the state's contribution to the peace
9 officers' retirement, accident, and disability system provided
10 in chapter 97A in the amount of 17 percent of the salaries for
11 which the funds are appropriated, and for not more than the
12 following full-time equivalent positions:

13	\$	42,517,133
14	FTEs	536.00

15 It is the intent of the general assembly that members of
16 the Iowa state patrol be assigned to patrol the highways and
17 roads in lieu of assignments for inspecting school buses for
18 the school districts.

19 It is the intent of the general assembly that approximately
20 one-half of the members of the Iowa state patrol assigned to
21 District 16 be reassigned to patrol duties on the highways and
22 roads, and that candidates from the department of public
23 safety's training school fill vacant positions at District 16
24 due to the reassignment.

25 6. For deposit in the public safety law enforcement sick
26 leave benefits fund established under section 80.42, for all
27 departmental employees eligible to receive benefits for
28 accrued sick leave under the collective bargaining agreement:
29

.....	\$	316,179
-------	----	---------

30 An employee of the department of public safety who retires
31 after July 1, 2004, but prior to June 30, 2005, is eligible
32 for payment of life or health insurance premiums as provided
33 for in the collective bargaining agreement covering the public
34 safety bargaining unit at the time of retirement if that
35 employee previously served in a position which would have been

1 covered by the agreement. The employee shall be given credit
2 for the service in that prior position as though it were
3 covered by that agreement. The provisions of this subsection
4 shall not operate to reduce any retirement benefits an
5 employee may have earned under other collective bargaining
6 agreements or retirement programs.

7 7. For costs associated with the training and equipment
8 needs of volunteer fire fighters and for not more than the
9 following full-time equivalent position:

10	\$	559,587
11	FTEs	1.00

12 Notwithstanding section 8.33, moneys appropriated in this
13 subsection that remain unobligated or unexpended at the close
14 of the fiscal year shall not revert but shall remain available
15 for expenditure only for the purpose designated in this
16 subsection until the close of the succeeding fiscal year.

17 Sec. 170. CIVIL RIGHTS COMMISSION. There is appropriated
18 from the general fund of the state to the Iowa state civil
19 rights commission for the fiscal year beginning July 1, 2004,
20 and ending June 30, 2005, the following amount, or so much
21 thereof as is necessary, to be used for the purposes
22 designated:

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

26	\$	825,752
27	FTEs	28.00

28 The Iowa state civil rights commission may enter into a
29 contract with a nonprofit organization to provide legal
30 assistance to resolve civil rights complaints.

31 Sec. 171. Section 13B.4, subsection 1, Code Supplement
32 2003, is amended to read as follows:

33 1. The state public defender, subject to the provisions of
34 section 13B.4A, shall coordinate the provision of legal
35 representation of all indigents under arrest or charged with a

1 crime, seeking postconviction relief, against whom a contempt
2 action is pending, in proceedings under chapter 229A, in
3 juvenile proceedings, on appeal in criminal cases, on appeal
4 in proceedings to obtain postconviction relief when ordered to
5 do so by the district court in which the judgment or order was
6 issued, and on a reopening of a sentence proceeding, and may
7 provide for the representation of indigents in proceedings
8 instituted pursuant to section 908.11. The state public
9 defender shall not engage in the private practice of law.

10 Sec. 172. Section 13B.4, subsection 3, Code Supplement
11 2003, is amended to read as follows:

12 3. The state public defender may contract with persons
13 admitted to practice law in this state for the provision of
14 legal services to indigent persons, including but not limited
15 to contracts authorized under section 815.15.

16 Sec. 173. NEW SECTION. 13B.4A JUDICIAL DISTRICTS --
17 COORDINATION WITH PUBLIC DEFENDER.

18 A judicial district by a majority vote of the district
19 judges may adopt rules and policies concerning the necessity
20 for expanding a local public defender office within or into
21 the judicial district. The rules and policies shall promote
22 cost containment and efficiencies related to court-appointed
23 attorney fees and shall consider the willingness of the local
24 private bar to represent indigents within the judicial
25 district.

26 Sec. 174. Section 13B.8, subsection 1, unnumbered
27 paragraph 1, Code 2003, is amended to read as follows:

28 The state public defender, subject to the provisions of
29 section 13B.4A, may establish or abolish local public defender
30 offices. In determining whether to establish or abolish a
31 local public defender office, the state public defender shall
32 consider the following:

33 Sec. 175. Section 85.66, Code 2003, is amended to read as
34 follows:

35 85.66 SECOND INJURY FUND -- CREATION -- CUSTODIAN.

1 The "Second Injury Fund" is hereby established under the
2 custody of the treasurer of state and shall consist of
3 payments to the fund as provided by this division and any
4 accumulated interest and earnings on moneys in the second
5 injury fund. The treasurer of state is charged with the
6 conservation of the assets of the second injury fund. Moneys
7 collected in the "Second Injury Fund" shall be disbursed only
8 for the purposes stated in this division, and shall not at any
9 time be appropriated or diverted to any other use or purpose.
10 The treasurer of state shall invest any surplus moneys of the
11 fund in securities which constitute legal investments for
12 state funds under the laws of this state, and may sell any of
13 the securities in which the fund is invested, if necessary,
14 for the proper administration or in the best interests of the
15 fund. Disbursements from the fund shall be paid by the
16 treasurer of state only upon the written order of the workers'
17 compensation commissioner. The attorney general shall be
18 reimbursed up to fifty thousand dollars annually from the fund
19 for services provided related to the fund. The treasurer of
20 state shall quarterly prepare a statement of the fund, setting
21 forth the balance of moneys in the fund, the income of the
22 fund, specifying the source of all income, the payments out of
23 the fund, specifying the various items of payments, and
24 setting forth the balance of the fund remaining to its credit.
25 The statement shall be open to public inspection in the office
26 of the treasurer of state.

27 Sec. 176. Section 85.67, Code 2003, is amended to read as
28 follows:

29 85.67 ADMINISTRATION OF FUND -- SPECIAL COUNSEL -- PAYMENT
30 OF AWARD.

31 The attorney general shall appoint a staff member to
32 represent the treasurer of state and the fund in all
33 proceedings and matters arising under this division. The
34 attorney general shall be reimbursed up to fifty thousand
35 dollars annually from the fund for services provided related

1 to the fund. The commissioner of insurance shall consider the
2 reimbursement to the attorney general as an outstanding
3 liability when making a determination of funding availability
4 under section 85.65A, subsection 2. In making an award under
5 this division, the workers' compensation commissioner shall
6 specifically find the amount the injured employee shall be
7 paid weekly, the number of weeks of compensation which shall
8 be paid by the employer, the date upon which payments out of
9 the fund shall begin, and, if possible, the length of time the
10 payments shall continue.

11 Sec. 177. Section 602.8107, subsection 4, unnumbered
12 paragraph 1, Code Supplement 2003, is amended to read as
13 follows:

14 All fines, penalties, court costs, fees, surcharges, and
15 restitution for court-appointed attorney fees or for expenses
16 of a public defender which are deemed delinquent by the clerk
17 pursuant to subsection 3 may be collected by the county
18 attorney or the county attorney's designee. Thirty-five
19 percent of the amounts collected by the county attorney or the
20 person procured or designated by the county attorney shall be
21 deposited in the general fund of the county if the county
22 attorney has filed the notice required in section 331.756,
23 subsection 5, unless the county attorney has discontinued
24 collection efforts on a particular delinquent amount. The Up
25 to one million two hundred thousand dollars of the remainder
26 shall be paid each fiscal year to the clerk clerks for
27 distribution under section 602.8108. If the threshold amount
28 of one million two hundred thousand dollars has been
29 distributed under section 602.8108, the remainder shall be
30 distributed as provided in subsection 4A. The state court
31 administrator shall notify the clerks that the threshold
32 amount has been distributed under section 602.8108, and that
33 the distribution of any additional moneys collected by the
34 county attorney shall be as provided in subsection 4A.

35 Sec. 178. Section 602.8107, Code Supplement 2003, is

1 amended by adding the following new subsection:

2 NEW SUBSECTION. 4A. After the threshold amount has been
3 distributed under section 602.8108 as provided in subsection
4 4, thirty-five percent of any additional moneys collected by
5 the county attorney or the person procured or designated by
6 the county attorney shall be deposited in the general fund of
7 the county, and thirty-three percent of any additional moneys
8 collected by the county attorney or the person procured or
9 designated by the county attorney shall be deposited with the
10 office of the county attorney. The remainder shall be paid to
11 the clerk for distribution under section 602.8108.

12 Sec. 179. Section 815.9, subsection 1, paragraphs a and b,
13 Code 2003, are amended to read as follows:

14 a. A person is entitled to an attorney appointed by the
15 court to represent the person if the person has an income
16 level at or below one hundred ~~twenty-five~~ percent of the
17 United States poverty level as defined by the most recently
18 revised poverty income guidelines published by the United
19 States department of health and human services, unless the
20 court determines that the person is able to pay for the cost
21 of an attorney to represent the person on the pending case.
22 In making the determination of a person's ability to pay for
23 the cost of an attorney, the court shall consider not only the
24 person's income, but also the availability of any assets
25 subject to execution, including but not limited to cash,
26 stocks, bonds, and any other property which may be applied to
27 the satisfaction of judgments, and the seriousness of the
28 charge or nature of the case.

29 b. A person with an income level greater than one hundred
30 ~~twenty-five percent, but at or below two hundred~~ percent, of
31 the most recently revised poverty income guidelines published
32 by the United States department of health and human services
33 shall not be entitled to an attorney appointed by the court,
34 unless the court makes a written finding that not appointing
35 counsel on the pending case would cause the person substantial

1 hardship. In determining whether substantial hardship would
2 result, the court shall consider not only the person's income,
3 but also the availability of any assets subject to execution,
4 including but not limited to cash, stocks, bonds, and any
5 other property which may be applied to the satisfaction of
6 judgments, and the seriousness of the charge or nature of the
7 case.

8 Sec. 180. Section 815.10, subsection 1, Code 2003, is
9 amended to read as follows:

10 1. The court, for cause and upon its own motion or upon
11 application by an indigent person or a public defender, shall
12 appoint, subject to the provisions of section 13B.4A, the
13 state public defender's designee pursuant to section 13B.4, to
14 represent an indigent person at any stage of the criminal,
15 postconviction, contempt, commitment under chapter 229A, or
16 juvenile proceedings or on appeal of any criminal,
17 postconviction, contempt, commitment under chapter 229A, or
18 juvenile action in which the indigent person is entitled to
19 legal assistance at public expense. However, in juvenile
20 cases, the court may directly appoint an existing nonprofit
21 corporation established for and engaged in the provision of
22 legal services for juveniles. An appointment shall not be
23 made unless the person is determined to be indigent under
24 section 815.9. Only one attorney shall be appointed in all
25 cases, except that in class "A" felony cases the court may
26 appoint two attorneys.

27 Sec. 181. NEW SECTION. 815.15 PREDETERMINED FEE.

28 The state public defender may enter into a contract with a
29 private attorney that establishes a predetermined fee for
30 representing an indigent person in selected cases. The state
31 public defender may also enter into a contract with a private
32 attorney that establishes a monthly fee for representing
33 indigent persons in selected cases in specified locations.
34 The state public defender may designate that the private
35 attorneys entering into a contract pursuant to this section be

1 appointed to cases in the same manner as the local public
2 defender office pursuant to section 13B.4. The office of the
3 state public defender shall file a report with the
4 cochairpersons and ranking members of the joint appropriations
5 subcommittee on the justice system and the legislative
6 services agency by December 15 of each year. The report shall
7 specify the number of contracts entered into pursuant to this
8 section, the types of cases covered under the agreements, and
9 projected cost savings.

10 Sec. 182. NEW SECTION. 904.118 IOWA CORRECTIONS OFFENDER
11 NETWORK -- FUND.

12 An Iowa corrections offender network fund is established
13 under the control of the department. All sales, gifts, and
14 donations related to the Iowa offender network data system
15 shall be credited to the fund and the moneys in the fund are
16 appropriated to the department to be used for further
17 development and general maintenance of the Iowa corrections
18 offender network data system. Notwithstanding section 8.33,
19 moneys credited to the fund shall not revert to any other
20 fund. Notwithstanding section 12C.7, subsection 2, interest
21 or earnings on moneys deposited in the fund shall be credited
22 to the fund.

23 Sec. 183. Section 904.809, subsection 5, paragraph c, Code
24 2003, is amended by adding the following new subparagraph:

25 NEW SUBPARAGRAPH. (2A) The department may retain up to
26 fifty percent of any remaining balance after deductions made
27 under subparagraphs (1) and (2) if the remaining balance is
28 from an inmate employed in a new job created on or after July
29 1, 2004. The funds shall be used to staff supervision costs
30 of private sector employment of inmates at correctional
31 institutions. Funds retained pursuant to this subparagraph
32 shall not be used for administrative costs of the Iowa state
33 industries.

34 Sec. 184. Section 904.809, subsection 5, paragraph c,
35 subparagraph (3), Code 2003, is amended to read as follows:

1 (3) Any balance remaining after the deductions made under
2 subparagraphs (1), and (2), and (2A) shall represent the costs
3 of the inmate's incarceration and shall be deposited
4 ~~effective-July-17-2000~~ in the general fund of the state.

5 Sec. 185. Section 907.9, subsections 1, 2, and 4, Code
6 Supplement 2003, are amended to read as follows:

7 1. At any time that the court determines that the purposes
8 of probation have been fulfilled and the any fees imposed
9 under ~~section~~ sections 815.9 and 905.14 have been paid ~~or-on~~
10 ~~condition-that-unpaid-supervision-fees-be-paid~~, the court may
11 order the discharge of a person from probation.

12 2. At any time that a probation officer determines that
13 the purposes of probation have been fulfilled and the any fees
14 imposed under ~~section~~ sections 815.9 and 905.14 have been paid
15 ~~or-on-condition-that-unpaid-supervision-fees-be-paid~~, the
16 officer may order the discharge of a person from probation
17 after approval of the district director and notification of
18 the sentencing court and the county attorney who prosecuted
19 the case.

20 4. At the expiration of the period of probation and if the
21 fees imposed under ~~section~~ sections 815.9 and 905.14 have been
22 paid or on condition that unpaid supervision fees be paid, the
23 court shall order the discharge of the person from probation,
24 and the court shall forward to the governor a recommendation
25 for or against restoration of citizenship rights to that
26 person. A person who has been discharged from probation shall
27 no longer be held to answer for the person's offense. Upon
28 discharge from probation, if judgment has been deferred under
29 section 907.3, the court's criminal record with reference to
30 the deferred judgment shall be expunged. The record
31 maintained by the state court administrator as required by
32 section 907.4 shall not be expunged. The court's record shall
33 not be expunged in any other circumstances.

34 Sec. 186. 1998 Iowa Acts, chapter 1101, section 15,
35 subsection 2, as amended by 1999 Iowa Acts, chapter 202,

1 section 25, as amended by 2000 Iowa Acts, chapter 1229,
2 section 25, as amended by 2001 Iowa Acts, chapter 186, section
3 21, as amended by 2002 Iowa Acts, Second Extraordinary
4 Session, chapter 1003, section 170, and as amended by 2003
5 Iowa Acts, chapter 174, section 17, is amended to read as
6 follows:

7 2. a. There is appropriated from surcharge moneys
8 received by the E911 administrator and deposited into the
9 wireless E911 emergency communications fund, for each fiscal
10 year in the fiscal period beginning July 1, 1998, and ending
11 June 30, ~~2004~~ 2005, an amount not to exceed two hundred
12 thousand dollars to be used for the implementation, support,
13 and maintenance of the functions of the E911 administrator.
14 The amount appropriated in this paragraph includes any amounts
15 necessary to reimburse the division of emergency management of
16 the department of public defense pursuant to paragraph "b".

17 b. Notwithstanding the distribution formula in section
18 34A.7A, as enacted in this Act, and prior to any such
19 distribution, of the initial surcharge moneys received by the
20 E911 administrator and deposited into the wireless E911
21 emergency communications fund, for each fiscal year in the
22 fiscal period beginning July 1, 1998, and ending June 30, ~~2004~~
23 2005, an amount is appropriated to the division of emergency
24 management of the department of public defense as necessary to
25 reimburse the division for amounts expended for the
26 implementation, support, and maintenance of the E911
27 administrator, including the E911 administrator's salary.

28 Sec. 187. IOWA LAW ENFORCEMENT ACADEMY -- FEES.
29 Notwithstanding section 80B.11B, the Iowa law enforcement
30 academy may charge more than one-half the cost of providing
31 the basic training course if a majority of the Iowa law
32 enforcement academy council authorizes charging more than one-
33 half of the cost of providing basic training. This section is
34 repealed on June 30, 2005.

35 Sec. 188. EFFECTIVE DATE. The provisions of this division

1 of this Act amending sections 85.66, 85.67, and 904.118, and
2 1998 Iowa Acts, chapter 1101, being deemed of immediate
3 importance, take effect upon enactment.

4 Sec. 189. RETROACTIVE APPLICABILITY DATE. The sections of
5 this division of this Act amending sections 13B.4, 13B.8, and
6 815.10, and enacting 13B.4A, being deemed of immediate
7 importance, take effect upon enactment and apply retroactively
8 to January 1, 2004.

9 DIVISION X

10 STANDING APPROPRIATIONS, SALARIES,
11 AND MISCELLANEOUS PROVISIONS

12 Sec. 190. GENERAL ASSEMBLY. The appropriations made
13 pursuant to section 2.12 for the expenses of the general
14 assembly and legislative agencies for the fiscal year
15 beginning July 1, 2004, and ending June 30, 2005, are reduced
16 by the following amount:

17 \$ 2,000,000

18 Sec. 191. Notwithstanding the standing appropriations in
19 the following designated sections for the fiscal year
20 beginning July 1, 2004, and ending June 30, 2005, the amounts
21 appropriated from the general fund of the state pursuant to
22 those sections for the following designated purposes shall not
23 exceed the following amounts:

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

27 \$ 421,639

28 2. For payment for nonpublic school transportation under
29 section 285.2:

30 \$ 7,955,541

31 If total approved claims for reimbursement for nonpublic
32 school pupil transportation claims exceed the amount
33 appropriated in this section, the department of education
34 shall prorate the amount of each claim.

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

1 \$ 107,304

2 4. For the state's share of the cost of the peace

3 officers' retirement benefits under section 411.20:

4 \$ 2,745,784

5 5. For payment of livestock production credit refunds

6 under section 422.121:

7 \$ 1,770,342

8 6. For instructional support state aid under section

9 257.20:

10 \$ 14,428,271

11 7. For at-risk children programs under section 279.51,

12 subsection 1:

13 \$ 11,271,000

14 The amount of any reduction in this subsection shall be

15 prorated among the programs specified in section 279.51,

16 subsection 1, paragraphs "a", "b", and "c".

17 8. For paying claims against the state under section 25.2:

18 \$ 4,387,500

19 9. For administration expenses of the state unemployment

20 compensation law under chapter 96:

21 \$ 438,750

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

23 government under the federal Cash Management and Improvement

24 Act under section 421.31:

25 \$ 536,250

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

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

28 \$ 55,088

29 12. For the educational excellence program under section

30 294A.25, subsection 1:

31 \$ 55,469,053

32 Sec. 192. HELP US STOP HUNGER. There is appropriated from

33 the general fund of the state of the department of natural

34 resources for the fiscal year beginning July 1, 2004, and

35 ending June 30, 2005, the following amount, or so much thereof

1 as is necessary, to be used as follows:

2 To expand the help us stop hunger pilot project:

3 \$ 17,000

4 Sec. 193. Section 35A.3, Code 2003, is amended by adding
5 the following new subsection:

6 NEW SUBSECTION. 14. To establish and operate a state
7 veterans cemetery and to make application to the government of
8 the United States or any subdivision, agency, or
9 instrumentality thereof, for funds for the purpose of
10 establishing such a cemetery. The state may enter into
11 agreements with any subdivision of the state for assistance in
12 operating the cemetery. The state shall own the land on which
13 the cemetery is located. The commission shall have the
14 authority to accept federal grant funds, funding from state
15 subdivisions, donations from private sources, and federal
16 "plot allowance" payments. All such funds shall be deposited
17 into an account dedicated to the establishment, operation, and
18 maintenance of a veterans cemetery and these funds shall be
19 expended only for those purposes. The commission through the
20 executive director shall have the authority to accept suitable
21 cemetery land, in accordance with federal veterans cemetery
22 grant guidelines, from the federal government, state
23 government, state subdivisions, private sources, and any other
24 source wishing to transfer land for use as a veterans
25 cemetery.

26 Sec. 194. Section 256.7, Code Supplement 2003, is amended
27 by adding the following new subsection:

28 NEW SUBSECTION. 26. Adopt rules directing the school
29 districts and area education agencies to submit annually data
30 from the most recent school year detailing contract settlement
31 increases for salaries and group health insurance plans
32 provided under collective bargaining agreements negotiated
33 pursuant to chapter 20. The department shall compile the data
34 in a report to be submitted by January 15 of each year to the
35 chairpersons and ranking members of the house and senate

1 standing committees on education and appropriations and of the
2 joint appropriations subcommittee on education.

3 Sec. 195. Section 256D.4, subsection 2, Code Supplement
4 2003, is amended to read as follows:

5 2. Moneys appropriated pursuant to section 256D.5,
6 subsection 3 4, shall be allocated to school districts as
7 follows:

8 a. Allocation of the sum of twenty nineteen million five
9 hundred thousand dollars shall be based upon the proportion
10 that the kindergarten through grade three enrollment of a
11 district bears to the sum of the kindergarten through grade
12 three enrollments of all school districts in the state as
13 reported for the base year.

14 b. Allocation of the sum of ten nine million seven hundred
15 fifty thousand dollars shall be based upon the proportion that
16 the number of children who are eligible for free or reduced
17 price meals under the federal National School Lunch Act and
18 the federal Child Nutrition Act of 1966, 42 U.S.C. § 1751-
19 1785, in grades one through three of a school district bears
20 to the sum of the number of children who are eligible for free
21 or reduced price meals under the federal National School Lunch
22 Act and the federal Child Nutrition Act of 1966, 42 U.S.C. §
23 1751-1785, in grades one through three in all school districts
24 in the state for the base year.

25 Sec. 196. Section 256D.5, Code Supplement 2003, is amended
26 by adding the following new subsection:

27 NEW SUBSECTION. 4. For the fiscal year beginning July 1,
28 2004, and ending June 30, 2005, the sum of twenty-nine million
29 two hundred fifty thousand dollars.

30 Sec. 197. Section 256D.9, Code Supplement 2003, is amended
31 to read as follows:

32 256D.9 FUTURE REPEAL.

33 This chapter is repealed effective July 1, ~~2004~~ 2005.

34 Sec. 198. Section 257.8, subsection 1, Code Supplement
35 2003, is amended to read as follows:

1 1. STATE PERCENT OF GROWTH. ~~The state percent of growth~~
2 ~~for the budget year beginning July 1, 2003, is two percent.~~
3 The state percent of growth for the budget year beginning July
4 1, 2004, is two percent. The state percent of growth for the
5 budget year beginning July 1, 2005, and each subsequent budget
6 year shall be established by statute which shall be enacted
7 within thirty days of the submission in ~~the year preceding~~ the
8 base year of the governor's budget under section 8.21. The
9 establishment of the state percent of growth for a budget year
10 shall be the only subject matter of the bill which enacts the
11 state percent of growth for a budget year.

12 Sec. 199. Section 257.14, subsection 3, unnumbered
13 paragraph 1, Code 2003, is amended to read as follows:

14 For the budget year commencing July 1, 2004, and succeeding
15 budget years, ~~if the department of management determines that~~
16 ~~the regular program district cost of a school district for a~~
17 ~~budget year is less than one hundred one percent of the~~
18 ~~regular program district cost for the base year for that~~
19 ~~school district,~~ a district shall be eligible for a budget
20 adjustment corresponding to the following schedule:

21 Sec. 200. Section 257.16, Code 2003, is amended by adding
22 the following new subsection:

23 NEW SUBSECTION. 5. a. Notwithstanding subsection 1, the
24 amount appropriated from the general fund of the state for
25 state foundation and supplementary aid for the fiscal year
26 beginning July 1, 2004, and ending June 30, 2005, shall be the
27 sum of one billion eight hundred eighty-one million six
28 hundred eighty-eight thousand six hundred twenty-eight
29 dollars. Of the amount appropriated pursuant to this
30 paragraph, ten million dollars shall be used by school
31 districts to assist with the purchase of public school
32 textbooks and supplies. The amount allocated shall be
33 distributed to school districts on a per pupil basis, and
34 shall be used exclusively for textbook and supply acquisition
35 for public schools. If any portion of the moneys received by

1 a school district for textbook and supply acquisition remains
2 unexpended at the end of the budget year, the remainder shall
3 be carried over to the subsequent budget year and added to the
4 school district's textbook and supply acquisition budget for
5 that year.

6 b. If the amount appropriated in this subsection is less
7 than the amount otherwise required pursuant to subsection 1,
8 the difference shall be deducted from the payments that
9 otherwise would have been required to be made to each school
10 district in the same ratio that the budget enrollment of the
11 school district for the budget year bears to the total budget
12 enrollment in the state for that budget year.

13 Sec. 201. Section 257.35, Code Supplement 2003, is amended
14 by adding the following new subsections:

15 NEW SUBSECTION. 4. Notwithstanding subsection 1, and in
16 addition to the reduction applicable pursuant to subsection 2,
17 the state aid for area education agencies and the portion of
18 the combined district cost calculated for these agencies for
19 the fiscal year beginning July 1, 2004, shall be reduced by
20 the department of management by eleven million seven hundred
21 ninety-eight thousand seven hundred three dollars. The
22 reduction for each area education agency shall be equal to the
23 reduction that the agency received in the fiscal year
24 beginning July 1, 2003.

25 NEW SUBSECTION. 5. Notwithstanding section 257.37, an
26 area education agency may use the funds determined to be
27 available under this section in a manner which the area
28 education agency determines is appropriate to best maintain
29 the level of required area education agency special education
30 services. An area education agency may also use unreserved
31 fund balances for media services or education services in a
32 manner which the area education agency determines is
33 appropriate to best maintain the level of required area
34 education agency special education services.

35 Sec. 202. Section 261.9, subsection 1, unnumbered

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

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

12 Sec. 203. Section 261.9, subsection 1, paragraphs a
13 through c, Code Supplement 2003, are amended by striking the
14 paragraphs and inserting in lieu thereof the following:

15 a. Is accredited by the north central association of
16 colleges and secondary schools accrediting agency based on
17 their requirements and is exempt from taxation under section
18 501(c)(3) of the Internal Revenue Code.

19 b. Annually provide a matching aggregate amount of
20 institutional financial aid equal to at least seventy-five
21 percent of the amount received in a fiscal year by the
22 institution's students for Iowa tuition grant assistance under
23 this chapter. Commencing with the fiscal year beginning July
24 1, 2005, the matching aggregate amount of institutional
25 financial aid shall increase by the percentage of increase
26 each fiscal year of funds appropriated for Iowa tuition grants
27 under section 261.25, subsection 1, to a maximum match of one
28 hundred percent. The institution shall file annual reports
29 with the commission prior to receipt of tuition grant moneys
30 under this chapter.

31 c. Is a specialized college that is accredited by the
32 north central association of colleges and secondary schools
33 accrediting agency, and which offers health professional
34 programs that are affiliated with health care systems located
35 in Iowa.

1 Sec. 204. Section 273.3, Code 2003, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 23. Submit annually data from the most
4 recent school year to the department of education detailing
5 contract settlement increases for salaries and group health
6 insurance plans provided under collective bargaining
7 agreements negotiated pursuant to chapter 20.

8 Sec. 205. Section 279.12, unnumbered paragraph 1, Code
9 Supplement 2003, is amended to read as follows:

10 The board shall carry into effect any instruction from the
11 regular election upon matters within the control of the
12 voters, and shall elect all teachers and make all contracts
13 necessary or proper for exercising the powers granted and
14 performing the duties required by law, and may establish and
15 pay all or any part thereof from school district funds the
16 cost of group health insurance plans, nonprofit group hospital
17 service plans, nonprofit group medical service plans and group
18 life insurance plans adopted by the board for the benefit of
19 employees of the school district, but the board may authorize
20 any subdirector to employ teachers for the school in the
21 subdirector's subdistrict; but no such employment by a
22 subdirector shall authorize a contract, the entire period of
23 which is wholly beyond the subdirector's term of office. The
24 board shall submit annually data from the most recent school
25 year to the department of education detailing contract
26 settlement increases for salaries and group health insurance
27 plans provided under collective bargaining agreements
28 negotiated pursuant to chapter 20.

29 Sec. 206. Section 280.14, Code Supplement 2003, is amended
30 by adding the following new subsection:

31 NEW SUBSECTION. 3. The board of directors of each school
32 district shall annually review school district expenditures
33 and identify and examine potential cost savings that can be
34 achieved in the delivery of administrative services and other
35 costs involved in the operation of the school district,

1 including but not limited to health insurance, maintenance of
2 facilities and buses, the acquisition of and distribution of
3 materials and supplies used by the school district, and the
4 delivery of transportation, human resource and financial
5 services, computer support services, and data management. The
6 school district shall consider cost saving partnership
7 opportunities with other school districts, area education
8 agencies, community colleges, libraries, cities, counties, or
9 other public or private entities. The results of the study
10 shall be presented to the public at a regularly scheduled
11 board meeting. The school district shall annually report the
12 cost savings to the department of education in a manner
13 prescribed by the department. The department shall annually
14 compile the information submitted by the school districts in a
15 report which the department shall submit to the general
16 assembly by December 31.

17 Sec. 207. Section 346.27, subsection 10, unnumbered
18 paragraph 1, Code Supplement 2003, is amended to read as
19 follows:

20 After the incorporation of an authority, and before the
21 sale of any issue of revenue bonds, except refunding bonds,
22 the authority shall call an election to decide the question of
23 whether the authority shall issue and sell revenue bonds. The
24 ballot shall state the amount of the bonds and the purposes
25 for which the authority is incorporated. ~~Registered-voters-of~~
26 ~~the-city-and-the-unincorporated-area~~ All registered voters of
27 the county shall be entitled to vote on the question. The
28 question may be submitted at a general election or at a
29 special election. An affirmative vote of a majority of the
30 votes cast on the question is required to authorize the
31 issuance and sale of revenue bonds.

32 Sec. 208. Section 346.27, subsection 25, unnumbered
33 paragraph 2, Code Supplement 2003, is amended to read as
34 follows:

35 The question of whether a conveyance shall be made shall be

1 submitted to the registered voters of the ~~city-and-the~~
2 ~~unincorporated-area-of-the~~ county. An affirmative vote equal
3 to at least a majority of the total votes cast on the question
4 shall be required to authorize the conveyance. If the
5 question does not carry, the authority shall continue to
6 operate, maintain, and manage the building under a lease
7 arrangement with the incorporating units.

8 Sec. 209. Section 372.13, subsection 10, Code 2003, is
9 amended to read as follows:

10 10. A council member, during the term for which that
11 member is elected, is not precluded from holding the office of
12 chief of the volunteer fire department if the fire department
13 serves an area with a population of not more than two
14 thousand, ~~and-if-no-other-candidate-who-is-not-a-city-council~~
15 ~~member-is-available-to-hold-the-office-of-chief-of-the~~
16 ~~volunteer-fire-department.~~ A person holding the office of
17 chief of such a volunteer fire department at the time of the
18 person's election to the city council may continue to hold the
19 office of chief of the fire department during the city council
20 term for which that person was elected.

21 Sec. 210. Section 404A.2, unnumbered paragraph 1, Code
22 2003, is amended to read as follows:

23 The amount of the credit equals twenty-five percent of the
24 qualified rehabilitation costs made to eligible property. In
25 the case of commercial property, rehabilitation costs must
26 equal at least fifty percent of the assessed value of the
27 property, excluding the land, prior to the rehabilitation. In
28 the case of residential property or barns, the rehabilitation
29 costs must equal at least twenty-five thousand dollars or
30 twenty-five percent of the fair market value, excluding the
31 land, prior to the rehabilitation, whichever is less. In
32 computing the tax credit for eligible property that is
33 classified as residential or as commercial with multifamily
34 residential units, the rehabilitation costs used shall not
35 exceed one hundred thousand dollars per residential unit. In

1 computing the tax credit, the only costs which may be included
2 are the rehabilitation costs incurred between the period
3 ending on the project completion date and beginning on the
4 ~~later-of-either-the-date-of-issuance-of-the-approval-of-the~~
5 ~~project-as-provided-in-section-404A.3-or~~ date two years prior
6 to the project completion date, provided that any qualified
7 rehabilitation costs incurred prior to the date of approval of
8 the project as provided in section 404A.3 must be qualified
9 rehabilitation expenditures under the federal rehabilitation
10 credit in section 47 of the Internal Revenue Code.

11 Sec. 211. Section 422E.1, subsection 2, Code Supplement
12 2003, is amended to read as follows:

13 2. The maximum rate of tax shall be one percent. The tax
14 shall be imposed without regard to any other local sales and
15 services tax authorized in chapter 422B, and is repealed at
16 the expiration of a period of ten years of imposition or a
17 shorter period as provided in the ballot proposition. However,
18 all local option sales and services taxes for school
19 infrastructure purposes are repealed December 31, 2022. The
20 term of bonds issued pursuant to section 422E.4 shall not
21 exceed ten years, except in the case of bonds issued by a
22 school district located in a county that approved the
23 imposition of the tax at an election held on June 17, 2003.

24 Sec. 212. Section 422E.2, subsection 4, paragraph a, Code
25 Supplement 2003, is amended to read as follows:

26 a. Each school district located within the county may
27 submit a revenue purpose statement to the county commissioner
28 of elections no later than sixty days prior to the election
29 indicating the specific purpose or purposes for which the
30 local sales and services tax for school infrastructure revenue
31 and supplemental school infrastructure amount revenue will be
32 expended. The revenues received pursuant to this chapter
33 shall be expended for the purposes indicated in the revenue
34 purpose statement. The revenue purpose statement may include
35 information regarding the school district's use of the

1 revenues to provide for property tax relief or debt reduction.
2 A copy of the revenue purpose statement shall be made
3 available for public inspection in accordance with chapter 22,
4 shall be posted at the appropriate polling places of each
5 school district during the hours that the polls are open, and
6 be published in a newspaper of general circulation in the
7 school district no sooner than twenty days and no later than
8 ten days prior to the election. Notwithstanding the
9 requirements for a revenue purpose statement in this
10 paragraph, for elections occurring after April 1, 2003, but
11 before August 1, 2003, a revenue purpose statement submitted
12 not later than April 1, 2004, shall be considered to have met
13 the requirements of this paragraph.

14 Sec. 213. Section 422E.3A, subsection 2, paragraph b,
15 subparagraph (4), Code Supplement 2003, is amended by striking
16 the subparagraph.

17 Sec. 214. Section 422E.4, unnumbered paragraph 1, Code
18 Supplement 2003, is amended to read as follows:

19 The board of directors of a school district shall be
20 authorized to issue negotiable, interest-bearing school bonds,
21 without election, and utilize tax receipts derived from the
22 sales and services tax for school infrastructure purposes and
23 the supplemental school infrastructure amount distributed
24 pursuant to section 422E.3A, subsection 2, paragraph "b", for
25 principal and interest repayment. Proceeds of the bonds
26 issued pursuant to this section shall be utilized solely for
27 school infrastructure needs as school infrastructure is
28 defined in section 422E.1, subsection 3. ~~Issuance-of-bonds~~
29 ~~pursuant-to-this-section-shall-be-permitted-only-in-a-district~~
30 ~~which-has-imposed-a-local-sales-and-services-tax-for-school~~
31 ~~infrastructure-purposes-pursuant-to-section-422E.2.--The~~
32 ~~provisions-of-sections-298-22-through-298-24-shall-apply~~
33 ~~regarding-the-form,rate-of-interest,registration,~~
34 ~~redemption,and-recording-of-bond-issues-pursuant-to-this~~
35 ~~section-with-the-exception-that-the-maximum-period-during~~

1 ~~which principal on the bonds is payable shall not exceed the~~
2 ~~date of repeal stated on the ballot proposition.~~ Bonds issued
3 under this section may be sold at public or private sale as
4 provided in chapter 75 without notice and hearing as provided
5 in section 73A.12. Bonds may bear dates, bear interest at
6 rates not exceeding that permitted by chapter 74A, mature in
7 one or more installments, be in registered form, carry
8 registration and conversion privileges, be payable as to
9 principal and interest at times and places, be subject to
10 terms of redemption prior to maturity with or without premium,
11 and be in one or more denominations, all as provided by the
12 resolution of the board of directors authorizing their
13 issuance. The resolution may also prescribe additional
14 provisions, terms, conditions, and covenants which the board
15 of directors deems advisable, including provisions for
16 creating and maintaining reserve funds, the issuance of
17 additional bonds ranking on a parity with such bonds and
18 additional bonds junior and subordinate to such bonds, and
19 that such bonds shall rank on a parity with or be junior and
20 subordinate to any bonds which may be then outstanding. Bonds
21 may be issued to refund outstanding and previously issued
22 bonds under this section. Local option sales and services tax
23 revenue bonds are a contract between the school district and
24 holders, and the resolution issuing the bonds and pledging
25 local option sales and services tax revenues to the payment of
26 principal and interest on the bonds is a part of the contract.
27 Bonds issued pursuant to this section shall not constitute
28 indebtedness within the meaning of any constitutional or
29 statutory debt limitation or restriction, and shall not be
30 subject to any other law relating to the authorization,
31 issuance, or sale of bonds.

32 Sec. 215. Section 425.1, subsection 1, unnumbered
33 paragraph 1, Code Supplement 2003, is amended to read as
34 follows:

35 A homestead credit fund is created. ~~There is appropriated~~

1 ~~annually from the general fund of the state~~ Notwithstanding
2 any conflicting provisions of section 8.56, there is
3 appropriated for the fiscal year beginning July 1, 2004, and
4 ending June 30, 2005, from the cash reserve fund created in
5 section 8.56 to the department of revenue to be credited to
6 the homestead credit fund, an amount sufficient equal to one
7 hundred two million nine hundred forty-five thousand three
8 hundred seventy-nine dollars to implement this chapter.

9 Sec. 216. Section 425.19, Code 2003, is amended to read as
10 follows:

11 425.19 CLAIM AND CREDIT OR REIMBURSEMENT.

12 Subject to the limitations provided in this division, a
13 claimant may annually claim a credit for property taxes due
14 during the fiscal year next following the base year or claim a
15 reimbursement for rent constituting property taxes paid in the
16 base year. The amount of the credit for property taxes due
17 for a homestead shall be paid on June 15 of each year by the
18 director to the county treasurer who shall credit the money
19 received against the amount of the property taxes due and
20 payable on the homestead of the claimant and the amount of the
21 reimbursement for rent constituting property taxes paid shall
22 be paid to the claimant ~~from~~ by the state ~~general fund~~ on or
23 before December 31 ~~of each year~~ unless otherwise provided.

24 Sec. 217. Section 425.23, subsection 3, paragraph a, Code
25 Supplement 2003, is amended to read as follows:

26 a. A person who is eligible to file a claim for credit for
27 property taxes due and who has a household income of eight
28 thousand five hundred dollars or less and who has an unpaid
29 special assessment levied against the homestead may file a
30 claim for a special assessment credit with the county
31 treasurer. The department shall provide to the respective
32 treasurers the forms necessary for the administration of this
33 subsection. The claim shall be filed not later than September
34 30 of each year. Upon the filing of the claim, interest for
35 late payment shall not accrue against the amount of the unpaid

1 special assessment due and payable. The claim filed by the
2 claimant constitutes a claim for credit of an amount equal to
3 the actual amount due upon the unpaid special assessment, plus
4 interest, payable during the fiscal year for which the claim
5 is filed against the homestead of the claimant. However,
6 where the claimant is an individual described in section
7 425.17, subsection 2, paragraph "b", and the tentative credit
8 is determined according to the schedule in subsection 1,
9 paragraph "b", subparagraph (2), of this section, the claim
10 filed constitutes a claim for credit of an amount equal to
11 one-half of the actual amount due and payable during the
12 fiscal year. The treasurer shall certify to the director of
13 revenue not later than October 15 of each year the total
14 amount of dollars due for claims allowed. The amount of
15 reimbursement due each county shall be paid by the director of
16 revenue by November 15 of each year, drawn upon warrants
17 payable to the respective treasurer. ~~There-is-appropriated~~
18 ~~annually-from-the-general-fund-of-the-state-to-the-department~~
19 ~~of-revenue-an-amount-sufficient-to-carry-out-the-provisions-of~~
20 ~~this-subsection.~~ The treasurer shall credit any moneys
21 received from the department against the amount of the unpaid
22 special assessment due and payable on the homestead of the
23 claimant.

24 Sec. 218. Section 425.39, Code Supplement 2003, is amended
25 to read as follows:

26 425.39 FUND CREATED -- APPROPRIATION -- PRIORITY.

27 The elderly and disabled property tax credit and
28 reimbursement fund is created. ~~There-is-appropriated-annually~~
29 ~~from-the-general-fund-of-the-state~~ Notwithstanding any
30 conflicting provisions of section 8.56, there is appropriated
31 for the fiscal year beginning July 1, 2004, and ending June
32 30, 2005, from the cash reserve fund created in section 8.56
33 to the department of revenue to be credited to the elderly and
34 disabled property tax credit and reimbursement fund, ~~from~~
35 ~~funds-not-otherwise-appropriated,~~ an amount sufficient equal

1 to nineteen million five hundred forty thousand dollars to
2 implement this division for claimants described in section
3 425.17, subsection 2, paragraph "a". If the sum of the amount
4 of claims for credit for property taxes due plus the amount of
5 claims for reimbursement for rent constituting property tax
6 paid which are to be paid during the fiscal year beginning
7 July 1, 2004, exceeds the amount appropriated in this section,
8 the director of revenue shall prorate the payments for the
9 property tax credit and for reimbursement for rent
10 constituting property tax paid. In order for the director to
11 carry out the requirements of this section, notwithstanding
12 any provision to the contrary in this chapter, claims for
13 reimbursement for rent constituting property taxes paid filed
14 before May 1, 2005, shall be eligible to be paid during the
15 fiscal year ending June 30, 2005, and those claims filed on or
16 after May 1, 2005, shall be eligible to be paid during the
17 fiscal year beginning July 1, 2005, and the director is not
18 required to make payments to counties for the property tax
19 credit before June 15, 2005.

20 Sec. 219. Section 425A.1, Code 2003, is amended to read as
21 follows:

22 425A.1 FAMILY FARM TAX CREDIT FUND.

23 The family farm tax credit fund is created in the office of
24 the treasurer of state. There shall be transferred annually
25 to the fund the first ten million dollars of the amount
26 annually appropriated to the agricultural land credit fund,
27 provided in section 426.1. ~~Any-balance-in-the-fund-on-June-30~~
28 ~~shall-revert-to-the-general-fund.~~

29 Sec. 220. Section 426.1, Code 2003, is amended to read as
30 follows:

31 426.1 AGRICULTURAL LAND CREDIT FUND.

32 There is created as a permanent fund in the office of the
33 treasurer of state a fund to be known as the agricultural land
34 credit fund, ~~and-for-the-purpose-of-establishing-and~~
35 ~~maintaining-this-fund-for-each-fiscal-year-there-is~~

1 ~~appropriated-thereto-from-funds-in-the-general-fund-not~~
2 ~~otherwise-appropriated-the-sum-of-thirty-nine-million-one~~
3 ~~hundred-thousand-dollars. Notwithstanding any conflicting~~
4 ~~provisions of section 8.56, there is appropriated for the~~
5 ~~fiscal year beginning July 1, 2004, and ending June 30, 2005,~~
6 ~~from the cash reserve fund created in section 8.56 to the~~
7 ~~agricultural land credit fund the sum of thirty-four million~~
8 ~~six hundred ten thousand one hundred eighty-three dollars of~~
9 which the first ten million dollars shall be transferred to
10 and deposited into the family farm tax credit fund created in
11 section 425A.1. ~~Any-balance-in-said-fund-on-June-30-shall~~
12 ~~revert-to-the-general-fund-~~

13 Sec. 221. Section 426A.1A, Code 2003, is amended by
14 striking the section and inserting in lieu thereof the
15 following:

16 426A.1A APPROPRIATIONS.

17 Notwithstanding any conflicting provisions of section 8.56,
18 there is appropriated for the fiscal year beginning July 1,
19 2004, and ending June 30, 2005, from the cash reserve fund
20 created in section 8.56 to the department of revenue the sum
21 of two million five hundred sixty-eight thousand four hundred
22 two dollars to fund the credits provided under this chapter.

23 Sec. 222. Section 426A.4, Code Supplement 2003, is amended
24 to read as follows:

25 426A.4 CERTIFICATION BY DIRECTOR OF REVENUE.

26 Sums distributable from the ~~general-fund-of-the~~ state shall
27 be allocated annually to the counties of the state. On
28 September 15 annually the director of revenue shall certify
29 and draw warrants to the treasurer of each county payable from
30 the ~~general~~ designated fund of the state in the amount
31 claimed. Payments shall be made to the treasurer of each
32 county not later than September 30 of each year.

33 Sec. 223. Section 426A.6, Code Supplement 2003, is amended
34 to read as follows:

35 426A.6 SETTING ASIDE ALLOWANCE.

1 If the director of revenue determines that a claim for
2 military service tax exemption has been allowed by a board of
3 supervisors which is not justifiable under the law and not
4 substantiated by proper facts, the director may, at any time
5 within thirty-six months from July 1 of the year in which the
6 claim is allowed, set aside the allowance. Notice of the
7 disallowance shall be given to the county auditor of the
8 county in which the claim has been improperly granted and a
9 written notice of the disallowance shall also be addressed to
10 the claimant at the claimant's last known address. The
11 claimant or the board of supervisors may appeal to the state
12 board of tax review pursuant to section 421.1, subsection 4.
13 The claimant or the board of supervisors may seek judicial
14 review of the action of the state board of tax review in
15 accordance with chapter 17A. If a claim is disallowed by the
16 director of revenue and not appealed to the state board of tax
17 review or appealed to the state board of tax review and
18 thereafter upheld upon final resolution, including judicial
19 review, the credits allowed and paid ~~from the general fund of~~
20 by the state become a lien upon the property on which the
21 credit was originally granted, if still in the hands of the
22 claimant and not in the hands of a bona fide purchaser, the
23 amount so erroneously paid shall be collected by the county
24 treasurer in the same manner as other taxes, and the
25 collections shall be returned to the department of revenue and
26 credited to the ~~general fund of the state~~ fund from which the
27 claim was paid. The director of revenue may institute legal
28 proceedings against a military service tax exemption claimant
29 for the collection of payments made on disallowed exemptions.

30 Sec. 224. Section 426A.8, unnumbered paragraphs 1 and 4,
31 Code Supplement 2003, are amended to read as follows:

32 If the amount of credit apportioned to any property
33 eligible to military service tax exemption under this chapter
34 in any year shall exceed the total tax, exclusive of any
35 special assessments levied against such property eligible for

1 military service tax exemption, then the excess shall be
2 remitted by the county treasurer to the department of revenue
3 to be redeposited in the ~~general~~ fund of ~~the state~~ from which
4 the credit was paid and reallocated the following year by the
5 department.

6 The amount of the credit shall be allocated and paid from
7 the surplus redeposited in the ~~general~~ fund of the state
8 provided for in the first paragraph of this section.

9 Sec. 225. Section 426A.9, Code Supplement 2003, is amended
10 to read as follows:

11 426A.9 ERRONEOUS CREDITS.

12 If any claim is allowed, and subsequently reversed on
13 appeal, any credit shall be void, and the amount of the credit
14 shall be charged against the property in question, and the
15 director of revenue, the county auditor and the county
16 treasurer shall correct their books and records. The amount
17 of the erroneous credit, when collected, shall be returned by
18 the county treasurer to the ~~general~~ fund of the state from
19 which the credit was paid.

20 Sec. 226. Section 435.22, subsection 5, unnumbered
21 paragraph 6, Code Supplement 2003, is amended to read as
22 follows:

23 ~~There-is-appropriated-annually-from-the-general-fund-of-the~~
24 ~~state~~ The appropriation made in section 425.39 shall be
25 available to the department of revenue ~~an-amount-sufficient~~ to
26 carry out this subsection.

27 Sec. 227. Section 455B.310, Code 2003, is amended by
28 adding the following new subsection:

29 NEW SUBSECTION. 10. Nonmetallic material processed by an
30 industrial shredder, and commonly referred to as shredder
31 fluff, which is disposed of as solid waste or otherwise used
32 by a sanitary landfill is exempt from the imposition of the
33 tonnage fee under this section.

34 Sec. 228. Section 668B.2, subsection 1, if enacted by 2004
35 Iowa Acts, House File 2440, section 2, is amended to read as

1 follows:

2 1. "Health care provider" means a physician as defined in
3 section 135.1, a licensed physician assistant as defined in
4 section 148C.1, a nurse, including an advanced registered
5 nurse practitioner, licensed pursuant to chapter 152, a
6 hospital as defined in section 135B.1, and a health care
7 facility as defined in section 135C.1.

8 Sec. 229. COLLECTIVE BARGAINING AGREEMENTS FUNDED --
9 GENERAL FUND. The various state departments, boards,
10 commissions, councils, and agencies, including the state board
11 of regents, for the fiscal year beginning July 1, 2004, and
12 ending June 30, 2005, shall provide from available sources pay
13 adjustments, expense reimbursements, and related benefits to
14 fully fund the following:

15 1. The collective bargaining agreement negotiated pursuant
16 to chapter 20 for employees in the blue collar bargaining
17 unit.

18 2. The collective bargaining agreement negotiated pursuant
19 to chapter 20 for employees in the public safety bargaining
20 unit.

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

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

25 5. The collective bargaining agreement negotiated pursuant
26 to chapter 20 for employees in the professional fiscal and
27 staff bargaining unit.

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

30 7. The collective bargaining agreement negotiated pursuant
31 to chapter 20 for employees in the professional social
32 services bargaining unit.

33 8. The collective bargaining agreement negotiated pursuant
34 to chapter 20 for employees in the community-based corrections
35 bargaining unit.

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

4 10. The collective bargaining agreement negotiated
5 pursuant to chapter 20 for employees in the patient care
6 bargaining unit.

7 11. The collective bargaining agreement negotiated
8 pursuant to chapter 20 for employees in the science bargaining
9 unit.

10 12. The collective bargaining agreement negotiated
11 pursuant to chapter 20 for employees in the university of
12 northern Iowa faculty bargaining unit.

13 13. The collective bargaining agreement negotiated
14 pursuant to chapter 20 for employees in the state university
15 of Iowa graduate student bargaining unit.

16 14. The collective bargaining agreement negotiated
17 pursuant to chapter 20 for employees in the state university
18 of Iowa hospital and clinics tertiary health care bargaining
19 unit.

20 15. The annual pay adjustments, related benefits, and
21 expense reimbursements referred to in section 230 of this
22 division of this Act for employees not covered by a collective
23 bargaining agreement.

24 Sec. 230. NONCONTRACT STATE EMPLOYEES -- GENERAL.

25 1. a. For the fiscal year beginning July 1, 2004, the
26 maximum salary levels of all pay plans provided for in section
27 8A.413, subsection 2, as they exist for the fiscal year ending
28 June 30, 2004, shall be increased by 2 percent for the pay
29 period beginning December 31, 2004, and any additional changes
30 in the pay plans shall be approved by the governor.

31 b. For the fiscal year beginning July 1, 2004, employees
32 may receive a step increase or the equivalent of a step
33 increase.

34 2. The pay plans for state employees who are exempt from
35 chapter 8A, Article 4, and who are included in the department

1 of administrative service's centralized payroll system shall
2 be increased in the same manner as provided in subsection 1,
3 and any additional changes in any executive branch pay plans
4 shall be approved by the governor.

5 3. This section does not apply to members of the general
6 assembly, board members, commission members, salaries of
7 persons set by the general assembly pursuant to this division
8 of this Act or set by the governor, employees designated under
9 section 8A.412, subsection 5, and employees covered by 11 IAC
10 53.6(3).

11 4. The pay plans for the bargaining eligible employees of
12 the state other than the employees of the state board of
13 regents shall be increased in the same manner as provided in
14 subsection 1, and any additional changes in such executive
15 branch pay plans shall be approved by the governor. As used
16 in this section, "bargaining eligible employee" means an
17 employee who is eligible to organize under chapter 20, but has
18 not done so.

19 5. The policies for implementation of this section shall
20 be approved by the governor.

21 Sec. 231. APPROPRIATIONS FROM ROAD FUNDS.

22 1. There is appropriated from the road use tax fund to the
23 salary adjustment fund for the fiscal year beginning July 1,
24 2004, and ending June 30, 2005, the following amount, or so
25 much thereof as may be necessary, to be used for the purpose
26 designated:

27 To supplement other funds appropriated by the general
28 assembly:

29 \$ 3,000,000

30 2. There is appropriated from the primary road fund to the
31 salary adjustment fund, for the fiscal year beginning July 1,
32 2004, and ending June 30, 2005, the following amount, or so
33 much thereof as may be necessary, to be used for the purpose
34 designated:

35 To supplement other funds appropriated by the general

1 assembly:

2 \$ 12,000,000

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

8 Sec. 232. SPECIAL FUNDS -- AUTHORIZATION. To departmental
9 revolving, trust, or special funds, except for the primary
10 road fund or the road use tax fund, for which the general
11 assembly has established an operating budget, a supplemental
12 expenditure authorization is provided, unless otherwise
13 provided, in an amount necessary to fund salary adjustments as
14 otherwise provided in this division of this Act.

15 Sec. 233. FEDERAL FUNDS APPROPRIATED. All federal grants
16 to and the federal receipts of the agencies affected by this
17 division of this Act which are received and may be expended
18 for purposes of pay adjustments and related benefits as
19 covered in this division of this Act are appropriated for
20 those purposes and as set forth in the federal grants or
21 receipts.

22 Sec. 234. STATE TROOPER MEAL ALLOWANCE. The sworn peace
23 officers in the department of public safety who are not
24 covered by a collective bargaining agreement negotiated
25 pursuant to chapter 20 shall receive the same per diem meal
26 allowance as the sworn peace officers in the department of
27 public safety who are covered by a collective bargaining
28 agreement negotiated pursuant to chapter 20.

29 Sec. 235. 2001 Iowa Acts, chapter 174, section 1,
30 subsection 2, as amended by 2002 Iowa Acts, chapter 1174,
31 section 8, and 2003 Iowa Acts, chapter 179, section 38, is
32 amended to read as follows:

33 2. There is appropriated from the general fund of the
34 state to the endowment for Iowa's health account of the
35 tobacco settlement trust fund created in section 12E.12, for

1 the designated fiscal years, the following amounts, to be used
 2 for the purposes specified in section 12E.12 for the endowment
 3 for Iowa's health account:

4	FY 2001-2002	\$ 7,248,000
5	FY 2003-2004	\$ 0
6	FY 2004-2005	\$ 29,785,000
7		<u>0</u>
8	FY 2005-2006	\$ 29,562,000
9	FY 2006-2007	\$ 17,773,000

10 Sec. 236. 2003 Iowa Acts, chapter 179, section 21,
 11 unnumbered paragraph 5, is amended to read as follows:

12 Notwithstanding section 8.33, unencumbered or unobligated
 13 funds remaining on June 30, 2003, from the appropriation made
 14 in this section shall not revert but shall remain available to
 15 be used for the purposes designated ~~in the following fiscal~~
 16 year until the end of the fiscal year beginning July 1, 2004.

17 Sec. 237. STATE BOARD OF REGENTS BONDING.

18 1. FINDINGS. The general assembly finds that:

19 a. Pursuant to section 262A.3, the state board of regents
 20 prepared and within seven days after the convening of the
 21 Eightieth General Assembly of the State of Iowa, Second
 22 Session, submitted to the Eightieth General Assembly, Second
 23 Session, for approval the proposed five-year building program
 24 for each institution of higher learning under the jurisdiction
 25 of the board, containing a list of the buildings and
 26 facilities which the board deems necessary to further the
 27 educational objectives of the institutions, together with an
 28 estimate of the cost of each of the buildings and facilities
 29 and an estimate of the maximum amount of revenue bonds which
 30 the board expects to issue under chapter 262A to finance the
 31 costs of the projects.

32 b. The projects contained in the capital improvement
 33 program are deemed necessary for the proper performance of the
 34 instructional, research, and service functions of the
 35 institutions.

1 c. Section 262A.4 provides that the state board of
2 regents, after authorization by a constitutional majority of
3 each house of the general assembly and approval by the
4 governor, may undertake and carry out at the institutions of
5 higher learning under the jurisdiction of the board any
6 project as defined in chapter 262A.

7 d. Chapter 262A authorizes the state board of regents to
8 borrow moneys and to issue and sell negotiable revenue bonds
9 to pay all or any part of the cost of carrying out projects at
10 any institution payable solely from and secured by an
11 irrevocable pledge of a sufficient portion of the student fees
12 and charges and institutional income received by the
13 particular institution.

14 e. To further the educational objectives of the
15 institutions, the state board of regents requests
16 authorization to undertake and carry out certain projects at
17 this time and to finance their costs by borrowing moneys and
18 issuing negotiable bonds under chapter 262A in a total amount
19 as provided in this section, with the remaining costs of the
20 projects to be financed by appropriations or by federal or
21 other funds lawfully available.

22 2. APPROVAL -- LIMITS.

23 a. The proposed five-year building program submitted by
24 the state board of regents for each institution of higher
25 learning under its jurisdiction is approved and no commitment
26 is implied or intended by approval to fund any portion of the
27 proposed five-year building program submitted by the state
28 board of regents beyond the portion that is financed and
29 approved by the Eightieth General Assembly, Second Session,
30 and the governor.

31 b. The maximum amount of bonds which the state board of
32 regents expects to issue under chapter 262A, unless additional
33 bonding is authorized, is set forth in this section, and this
34 plan of financing is approved.

35 3. PROJECTS. The state board of regents is authorized to

1 undertake, plan, construct, improve, repair, remodel, furnish,
2 and equip, and otherwise carry out the following projects at
3 the institutions of higher learning under the jurisdiction of
4 the board, and the general assembly authorizes the state board
5 of regents to borrow moneys and to issue and sell negotiable
6 revenue bonds in the amount of \$120,000,000 in the manner
7 provided in sections 262A.5 and 262A.6 in order to pay all or
8 any part of the costs of carrying out the projects at the
9 institutions as follows:

- 10 a. Iowa state university of science and technology
- 11 For the veterinary teaching hospital -- diagnostic lab,
- 12 Coover hall -- information science, and for fire safety costs:
- 13 \$ 48,000,000
- 14 b. State university of Iowa
- 15 For the chemistry building renovation, phase II of the art
- 16 building renovation, and for fire safety costs:
- 17 \$ 50,000,000
- 18 c. University of northern Iowa
- 19 For the science buildings renovation project and for the
- 20 Russell hall renovation:
- 21 \$ 22,000,000
- 22 Total \$120,000,000

23 4. Notwithstanding the limitation established in
24 subsection 3, the amount of bonds issued as authorized in
25 subsection 3 may be exceeded by the amount the state board of
26 regents determines to be necessary to capitalize bond
27 reserves, interest during construction, and issuance costs.

28 Sec. 238. COMMERCIAL VEHICLE REGISTRATION FEES -- REFUND.
29 Notwithstanding the provisions relating to the registration of
30 commercial vehicles, as defined in section 321.1, the
31 requirement of the return of the registration plate and
32 registration receipt to the state department of
33 transportation, and the time limit for applying for a refund,
34 any person that sold a commercial vehicle between January 1,
35 2002, and April 1, 2002, shall receive a refund of any

1 registration fees, penalties, or interest assessed related to
2 the registration of such vehicle for a registration year
3 beginning in the 2002 calendar year if all of the following
4 apply:

5 1. The person failed to register the commercial vehicle
6 for the registration year beginning in the 2002 calendar year.

7 2. The commercial vehicle was sold by the person to
8 another during the period beginning January 1, 2002, and
9 ending April 1, 2002, and the purchaser registered the vehicle
10 for all or part of the registration year beginning in the 2002
11 calendar year.

12 3. A claim for refund pursuant to this section is filed
13 with the state department of transportation after the
14 effective date of this section and prior to August 1, 2004.

15 Sec. 239. ACCESS TO NECESSARY PRESCRIPTION DRUGS -- FREE
16 CLINIC TEST PROGRAM FOR PERSONS WHO ARE UNINSURED OR
17 UNDERINSURED. There is appropriated from the general fund of
18 the state to the Iowa department of public health for the
19 fiscal year beginning July 1, 2004, and ending June 30, 2005,
20 the following amount, or so much thereof as is necessary, to
21 be used for the purpose designated:

22 For the bureau of health care access to issue a grant in
23 accordance with this section:

24 \$ 10,000

25 The entire amount appropriated in this section shall be
26 issued by the bureau as a grant to a free clinic, as defined
27 in section 135.24, operating in one county. The grant shall
28 be used by the free clinic to establish a partnership and test
29 program for a buying cooperative approach for purchasing
30 prescription drugs at a price less than retail. The
31 prescription drugs purchased through the approach shall be
32 provided to patients of the free clinic who are uninsured or
33 underinsured.

34 Sec. 240. CHARTER AGENCIES -- FULL-TIME EQUIVALENT
35 EMPLOYEE LIMITS -- REVERSIONS.

1 1. Notwithstanding any limitation on the number of full-
2 time equivalent employees for the fiscal year beginning July
3 1, 2004, and ending June 30, 2005, stated in this Act or any
4 other Act, the personnel management provisions of section
5 7J.1, subsection 4, shall remain applicable to those state
6 departments or agencies designated as a charter agency under
7 chapter 7J.

8 2. The provisions of section 7J.1, subsection 3, paragraph
9 "c", relating to reversions, are not applicable to any
10 appropriation made to a charter agency that this Act or any
11 other Act provides is not subject to reversion.

12 Sec. 241. Section 266.31, Code 2003, is repealed.

13 Sec. 242. Section 266.39D, Code Supplement 2003, is
14 repealed.

15 Sec. 243. STATE PERCENT OF GROWTH DEADLINES AND
16 RESTRICTIONS -- INAPPLICABILITY. The thirty-day deadline and
17 restrictions for the enactment of the state percent of growth
18 provided in section 257.8 do not apply to this Act.

19 Sec. 244. EFFECTIVE AND APPLICABILITY DATE PROVISIONS.

20 1. The sections of this division of this Act amending
21 sections 257.8, 257.16, and 257.35 are applicable for
22 computing state aid under the state school foundation program
23 for the school budget year beginning July 1, 2004.

24 2. The sections of this division of this Act amending
25 sections 257.14, 346.27, 422E.1, and 422E.2, being deemed of
26 immediate importance, take effect upon enactment.

27 3. The section relating to the refund for commercial
28 vehicle registration fees, penalties, and interest, being
29 deemed of immediate importance takes effect upon enactment.

30 4. The section of this division of this Act amending
31 section 404A.2, being deemed of immediate importance, takes
32 effect upon enactment and applies retroactively to July 1,
33 2002.

34 Sec. 245. APPLICABILITY. The provisions of this division
35 of this Act amending section 261.9, subsection 1, shall not

1 apply to a student who would otherwise have been eligible for
2 an Iowa tuition grant, but who is enrolled in an institution
3 that met the definition of "accredited private institution"
4 under section 261.9, Code 2003, but fails to meet the
5 definition as the provisions of this division of this Act
6 amend the definition. Such a student, who otherwise is
7 eligible for an Iowa tuition grant and retains the student's
8 need-based eligibility, shall continue to be eligible for an
9 Iowa tuition grant for the fall term of 2004 until the student
10 has completed the student's program of study or received the
11 maximum number of grants, whichever first occurs. An
12 institution that fails to meet the match requirements of
13 section 261.9, subsection 1, paragraph "b", as amended by this
14 division of this Act, for the fiscal year beginning July 1,
15 2004, and ending June 30, 2005, shall document at least one
16 full year of institutional matching financial aid equivalent
17 to the amount necessary to meet the match requirement of at
18 least seventy-five percent of the Iowa tuition grant moneys
19 received by students enrolled in the institution in the fiscal
20 year beginning July 1, 2004.

21 EXPLANATION

22 ADMINISTRATION AND REGULATION. This division relates to
23 and appropriates moneys to various state departments,
24 agencies, and funds for the fiscal year beginning July 1,
25 2004, and ending June 30, 2005.

26 Appropriations are made to state departments and agencies
27 including the department of administrative services, auditor
28 of state, Iowa ethics and campaign disclosure board,
29 department of commerce, office of governor including the
30 lieutenant governor, Terrace Hill quarters and drug control
31 policy office, department of human rights, department of
32 inspections and appeals, department of management, Iowa public
33 employees' retirement system, secretary of state, treasurer of
34 state, and department of revenue.

35 Funding is also appropriated for the state's membership in

1 the national governors association and for the ready to work
2 program coordinator.

3 Code section 7J.1, concerning charter agencies, is amended
4 by adding a new subsection that allows a charter agency to
5 approve claims for expenses in attending conventions, out-of-
6 state travel requests, and memberships in professional
7 organizations without being required to obtain executive
8 council approval.

9 Code section 8.63, concerning the innovations fund, is
10 amended. The change provides that any savings realized by an
11 agency using an innovation project loan that is not retained
12 by the agency shall not be deposited in the innovations fund.
13 In addition, the bill provides that the standing appropriation
14 to the department of management for deposit in the fund for a
15 loan that is not required to be repaid by the agency receiving
16 the loan shall be limited to the principal and interest amount
17 for the loan.

18 Code section 543B.14, concerning the deposit of real estate
19 salesperson's and broker's license fees in the real estate
20 education fund, is amended to provide that \$50 per license
21 shall be deposited in the fund. Under current law, the
22 greater of \$10 or 40 percent per year for each real estate
23 salesperson's license and the greater of \$10 or 25 percent for
24 each broker's license is deposited in the fund.

25 Code section 543B.54, concerning the real estate education
26 fund, is amended to provide that \$25 for each real estate
27 salesperson's and broker's license shall be appropriated to
28 the board of regents for maintaining a real estate education
29 program at the University of Northern Iowa. Under current
30 law, 70 percent of moneys in the fund shall be given for the
31 program.

32 The department of administrative services is directed to
33 pursue a goal of increasing the ratio of employees per
34 supervisor for executive branch agencies to 12 to one by
35 December 31, 2005.

1 AGRICULTURE AND NATURAL RESOURCES. This division provides
2 funding for the department of agriculture and land stewardship
3 and the department of natural resources from a number of
4 sources.

5 For the department of agriculture and land stewardship,
6 moneys are appropriated from the general fund of the state and
7 full-time equivalent employee positions are authorized in
8 order to support its administrative division, regulatory
9 division, laboratory division, and conservation division.
10 Moneys are also appropriated to support animal industry
11 programs, including a program to regulate horse and dog racing
12 by the department. Support is provided to the senior farmers
13 market nutrition program and to the department for membership
14 in a Missouri river association. Moneys are appropriated to
15 the department of agriculture and land stewardship for the
16 purpose of supporting the testing and monitoring of avian
17 influenza affecting the poultry industry.

18 For the department of natural resources, moneys are
19 appropriated from the general fund of the state and full-time
20 equivalent positions are authorized in order to support its
21 administrative and support services division, parks and
22 preserves division, forests and forestry division, energy and
23 geological resources division, and environmental protection
24 division. Moneys are appropriated from the state fish and
25 game protection fund for support of the division of fish and
26 wildlife. Moneys are transferred to the state fish and game
27 protection fund to support snowmobile programs and enforce
28 state navigation laws administered by the department.

29 The department is allowed to use additional funds for
30 staffing to reduce the department's floodplain permit backlog
31 and to use additional funds available from stormwater
32 discharge permit fees for staffing required to implement the
33 federal total maximum daily load program.

34 A provision is amended which repeals Code chapter 424
35 providing for an environmental protection charge on petroleum

1 diminution. Code section 424.19 provides that the provision
2 is repealed on July 1, 2014. That date is extended until July
3 1, 2016.

4 The appropriation to support the testing and monitoring of
5 avian influenza is not effective if a similar bill is enacted.
6 The extension of the repeal to Code chapter 424 is made
7 contingent upon the enactment of another bill.

8 ECONOMIC DEVELOPMENT. This division makes appropriations
9 and transfers from the general fund of the state to the
10 department of economic development, the university of Iowa,
11 the university of northern Iowa, Iowa state university, the
12 department of workforce development, and the public employment
13 relations board for the 2004-2005 fiscal year.

14 The division provides that the goals for the department of
15 economic development shall be to expand and stimulate the
16 state economy, increase the wealth of Iowans, and increase the
17 population of the state. The division provides that the
18 department of economic development shall demonstrate
19 accountability by using performance measures appropriate to
20 show the attainment of the goals for the state and by
21 measuring the effectiveness and results of the department's
22 programs and activities.

23 Loan repayments on loans under the former rural community
24 2000 program to the department of economic development moneys
25 for providing financial assistance to Iowa's councils of
26 governments and for the rural development program.

27 Moneys collected by the division of insurance in excess of
28 the anticipated gross revenues to the department of economic
29 development for purposes of insurance economic development and
30 international insurance economic development.

31 Moneys from the Iowa community development loan fund to the
32 department of economic development for purposes of the
33 community development program.

34 Moneys from the workforce development fund account to the
35 workforce development fund.

1 The division provides that moneys appropriated or
2 transferred to or receipts credited to the workforce
3 development fund may be used for administration of workforce
4 development activities.

5 The division provides that all moneys remaining in the job
6 training fund on July 1, 2004, and any moneys appropriated or
7 credited to the fund during the fiscal year beginning July 1,
8 2004, shall be transferred to the workforce development fund.

9 The division appropriates moneys from the administrative
10 contribution surcharge fund to the department of workforce
11 development for salaries, support, maintenance, conducting
12 labor market surveys, miscellaneous purposes, and for
13 workforce development regional advisory board member expenses.

14 The division appropriates moneys from the special
15 employment security contingency fund to the department of
16 workforce development for the division of workers'
17 compensation and immigration service centers.

18 The division provides that the Iowa community college one
19 source training initiative is encouraged to explore a
20 partnership with software and information technology of Iowa
21 to identify methods of funding the training and retraining
22 needs of the software and information technology sector in
23 Iowa.

24 The division allows the office of renewable fuels and
25 coproducts to apply to the department of economic development
26 for moneys in the value-added agricultural products and
27 processes financial assistance fund for deposit in the
28 renewable fuels and coproducts fund.

29 The division provides that the auditor of state is
30 requested to review the audit of the Iowa finance authority
31 performed by the auditor hired by the authority. The division
32 provides that the auditor of state is also requested to
33 conduct a performance audit of the authority to determine the
34 effectiveness of the authority and the programs of the
35 authority.

1 The division provides that, for the fiscal year beginning
2 July 1, 2004, any entity that was specifically identified in
3 2001 Iowa Acts, chapter 188, to receive funding from the
4 department of economic development, excluding any entity
5 identified to receive a direct appropriation beginning July 1,
6 2004, may apply to the department for assistance through the
7 appropriate program.

8 The division provides that the department of economic
9 development, the department of workforce development, and the
10 regents institutions receiving an appropriation pursuant to
11 this division shall file a written report on a quarterly basis
12 with the chairpersons and ranking members of the joint
13 appropriations subcommittee on economic development and the
14 legislative services agency regarding all expenditures of
15 moneys appropriated pursuant to this division during the
16 quarter, allocations of moneys appropriated pursuant to this
17 division during the quarter, and full-time equivalent
18 positions allocated during the quarter.

19 The division provides that, in providing moneys from the
20 shelter assistance fund to homeless shelter programs, the
21 department of economic development shall explore the potential
22 of allocating moneys to programs based in part on their
23 ability to move their clients toward self-sufficiency.

24 The division provides that all federal grants to and the
25 federal receipts of agencies appropriated funds under this
26 division, not otherwise appropriated, are appropriated for the
27 purposes set forth in the federal grants or receipts unless
28 otherwise provided.

29 The division appropriates moneys from moneys credited to
30 the state by the secretary of the treasury of the United
31 States pursuant to the Social Security Act to the department
32 of workforce development for the administration of the
33 unemployment compensation program only.

34 The division appropriates moneys from the general fund to
35 the department of economic development to pay payroll

1 expenditure refunds under the school-to-career program.

2 EDUCATION. This division appropriates moneys for fiscal
3 year 2004-2005 from the general fund of the state to the
4 college student aid commission, the department for the blind,
5 the department of cultural affairs, the department of
6 education, and the state board of regents and its
7 institutions.

8 The division includes appropriations to the college student
9 aid commission for general administrative purposes, student
10 aid programs, an initiative directing primary care physicians
11 to areas of the state experiencing physician shortages, the
12 national guard educational assistance program, and the teacher
13 shortage forgivable loan program. The division nullifies the
14 \$2.75 million standing appropriation for the Iowa work-study
15 program for fiscal year 2004-2005. The division also amends
16 statutory language to increase the standing appropriations for
17 tuition grants and vocational-technical tuition grants, and to
18 decrease the standing appropriation for scholarships.

19 The division appropriates to the department for the blind
20 for its administration.

21 The division appropriates to the department of cultural
22 affairs for its arts, historical, and administration
23 divisions, for historic sites, and for community cultural
24 grants.

25 The division appropriates moneys to the department of
26 education for purposes of the department's general
27 administration, vocational education administration, division
28 of vocational rehabilitation services, independent living,
29 state library for general administration and the enrich Iowa
30 program, library service area system, public broadcasting
31 division, regional telecommunications councils, vocational
32 education to secondary schools, school food service, Iowa
33 empowerment fund, textbooks for nonpublic school pupils,
34 student achievement and teacher quality program, and community
35 colleges. The division permits the board of educational

1 examiners to retain 85 percent of funds it receives from fee
2 increases between July 1, 1997, and June 30, 2003, and 70
3 percent of the funds it receives from fee increases imposed
4 after July 1, 2003.

5 This division amends the Code to allocate all 55 percent of
6 the moneys deposited in the permanent school fund to the
7 reading recovery center. Under the current Code, a portion of
8 the 55 percent is also allocated to the area education
9 agencies.

10 The division amends statutory language to provide for the
11 proration of an annual award under the national board
12 certification pilot project when a teacher who qualifies for
13 the award is employed on a less than full-time basis.

14 The division amends statutory language to authorize the
15 board of directors of school districts to delegate authority
16 to hire support personnel and to sign their employment
17 contracts.

18 This division amends the Code to require that the
19 forgivable loan program, within the osteopathic physician
20 recruitment program, administered by the college student-aid
21 commission must be administered by the commission in
22 conjunction with Des Moines university, which is the only
23 institution whose students qualifying for the program. The
24 university is directed to recommend to the commission students
25 who meet the program's eligibility requirements.

26 The division also amends statutory language to provide for
27 changes in allocations under the student achievement and
28 teacher quality program, and permits the department to carry
29 over moneys allocated for purposes of the evaluator training
30 program and the career development program and review panel
31 requirements which is to be used for purposes of the evaluator
32 training program and to supplement the moneys distributed to
33 school districts for salaries and career development.

34 The division continues an exception to current law first
35 introduced in FY 2002-2003 regarding minimum teacher salaries

1 which provides that the minimum salary amount a school
2 district or AEA must pay to a first-year beginning teacher for
3 FY 2004-2005 is the amount the district or AEA paid, or would
4 have paid, a first-year beginning teacher in the 2001-2002
5 school year. The minimum career teacher salary paid in FY
6 2004-2005 to a career teacher who was a beginning teacher in
7 the 2001-2002 school year must be \$1,000 greater than the
8 minimum amount paid to a first-year beginning teacher in the
9 2001-2002 school year, unless the minimum career salary paid
10 by the district or AEA exceeds \$30,000.

11 The division appropriates moneys to the state board of
12 regents for the board office, tuition replacement, the
13 southwest Iowa graduate studies center, the tristate graduate
14 center, the quad-cities graduate studies center, the state
15 university of Iowa, Iowa state university of science and
16 technology, the university of northern Iowa, the Iowa school
17 for the deaf, the Iowa braille and sight saving school, and
18 for tuition and transportation costs for students residing in
19 the Iowa braille and sight saving school, and the Iowa school
20 for the deaf.

21 HEALTH AND HUMAN SERVICES. This division appropriates
22 funding from the general fund of the state for FY 2004-2005 to
23 the department of elder affairs, public health, human
24 services, and the commission of veterans affairs.

25 ELDER AFFAIRS. The division appropriates funding from the
26 general fund of the state for the department of elder affairs.

27 A restriction of 7.5 percent is applied to the amount of
28 allocated funds for aging programs that may be used for
29 administrative purposes by the area agencies on aging.

30 HEALTH. The division appropriates funding from the general
31 fund of the state to the Iowa department of public health.

32 Authority is provided for the Iowa department of public
33 health to retain and expend certain professional licensing
34 fees and licensing fee increases, and to retain and expend
35 fees from certification of lead inspectors and lead abaters.

1 Moneys are appropriated from the gambling treatment fund
2 for addictive disorders and use of the moneys remaining in the
3 fund is addressed.

4 The vital records modernization project is extended to June
5 30, 2005, and the scope of practice review project to June 30,
6 2005.

7 The departments of public health and human services are
8 directed to identify funding available to leverage federal
9 funds for AIDS drug resistance program.

10 COMMISSION OF VETERANS AFFAIRS. Funding is appropriated
11 from the general fund of the state to the commission of
12 veterans affairs. The division further provides that the Iowa
13 veterans home shall operate with a net state general fund
14 appropriation, and that general fund moneys may be used for
15 cash flow management purposes.

16 Authority is provided for the veterans home to carry
17 forward unspent moneys from fiscal year 2004-2005.

18 HUMAN SERVICES. Funding is appropriated from the general
19 fund of the state and the federal temporary assistance for
20 needy families block grant to the department of human
21 services.

22 The department is authorized to utilize a portion of moneys
23 received in settlement of an overpayment to a child
24 development center or other large overpayment settlement as
25 additional funding for general administration positions.

26 Fiscal year 2003-2004 provisions are renewed suspending the
27 applicability of the following laws: school attendance
28 requirements for children participating in the family
29 investment program, and six-month case permanency plan reviews
30 required for children in an intact family.

31 New Code section 217.14 creates a refugee services
32 foundation. New Code section 505.25 requires health care
33 insurance carriers in the state to provide information to the
34 department of human services regarding the individuals insured
35 by the carrier for the sole purpose of comparing the names of

1 the insureds with names of recipients of the medical
2 assistance program.

3 Provisions related to issuance of funding plans by
4 representatives of the department of human services and the
5 judicial branch and providing for nonreversion of certain FY
6 2003-2004 appropriations take effect upon enactment.

7 SENIOR LIVING AND HOSPITAL TRUST FUNDS. This division
8 makes appropriations for the 2004-2005 fiscal year from the
9 senior living trust fund to the department of elder affairs,
10 the department of human services, and the department of
11 inspections and appeals. An appropriation is made from the
12 hospital trust fund to the department of human services to
13 supplement the medical assistance appropriation.

14 MENTAL HEALTH, MENTAL RETARDATION, DEVELOPMENTAL
15 DISABILITIES, AND BRAIN INJURY. This division provides
16 funding for mental health services provided to the elderly and
17 the poor by county hospitals in counties with a population of
18 225,000 or more and funding for mental health, mental
19 retardation and other developmental disabilities, and brain
20 injury (MH/MR/DD/BI) services. The FY 2005-2006 MH/MR/DD
21 allowed growth funding appropriation is included and
22 provisions are made for distribution of the allowed growth
23 appropriation made previously for FY 2004-2005. The
24 distribution methodology provides for withholding of
25 distributions based upon a county's services fund ending
26 balance and includes a separate withholding provision for a
27 county with a population over 200,000.

28 JUDICIAL BRANCH. This division makes appropriations for FY
29 2004-2005 to the judicial branch.

30 The percentage rate of the state's contribution to the
31 judicial retirement fund for FY 2004-2005 is reduced.

32 The judicial branch is required to study the best practices
33 and efficiencies of each judicial district.

34 The appointment of a clerk of the district court is
35 prohibited unless the state court administrator approves the

1 appointment.

2 JUSTICE SYSTEM. This division makes appropriations for
3 fiscal year 2004-2005 from the general fund of the state to
4 the departments of justice, corrections, public defense, and
5 public safety, Iowa law enforcement academy, office of the
6 state public defender, the board of parole, and the Iowa state
7 civil rights commission.

8 The division provides that the judges of a judicial
9 district may adopt rules and policies concerning the necessity
10 for expanding a local public defender officer within the
11 district. This provision applies retroactively to January 1,
12 2004.

13 The division requires that the attorney general be
14 reimbursed up to \$50,000 from the second injury fund for
15 providing services related to the fund.

16 The division provides that the state public defender may
17 contract with a private attorney to provide legal services to
18 indigent persons for a predetermined fee.

19 The division creates an Iowa corrections offender network
20 fund under the control of the department of corrections. The
21 division provides that all sales, gifts, and donations related
22 to the Iowa offender network data system shall be credited to
23 the fund for use in maintenance and further development of the
24 network.

25 The division provides that for the fiscal year 2004-2005,
26 the Iowa law enforcement academy may charge more than one-half
27 the costs of providing the basic training course upon
28 authorization of a majority of the Iowa law enforcement
29 council. Current law prohibits the Iowa law enforcement
30 academy from charging more than one-half of the costs.

31 The division provides that the department of corrections
32 shall coordinate and provide information to the counties
33 regarding available inmate bed space in each county jail,
34 detention facility, or municipal jail.

35 The division provides that a person whose income is at or

1 below 100 percent of the poverty level be entitled to a court-
2 appointed attorney. Current law requires a person's income be
3 at or below 125 percent of the poverty level before an
4 attorney is required to be appointed.

5 The division provides that after deductions to an inmate's
6 earnings under section 904.809, the department of corrections
7 may retain up to 50 percent of any remaining balance from the
8 earnings, if the inmate is employed in a new job created on or
9 after July 1, 2004. The division requires the funds retained
10 by the department of corrections pursuant to this provision be
11 used for supervision costs incurred by the department when
12 supervising the private sector employment of inmates.

13 The division provides that a person on probation may not be
14 prematurely discharged from probation unless the person has
15 paid any court-appointed attorney fees and supervision fees
16 incurred pursuant to Code section 905.14.

17 The division requires the department of corrections in
18 consultation with the board of parole to study the feasibility
19 of establishing a mentoring program for persons on probation
20 or parole.

21 The division makes changes to the distribution of
22 delinquent fines and costs collected by the county attorney
23 pursuant to Code section 602.8107, subsection 4. The division
24 provides that if the county attorney's office have
25 collectively accumulated up to \$1.2 million of delinquent
26 fines and costs for deposit into the general fund of the
27 state, the county attorney's office may keep 33 percent of any
28 additional delinquent fines and costs collected, the county
29 general fund shall receive 34 percent of the delinquent fines
30 and costs, and the general fund of the state receives the
31 remainder. Current law provides that 35 percent of any
32 delinquent fines and costs collected be deposited in the
33 county general fund, and the remainder be deposited into the
34 general fund of the state.

35 The division amends a 1998 enactment that was most recently

1 amended by 2003 Iowa Acts, chapter 174, section 17, by
2 extending the appropriation from the E911 emergency
3 communications fund for support of the E911 administrator,
4 until the end of fiscal year 2004-2005.

5 The sections of the division amending Code sections 85.66,
6 85.67, 904.118, and 2003 Iowa Acts, chapter 174, section 17,
7 take effect upon enactment.

8 STANDING APPROPRIATIONS, SALARIES, AND MISCELLANEOUS
9 PROVISIONS. This division makes adjustments to various
10 standing appropriations, provides for salary and benefits, and
11 adds miscellaneous changes to the Code.

12 The division makes adjustments to numerous standing
13 appropriations. The amount appropriated for the general
14 assembly is reduced by \$2 million. The following standing
15 appropriations are limited to specific amounts: compensation
16 of officers and enlisted persons while on active duty,
17 nonpublic school transportation, printing cigarette tax
18 stamps, state cost of peace officers' retirement benefits,
19 livestock production credit refunds, instructional support
20 state aid, at-risk children programs, paying claims against
21 the state, administrative expenses of the unemployment
22 compensation program, interest costs under the federal Cash
23 Management and Improvement Act, funding the state's deferred
24 compensation program and the educational excellence program.

25 An appropriation is made to the department of natural
26 resources to expand the help us stop hunger pilot program
27 which involves the providing of donated deer meat to the
28 needy.

29 Code section 35A.3 is amended to authorize the commission
30 of veterans affairs to establish and operate a state veterans
31 cemetery and to make application to the federal government for
32 establishing such cemetery.

33 Code sections 256.7, 273.3, and 279.12 are amended to
34 require the state board of education to adopt rules directing
35 the school districts and area education agencies to submit

1 annually data from the most recent school year detailing
2 contract settlement increases for salaries and group health
3 insurance plans provided under collective bargaining
4 agreements. The amendments direct the department to compile
5 the data in a report to be submitted each year to the
6 chairpersons and ranking members of the house and senate
7 standing committees on education and appropriation and the
8 joint appropriations subcommittee on education.

9 The amendments also include provisions directing the boards
10 of directors of the school districts and area education
11 agencies to submit the data to the department annually.

12 Code sections 256D.4, 256D.5, and 256D.9 are amended to
13 extend the program to reduce class size for K-3 students for
14 FY 2004-2005 and to appropriate \$29.25 million for that fiscal
15 year.

16 Code sections 257.8(1) and 257.16(1) are amended to provide
17 that for the budget year beginning July 1, 2005, and each
18 subsequent budget year, the state percent of growth shall be
19 established by statute and enacted within 30 days of the
20 submission of the governor's budget under Code section 8.21 in
21 the base year, that for the fiscal year beginning July 1,
22 2004, and ending June 30, 2005, there is appropriated from the
23 general fund of the state pursuant to Code section 257.16 the
24 sum of \$1,881,688,628 to pay state foundation aid and
25 supplementary aid, and that \$10 million shall be used by
26 school districts to assist with the purchase of public school
27 textbooks and supplies.

28 If the amounts appropriated are less than the amounts
29 otherwise required to pay state foundation aid and
30 supplementary aid pursuant to Code section 257.16(1), the
31 difference shall be deducted from the payments that otherwise
32 would have been made to each school district in the same ratio
33 that the budget enrollment of the school district for the
34 appropriate budget year bears to the total budget enrollment
35 to the state for that budget year.

1 Code section 257.14 is amended to provide for the deletion
2 of Code language which restricts school district eligibility
3 for certain budget guarantee provisions.

4 Legislation enacted in 2001 provided for the continuation
5 of budget guarantee provisions through the school budget year
6 beginning July 1, 2003, which enabled a school district to
7 maintain 100 percent of the previous year's budget, adjusted
8 to include the amount of the budget adjustment the district
9 had received in the previous year. For the school budget year
10 beginning July 1, 2004, and succeeding budget years, however,
11 the legislation provided that districts would no longer be
12 eligible for the 100 percent "adjusted guarantee", but would
13 instead be eligible for a 101 percent nonadjusted guarantee.
14 The legislation provided that for a 10-year period, school
15 districts can optionally utilize a gradually decreasing
16 percentage guarantee of the difference between the guarantee
17 level calculated for the school district for the budget year
18 beginning July 1, 2003, and the amount calculated for the
19 current year if the guarantee were calculated to include the
20 "adjustment" language. This option is decreased, or "scaled
21 down", by 10 percent annually, until July 1, 2013, when all
22 school districts will receive a budget guarantee based on 101
23 percent.

24 Code section 257.35 is amended to reduce by \$11.8 million
25 the amount of state aid to area education agencies. This is
26 the same amount as was reduced for FY 2003-2004 and is in
27 addition to a previous \$7.5 million reduction.

28 Code section 261.9 amends the definition of "accredited
29 private institution" to provide that a state agency operated
30 or controlled college can qualify as an accredited private
31 institution. The division adds to the definition to require
32 that the institutions be exempt from taxation under the
33 Internal Revenue Code and annually provide a matching
34 aggregate amount of financial aid equal to at least 75 percent
35 of the amount of Iowa tuition grant moneys the institutions'

1 students receive. The match requirement is to increase with
2 each annual percentage of increase in the funds appropriated
3 for Iowa tuition grants. Finally, the amendment replaces in
4 the definition current language related to schools of nursing
5 with language that adds specialized colleges that offer health
6 profession programs affiliated with health care systems in
7 Iowa. The revised definition language does not apply for the
8 fall term of a student who otherwise would be eligible for an
9 Iowa tuition grant but whose college, under the revised
10 language, no longer meets the definition. Institutions that
11 do not meet the match requirement will have one year to meet
12 the match requirement.

13 Code section 280.14 is amended to require the board of
14 directors of each school district to annually review school
15 district expenditures and identify and examine potential cost
16 savings that can be achieved in the delivery of administrative
17 services and other costs involved in the operation of the
18 district. The results of the study must be presented to the
19 public at a regularly scheduled board meeting. The school
20 district must annually report the results to the department of
21 education, which must compile the results in a report it must
22 submit annually to the general assembly by December 31.

23 Code sections 346.27(10) and 346.27(25) are amended to
24 provide for a countywide vote on the issuance of revenue bonds
25 and the sale of assets by an authority established by the
26 county and its county seat to operate public buildings.
27 Present law required only a vote of the registered voters in
28 the unincorporated areas and those of the county seat.

29 Code section 372.13 is amended to provide that a person
30 serving as chief of a volunteer fire department that serves an
31 area with a population of not more than 2,000 who is elected
32 to the city council may continue to hold office as fire chief
33 during the city council term of office.

34 Code section 404A.2 is amended to provide that under the
35 tax credit for qualified rehabilitation costs for

1 rehabilitating historic property, the only costs that may be
2 used are those incurred between the project completion date
3 and two years prior to such date if any costs incurred prior
4 to the project receiving approval would qualify for the
5 federal rehabilitation tax credit. Existing law limited the
6 costs to that incurred between the completion date and the
7 later of two years or the project approval date. This
8 amendment applies retroactively to January 1, 2002.

9 Code sections 422E.1 and 422E.4 are amended to limit the
10 sale of local sales and services tax for school infrastructure
11 bonds to 10 years unless an election was held and the tax
12 imposition was approved on June 17, 2003, and to rewrite the
13 bonding authority of the board of directors of a school
14 district so that it mirrors, to a large extent, the authority
15 set out for city and county revenue bonds under the local
16 option sales and services tax imposed under Code chapter 422B.

17 Code section 422E.2(4) is amended to provide that for
18 elections occurring after April 1, 2003, and before August 1,
19 2003, the requirements relating to a revenue purpose statement
20 are considered to have been met if the revenue purpose
21 statement is submitted by April 1, 2004. This provision is
22 effective upon enactment.

23 Code section 422E.3A is amended to strike the provision
24 that limits the amount a school district may receive in local
25 sales and services tax under the distribution formula to the
26 guaranteed school infrastructure amount of \$575, which is
27 subject to adjustment.

28 Code sections 425.1, 425.39, 425A.1, 426.1, 426A.1A, and
29 435.22 are amended to eliminate the standing appropriations
30 from the state general fund for reimbursement for the
31 homestead credit, the elderly and disabled credit and rent
32 reimbursement, the family farm tax credit, the agricultural
33 land tax credit, and the mobile home tax credit and in lieu
34 thereof provide for an appropriation from the cash reserve
35 fund for FY 2004-2005. Code sections 425.19, 425.23, 426A.4,

1 426A.6, 426A.8, and 426A.9 are amended as coordinating
2 amendments.

3 Code section 455B.310 is amended to exempt from the
4 sanitary landfill tonnage fee nonmetallic material shredded by
5 an industrial shredder and known as shredder fluff.

6 New Code section 668B.2, if enacted, is amended to include
7 a licensed physician assistant as defined in Code section
8 148C.1 and a nurse as a health care provider for purposes of
9 the noneconomic damage awards against health care providers
10 law. The law limits the amount of noneconomic damages that
11 may be recovered by an injured plaintiff against a health care
12 provider to \$250,000.

13 The division provides that moneys to fund collective
14 bargaining agreements with similar percentage increases for
15 noncontract state employees are to be from any available
16 source of the employee's department or agency.

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

20 2001 Iowa Acts, chapter 174, section 1, is amended to
21 eliminate a standing limited appropriation from the general
22 fund of the state to the endowment for Iowa's health account
23 of the tobacco settlement trust fund for FY 2004-2005.

24 2003 Iowa Acts, chapter 179, section 21, is amended to
25 provide that any unencumbered moneys remaining from the
26 appropriation made in FY 2002-2003 for military pay
27 differential purposes shall not revert but are available to be
28 used until the end of FY 2004-2005. This appropriation is
29 used for paying state employees who are activated for duty in
30 the armed forces of the United States the difference between
31 their state pay and military pay and to continue state health
32 coverage. The section takes effect upon enactment.

33 The division authorizes the state board of regents to issue
34 bonds in the sum of \$120 million for a five-year building
35 program at the regents universities. The division permits the

1 state board of regents to exceed the limitation placed on the
2 amount of bonds that may be issued under the bill by an amount
3 the state board of regents determines to be necessary to
4 capitalize bond reserves, interest during construction, and
5 issuance costs.

6 The division provides for a refund of registration fees,
7 penalties, and interest paid by a person who failed to
8 register a commercial vehicle because the person sold the
9 commercial vehicle but did not submit the registration plate
10 and registration receipt to the state department of
11 transportation. This provision is effective upon enactment
12 and a claim must be filed by August 1, 2004.

13 The division appropriates \$10,000 to the Iowa department of
14 public health for the bureau of health care access to issue a
15 grant to one free clinic to be used to establish a partnership
16 and test program for a buying cooperative approach for
17 purchasing prescription drugs by needy individuals.

18 The division provides that in regard to charter agencies,
19 the statutory provision that one-half of any reversions will
20 remain with the agency does not apply and that any limit on
21 FTEs in the Act shall not apply to the agency.

22 Code sections 266.31 and 266.39D are repealed. These
23 sections contain obsolete language that refers to a meat
24 export research center and a livestock producers assistance
25 program.

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SENATE FILE 2298

S-5176

1 Amend Senate File 2298 as follows:

2 1. Page 16, by inserting after line 16 the
3 following:

4 "3. HELP AMERICA VOTE ACT FUNDING

5 For the purpose of drawing down Iowa's share of
6 federal funds appropriated under the federal Help
7 America Vote Act (HAVA):

8 \$ 777,000"

9 2. By renumbering as necessary.

By JOHN P. KIBBIE

S-5176 FILED MARCH 30, 2004

LOST

SENATE FILE 2298

S-5158

1 Amend Senate File 2298 as follows:

2 1. Page 131, by inserting after line 11, the
3 following:

4 "Sec. ____ . NEW SECTION. 217.45 FAITH-BASED AND
5 COMMUNITY-BASED ORGANIZATIONS NETWORK.

6 1. A statewide, nonprofit agency that receives a
7 subgrant to assist faith-based and community-based
8 organizations to develop coalitions and partnerships
9 shall be designated as the central office for faith-
10 based and community-based initiatives.

11 2. The department shall designate one department
12 employee in each of the service areas to act as a
13 liaison to faith-based and community-based
14 organizations in the service area.

15 3. The primary functions of a liaison for a
16 service area under this section are as follows:

17 a. To communicate with faith-based and community-
18 based organizations regarding the need for private
19 community services to benefit persons in need of
20 assistance who would otherwise require financial or
21 other assistance under public programs administered by
22 state or local government.

23 b. To promote the involvement of faith-based and
24 community-based organizations in working to meet
25 community needs for assistance.

26 c. To coordinate efforts to promote involvement of
27 faith-based and community-based organizations in
28 providing community services with efforts similar to
29 those of state agencies.

30 d. To promote cooperation and coordination among
31 public agencies and faith-based and community-based
32 organizations.

33 e. To provide technical assistance to faith-based
34 and community-based organizations in writing grant
35 applications, training, mentoring, financial
36 management, and obtaining not-for-profit designations.

37 4. The department shall submit a report annually
38 by January 15 to the governor and the general assembly
39 regarding the activities of the faith-based and
40 community-based organizations network provided for in
41 this section."

42 2. By renumbering as necessary.

By KEN VEENSTRA

S-5158 FILED MARCH 29, 2004

SENATE FILE 2298

S-5152

1 Amend Senate File 2298 as follows:

2 1. By striking page 39, line 35, through page 40,
3 line 4.

4 2. By renumbering as necessary.

By HERMAN C. QUIRMBACH

S-5152 FILED MARCH 29, 2004

SENATE FILE 2298

S-5177

1 Amend Senate File 2298 as follows:

2 1. Page 39, line 23, by striking the figure
3 "346,451" and inserting the following: "396,451".

4 2. By striking page 48, line 30, through page 49,
5 line 9 and inserting the following:

6	"a. Merged Area I	\$ 6,717,353
7	b. Merged Area II	\$ 7,859,917
8	c. Merged Area III	\$ 7,295,985
9	d. Merged Area IV	\$ 3,569,332
10	e. Merged Area V	\$ 7,499,287
11	f. Merged Area VI	\$ 6,918,909
12	g. Merged Area VII	\$ 10,008,601
13	h. Merged Area IX	\$ 12,311,409
14	i. Merged Area X	\$ 19,369,288
15	j. Merged Area XI	\$ 20,524,506
16	k. Merged Area XII	\$ 8,084,396
17	l. Merged Area XIII	\$ 8,298,918
18	m. Merged Area XIV	\$ 3,612,936
19	n. Merged Area XV	\$ 11,362,216
20	o. Merged Area XVI	\$ 6,346,191"

21 3. Page 54, line 20, by inserting before the word
22 "Funds" the following: "(4)".

23 4. Page 54, line 30, by striking the figure "(1)"
24 and inserting the following: "(a)".

25 5. Page 54, line 32, by striking the figure "(2)"
26 and inserting the following: "(b)".

27 6. Page 54, line 35, by striking the figure "(3)"
28 and inserting the following: "(c)".

29 7. Page 55, line 4, by striking the figure "(4)"
30 and inserting the following: "(d)".

31 8. Page 55, line 8, by striking the figure "(5)"
32 and inserting the following: "(e)".

33 9. Page 63, line 2, by striking the figure "(1)"
34 and inserting the following: "a."

35 10. Page 63, line 8, by striking the figure "(2)"
36 and inserting the following: "b.".

37 11. Page 159, by inserting after line 5 the
38 following:

39 "i. For the fifth judicial district department of
40 correctional services for a grant as provided in this
41 paragraph:

42 \$ 75,000

43 The amount appropriated in this paragraph shall be
44 distributed as a grant to a private nonprofit
45 organization for expansion of a program operated by
46 the organization in collaboration with the judicial
47 district department and the county attorney's office
48 of the largest county in the judicial district. The
49 purpose of the program is to rehabilitate young
50 convicted felons as an alternative to incarceration."

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1 12. Page 176, line 21, by striking the figure
 2 "438,750" and inserting the following: "538,750".
 3 13. Page 176, line 25, by striking the figure
 4 "536,250" and inserting the following: "436,250".
 5 14. By striking page 179, line 29, through page
 6 180, line 5 and inserting the following: "dollars."
 7 15. Page 180, by inserting after line 12 the

8 following:
 9 "Sec. _____. Section 257.18, subsection 2, Code
 10 2003, is amended by adding the following new
 11 unnumbered paragraph:

12 NEW UNNUMBERED PARAGRAPH. Notwithstanding anything
 13 to the contrary in this section, if the board adopts a
 14 resolution, not later than April 15, 2004, to
 15 participate in the instructional support program and a
 16 petition is not filed or if the question is submitted
 17 to the registered voters of the school district and
 18 the question is approved, the authorization to
 19 participate shall be effective on the date specified
 20 in the resolution."

21 16. By striking page 187, line 32, through page
 22 193, line 26 and inserting the following:

23 "Sec. _____. PAYMENTS IN LIEU OF GENERAL FUND
 24 REIMBURSEMENT. Notwithstanding the amount of the
 25 standing appropriation from the general fund of the
 26 state in the following designated sections and
 27 notwithstanding any conflicting provisions or voting
 28 requirements of section 8.56, there is appropriated
 29 from the cash reserve fund in lieu of the
 30 appropriations in the following designated sections
 31 for the fiscal year beginning July 1, 2004, and ending
 32 June 30, 2005, the following amounts for the following
 33 designated purposes:

- 34 1. For reimbursement for the homestead property
 35 tax credit under section 425.1:
 36 \$102,945,379
- 37 2. For reimbursement for the agricultural land and
 38 family farm tax credits under sections 425A.1 and
 39 426.1:
 40 \$ 34,610,183
- 41 3. For reimbursement for the military service tax
 42 credit under section 426A.1A:
 43 \$ 2,568,402
- 44 4. For implementing the elderly and disabled
 45 credit and reimbursement pursuant to sections 425.16
 46 through 425.40:
 47 \$ 19,540,000

48 If the sum of the amount of claims for credit for
 49 property taxes due plus the amount of claims for
 50 reimbursement for rent constituting property tax paid

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1 which are to be paid during the fiscal year beginning
2 July 1, 2004, exceeds the amount appropriated in this
3 subsection, the director of revenue shall prorate the
4 payments for the property tax credit and for
5 reimbursement for rent constituting property tax paid.
6 In order for the director to carry out the
7 requirements of this subsection, notwithstanding any
8 provision to the contrary in chapter 425, claims for
9 reimbursement for rent constituting property taxes
10 paid filed before May 1, 2005, shall be eligible to be
11 paid during the fiscal year ending June 30, 2005, and
12 those claims filed on or after May 1, 2005, shall be
13 eligible to be paid during the fiscal year beginning
14 July 1, 2005, and the director is not required to make
15 payments to counties for the property tax credit
16 before June 15, 2005."

17 17. Page 193, by inserting before line 27 the
18 following:

19 "Sec. ____ . Section 455B.174, subsection 4, Code
20 2003, is amended by adding the following new
21 paragraph:

22 NEW PARAGRAPH. e. If a public water supply has a
23 groundwater source that contains petroleum, a fraction
24 of crude oil, or their degradation products, or is
25 located in an area deemed by the department as likely
26 to be contaminated by such materials, the department
27 may require the public water supply to replace that
28 groundwater source in order to receive a permit to
29 operate. The requirement to replace the source shall
30 only be made by the department if the public water
31 supply is fully compensated for any additional design,
32 construction, operation, and monitoring costs from the
33 Iowa comprehensive petroleum underground storage tank
34 fund created by chapter 455G or from any other funds
35 that are made available. The department cannot
36 require a public water supply to replace its water
37 source with a less reliable water source or with a
38 source that does not meet federal primary, secondary,
39 or other health-based standards unless treatment is
40 provided to ensure that the drinking water meets these
41 standards. The department may designate whether the
42 public water supply will replace the groundwater
43 source or obtain its drinking water from another
44 public water supply."

45 18. Page 193, by inserting after line 33 the
46 following:

47 "Sec. ____ . Section 535.8, subsection 2, paragraph
48 b, unnumbered paragraph 2, Code 2003, as amended by
49 2004 Iowa Acts, House File 2484, if enacted, is
50 amended to read as follows:

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1 The lender shall not charge the borrower for the
2 cost of revenue stamps or real estate commissions
3 which are paid by the seller.

4 The collection of any costs other than as expressly
5 permitted by this paragraph "b" is prohibited.
6 However, additional costs incurred in connection with
7 a loan under this paragraph "b", if bona fide and
8 reasonable, may be collected by a state-chartered
9 financial institution licensed under chapter 524, 533,
10 or 534, to the extent permitted under applicable
11 federal law as determined by the office of the
12 comptroller of the currency of the United States
13 department of treasury, the national credit union
14 ~~association~~ administration, or the office of thrift
15 supervision of the United States department of
16 treasury. Such costs shall apply only to the same
17 type of ~~state-chartered~~ state-chartered entity as the
18 federally chartered entity affected and to an insurer
19 organized under chapter 508 or 515, or otherwise
20 authorized to conduct the business of insurance in
21 this state."

22 19. Page 202, by inserting after line 11 the
23 following:

24 "Sec. ____ . VEHICLE DEALERSHIP STUDY. The
25 legislative council is requested to appoint an interim
26 study committee that will study the motor vehicles
27 franchise law or motor vehicle licensing law as it
28 pertains to motor vehicle dealerships' moves from one
29 facility and location to another facility and location
30 in the state. A report should be provided to the
31 general assembly by January 15, 2005.

32 Sec. ____ . PREVAILING LEGISLATION. If 2004 Iowa
33 Acts, Senate File 399 is enacted and includes a
34 provision increasing the criminal penalty surcharge to
35 thirty-two percent of a fine or forfeiture, the
36 following shall be the consequence:

37 1. The thirty percent surcharge set out in the
38 amendment to section 911.1, Code 2003, in 2004 Iowa
39 Acts, House File 2530, section 10, if enacted, is null
40 and void, and 2004 Iowa Acts, House File 2530, section
41 10, if enacted, is amended to provide for the
42 surcharge at thirty-two percent to conform to the
43 thirty-two percent provision included in 2004 Iowa
44 Acts, Senate File 399.

45 2. As a result of including the thirty-two percent
46 provision in 2004 Iowa Acts, House File 2530, section
47 10, if enacted, the section of 2004 Iowa Acts, Senate
48 File 399 amending section 911.2, Code 2003, is null
49 and void."

50 20. Page 202, by inserting after line 33 the

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Page 5

1 following:

2 "____. The section of this division of this Act
3 amending section 257.18, being deemed of immediate
4 importance, takes effect upon enactment."

By JEFF ANGELO

S-5177 FILED MARCH 30, 2004

ADOPTED

SENATE FILE 2298

S-5180

1 Amend Senate File 2298 as follows:

2 1. By striking page 48, line 27, through page 49,
3 line 9, and inserting the following:

4 "..... \$143,779,244

5 The funds appropriated in this subsection shall be
6 allocated as follows:

7	a. Merged Area I	\$ 6,923,475
8	b. Merged Area II	\$ 8,055,388
9	c. Merged Area III	\$ 7,468,858
10	d. Merged Area IV	\$ 3,658,736
11	e. Merged Area V	\$ 7,734,944
12	f. Merged Area VI	\$ 7,092,853
13	g. Merged Area VII	\$ 10,298,612
14	h. Merged Area IX	\$ 12,670,481
15	i. Merged Area X	\$ 20,006,286
16	j. Merged Area XI	\$ 21,149,733
17	k. Merged Area XII	\$ 8,328,176
18	l. Merged Area XIII	\$ 8,527,774
19	m. Merged Area XIV	\$ 3,704,996
20	n. Merged Area XV	\$ 11,642,095
21	o. Merged Area XVI	\$ 6,516,837"

By JOHN P. KIBBIE
MIKE CONNOLLY
DARYL BEALL

ROBERT E. DVORSKY
JACK HOLVECK
WILLIAM A. DOTZLER

S-5180 FILED MARCH 30, 2004

LOST

SENATE FILE 2298**S-5181**

1 Amend Senate File 2298 as follows:

2 1. Page 177, by inserting after line 25 the
3 following:

4 "Sec. _____. Section 161A.5, Code 2003, is amended
5 by adding the following new subsection:

6 NEW SUBSECTION. 1A. The commissioners of each
7 soil and water conservation district shall maintain an
8 office located in the district. The office shall be
9 supported by at least one full-time equivalent
10 position as defined by section 8.36A. The position's
11 duties shall include providing clerical support to the
12 commissioners and assisting landowners who are
13 interested in participating in programs administered
14 under this chapter."

15 2. By renumbering as necessary.

By JOHN P. KIBBIE
EUGENE S. FRAISE

DARYL BEALL
ROGER STEWART

S-5181 FILED MARCH 30, 2004
LOST

SENATE FILE 2298**S-5182**

1 Amend Senate File 2298 as follows:

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

4 "_____. In expending moneys from the amount
5 appropriated from the state fish and game protection
6 fund in this section, the department shall give
7 priority to replacing vacancies filled by conservation
8 officers as authorized by section 456A.13."

9 2. By renumbering as necessary.

By DENNIS H. BLACK
EUGENE S. FRAISE

S-5182 FILED MARCH 30, 2004
LOST

SENATE FILE 2298

S-5183

1 Amend Senate File 2298 as follows:

2 1. Page 52, by striking line 35 and inserting the
3 following:

4 "..... \$233,585,069"

5 2. Page 57, by striking line 29 and inserting the
6 following:

7 "..... \$183,936,657"

8 3. Page 58, by striking line 30 and inserting the
9 following:

10 "..... \$ 82,632,493"

By ROBERT E. DVORSKY	JACK HOLVECK
HERMAN C. QUIRMBACH	AMANDA RAGAN
WILLIAM A. DOTZLER	DARYL BEALL
JOE BOLKCOM	ROGER STEWART
DR. JOE SENG	JOHN P. KIBBIE
KEITH A. KREIMAN	MIKE CONNOLLY

S-5183 FILED MARCH 30, 2004
LOST

SENATE FILE 2298

S-5184

1 Amend Senate File 2298 as follows:

2 1. Page 165, by inserting after line 24 the
3 following:

4 "Notwithstanding section 8.31, if the governor
5 determines that the estimated budget resources during
6 the fiscal year beginning July 1, 2004, and ending
7 June 30, 2005, are insufficient to pay all
8 appropriations in full, the governor's uniform
9 reduction of appropriations shall not apply to
10 appropriations made for the division of the Iowa state
11 patrol."

By EUGENE S. FRAISE

S-5184 FILED MARCH 30, 2004
LOST

SENATE FILE 2298

S-5185

1 Amend Senate File 2298 as follows:

2 1. Page 77, line 32, by striking the figure
3 "16,189,139" and inserting the following:

4 "17,189,139".

By STEVEN H. WARNSTADT
DARYL BEALL

S-5185 FILED MARCH 30, 2004
LOST

SENATE FILE 2298**S-5186**

1 Amend Senate File 2298 as follows:
2 1. Page 73, by inserting after line 30 the
3 following:
4 "i. For the fiscal year beginning July 1, 2004,
5 and ending June 30, 2005, the board of pharmacy
6 examiners may retain and expend 90 percent of the
7 revenues generated from any increase after July 1,
8 2004, in licensing fees pursuant to sections 124.301
9 and 147.80, and chapter 155A, for purposes related to
10 the state board's duties, including but not limited to
11 the addition of not more than six full-time equivalent
12 positions to those authorized in this division of this
13 Act. Fees retained by the board pursuant to this
14 lettered paragraph are appropriated to the board of
15 pharmacy examiners for the purposes described in this
16 lettered paragraph."

By EUGENE S. FRAISE

S-5186 FILED MARCH 30, 2004
WITHDRAWN

SENATE FILE 2298**S-5188**

1 Amend Senate File 2298 as follows:
2 1. Page 34, line 33, by striking the figure
3 "4,889,124" and inserting the following: "5,189,124".
4 2. Page 34, line 34, by striking the figure
5 "94.20" and inserting the following: "100.20".
6 3. Page 35, by inserting after line 14, the
7 following:
8 "5. Five full-time equivalent positions shall be
9 designated for safety and health consultants for the
10 division of labor services.
11 6. One full-time equivalent position shall be
12 designated for a deputy commissioner in the division
13 of workers' compensation."

By WILLIAM A. DOTZLER
JACK HOLVECK
DARYL BEALL
THOMAS G. COURTNEY
ROGER STEWART

ROBERT E. DVORSKY
MIKE CONNOLLY
KEITH A. KREIMAN
JOE BOLKCOM

S-5188 FILED MARCH 30, 2004
ADOPTED

SENATE FILE 2298

S-5189

1 Amend Senate File 2298 as follows:

2 1. Page 194, by inserting after line 7 the
3 following:

4 "Sec. ____ . STATE COURTS -- JUSTICES, JUDGES, AND
5 MAGISTRATES.

6 1. The salary rates specified in subsection 2 are
7 for the fiscal year beginning July 1, 2004, effective
8 for the pay period beginning June 18, 2004, and for
9 subsequent fiscal years until otherwise provided by
10 the general assembly. The salaries provided for in
11 this section shall be paid from funds appropriated to
12 the judicial branch pursuant to any Act of the general
13 assembly.

14 2. The following annual salary rates shall be paid
15 to the persons holding the judicial positions
16 indicated during the fiscal year beginning July 1,
17 2004, effective with the pay period beginning June 18,
18 2004, and for subsequent pay periods.

19 a. Chief justice of the supreme court:		
20	\$	129,580
21 b. Each justice of the supreme court:		
22	\$	124,950
23 c. Chief judge of the court of appeals:		
24	\$	124,830
25 d. Each associate judge of the court of appeals:		
26	\$	120,210
27 e. Each chief judge of a judicial district:		
28	\$	119,100
29 f. Each district judge except the chief judge of a		
30 judicial district:		
31	\$	114,250
32 g. Each district associate judge:		
33	\$	99,560
34 h. Each associate juvenile judge:		
35	\$	99,560
36 i. Each associate probate judge:		
37	\$	99,560
38 j. Each judicial magistrate:		
39	\$	29,680
40 k. Each senior judge:		
41	\$	6,630

42 3. Persons receiving the salary rates established
43 under subsection 2 shall not receive any additional
44 salary adjustments provided by this division of this
45 Act."

By DONALD B. REDFERN

S-5189 FILED MARCH 30, 2004

WITHDRAWN

SENATE FILE 2298**S-5190**

- 1 Amend Senate File 2298 as follows:
2 1. Page 92, line 27, by striking the figure
3 "352,794,101" and inserting the following:
4 "355,094,101".
5 2. Page 97, by inserting after line 5, the
6 following:
7 "12. The department shall utilize not more than
8 \$2,300,000 of the funds appropriated in this section
9 to draw down the maximum amount of disproportionate
10 share hospital reimbursement under the medical
11 assistance program as provided in the federal
12 Prescription Drug and Medicare Improvement Act of
13 2003."
14 3. Page 99, by striking lines 14 through 19.
15 4. By striking page 144, line 29, through page
16 145, line 9.
17 5. By renumbering as necessary.

By STEVEN H. WARNSTADT

S-5190 FILED MARCH 30, 2004
WITHDRAWN

SENATE FILE 2298**S-5191**

1 Amend Senate File 2298 as follows:

2 1. Page 64, by inserting after line 9, the
3 following:

4 "Section 1. Section 260C.14, Code Supplement 2003,
5 is amended by adding the following new subsection:
6 NEW SUBSECTION. 21. Adopt rules, in addition to
7 those residency criteria otherwise adopted in rule, to
8 specifically address residency criteria for those
9 students who have been accepted for enrollment in a
10 community college in this state and who have attended
11 an accredited high school in this state for at least
12 three academic years as of the date the individual
13 graduated from an accredited high school or received a
14 high school equivalency diploma in this state."

15 2. Page 64, by inserting after line 25 the
16 following:

17 "Sec. ____ . Section 262.9, Code Supplement 2003, is
18 amended by adding the following new subsection:

19 NEW SUBSECTION. 32. Adopt rules, in addition to
20 those residency criteria otherwise adopted in rule, to
21 specifically address residency criteria for those
22 students who have been accepted for enrollment in a
23 university under the control of the board and who have
24 attended an accredited high school in this state for
25 at least three academic years as of the date the
26 individual graduated from an accredited high school or
27 received a high school equivalency diploma in this
28 state."

29 3. By renumbering as necessary.

By MIKE CONNOLLY
JACK HOLVECK

S-5191 FILED MARCH 30, 2004

WITHDRAWN

SENATE FILE 2298**S-5192**

1 Amend Senate File 2298 as follows:

2 1. Page 51, by inserting after line 19 the
3 following:

4 "Sec. ____ . SCHOOL FINANCE FORMULA APPROPRIATION.
5 Notwithstanding section 8.22A, subsection 3, or any
6 other provision of law to the contrary, the revenue
7 estimate agreed to by the revenue estimating
8 conference at its March 19, 2004, meeting shall be
9 used in determining the state general fund expenditure
10 limitation for the fiscal year beginning July 1, 2004.
11 The amount of the increase in the expenditure
12 limitation over the limitation based upon the revenue
13 estimate agreed to by the revenue estimating
14 conference at its December 8, 2003, meeting shall be
15 appropriated to the department of education for
16 distribution pursuant to section 257.16 to pay
17 foundation aid and supplementary aid under section
18 257.4, subsection 2."

19 2. Page 62, by inserting after line 34 the
20 following:

21 "Sec. ____ . Section 257.35, subsection 2, Code
22 Supplement 2003, is amended by striking the
23 subsection."

By MICHAEL E. GRONSTAL
MIKE CONNOLLY
JOHN P. KIBBIE
ROBERT E. DVORSKY
ROGER STEWART
JACK HOLVECK
THOMAS G. COURTNEY
JACK HATCH
WILLIAM A. DOTZLER

DR. JOE SENG
STEVEN H. WARNSTADT
KEITH A. KREIMAN
HERMAN C. QUIRMBACH
DARYL BEALL
WALLY E. HORN
DICK L. DEARDEN
AMANDA RAGAN
MATT McCOY

S-5192 FILED MARCH 30, 2004
WITHDRAWN

SENATE FILE 2298

S-5193

1 Amend Senate File 2298 as follows:

2 1. Page 142, by inserting after line 35 the
3 following:

4 "Sec. ____ . HOME AND COMMUNITY-BASED WAIVER
5 SERVICES EXPANSION. There is appropriated from the
6 general fund of the state to the department of human
7 services for the fiscal year beginning July 1, 2004,
8 and ending June 30, 2005, the following amount, or so
9 much thereof as is necessary, to be used for the
10 purposes designated:

11 For distribution to counties to be used to expand
12 the number of home and community-based services waiver
13 payment slots in accordance with this section:

14 \$ 5,000,000

15 The department shall provide an opportunity for
16 counties to request an expansion of the county's home
17 and community-based services waiver payment slots
18 under the medical assistance program. The department
19 shall distribute the moneys appropriated in this
20 section to those counties expanding waiver payment
21 slots pursuant to this section in order to fund the
22 nonfederal share of the cost of those slots. Any
23 expansion in the number of waiver payment slots as
24 described in this section shall be implemented on July
25 1, 2004, or the date authorized in the federal
26 approval of the expansion of the waiver slots,
27 whichever is later."

28 2. Page 145, by inserting before line 10 the
29 following:

30 "Sec. ____ . EFFECTIVE DATE. The section of this
31 division of this Act providing for expansion of home
32 and community-based services waiver payment slots,
33 being deemed of immediate importance, takes effect
34 upon enactment."

35 3. By renumbering as necessary.

By AMANDA RAGAN	EUGENE S. FRAISE
KEITH A. KREIMAN	ROGER STEWART
JOE BOLKCOM	ROBERT E. DVORSKY
DARYL BEALL	DR. JOE SENG
JACK HATCH	WILLIAM A. DOTZLER
THOMAS G. COURTNEY	MIKE CONNOLLY
JACK HOLVECK	

S-5193 FILED MARCH 30, 2004
LOST

SENATE FILE 2298

S-5195

1 Amend Senate File 2298 as follows:

2 1. Page 64, by inserting after line 25 the
3 following:

4 "Sec. ____ . Section 279.8, Code 2003, is amended to
5 read as follows:

6 279.8 GENERAL RULES ~~--- BONDS OF EMPLOYEES~~
7 REQUIREMENTS.

8 1. GOVERNMENT -- PROPERTY. The board shall make
9 rules for its own government and that of the
10 directors, officers, employees, teachers, and pupils,
11 and for the care of the schoolhouse, grounds, and
12 property of the school corporation, and shall aid in
13 the enforcement of the rules, and require the
14 performance of duties imposed by law and the rules.

15 2. SCHOOL BUS LOADING AND UNLOADING. The board
16 shall include in its rules provisions regulating the
17 loading and unloading of pupils from a school bus
18 stopped on the highway during a period of reduced
19 highway visibility caused by fog, snow, or other
20 weather conditions.

21 3. SCHOOL CREDIT CARDS. The board shall have the
22 authority to include in its rules provisions allowing
23 school corporation employees to use school credit
24 cards to pay for the actual and necessary expenses
25 incurred in the performance of work-related duties.

26 4. BONDS OF EMPLOYEES. Employees of a school
27 corporation maintaining a high school who have the
28 custody of funds belonging to the corporation or funds
29 derived from extracurricular activities and other
30 sources in the conduct of their duties, shall be
31 required to furnish suitable bond indemnifying the
32 corporation or any activity group connected with the
33 school against loss, and employees who have the
34 custody of property belonging to the corporation or
35 any activity group connected with the school may be
36 required to furnish such bond. ~~Said~~ Such bond or
37 bonds may be in such form and penalty as the board may
38 approve and the premiums on ~~same~~ the bond or bonds
39 shall be paid from the general fund of the
40 corporation.

41 5. ANTIBULLYING AND ANTIHARASSMENT POLICY. The
42 board of directors of each school district shall adopt
43 and annually review a policy prohibiting bullying and
44 harassment of all students based on any real or
45 perceived characteristic, including, but not limited
46 to, age, color, creed, national origin, race,
47 religion, marital status, sex, sexual orientation,
48 gender identity, physical attributes, physical or
49 mental ability or disability, ancestry, political
50 party preference, socioeconomic status, or familial

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1 status. The policy shall be developed with local
2 input from parents, guardians, school employees,
3 volunteers, students, school administrators, and other
4 members of the community. The school board shall
5 annually review the policy with parents, guardians,
6 school employees, volunteers, students, school
7 administrators, and other members of the community.
8 The policy shall, at a minimum, include or provide for
9 all of the following:

10 a. A definition of bullying and harassment which
11 shall be construed to mean the same and defined to
12 mean any conduct toward a student that is based on any
13 real or perceived characteristic, including, but not
14 limited to, age, color, creed, national origin, race,
15 religion, marital status, sex, sexual orientation,
16 gender identity, physical attributes, physical or
17 mental ability or disability, ancestry, political
18 party preference, socioeconomic status, or familial
19 status, and that creates an objectively hostile school
20 environment which meets any of the following
21 conditions:

22 (1) Places the student in reasonable fear of harm
23 to the student's person or property.

24 (2) Has a substantially detrimental effect on the
25 student's physical or mental health.

26 (3) Has the effect of substantially interfering
27 with a student's academic performance.

28 (4) Has the effect of substantially interfering
29 with the student's ability to participate in or
30 benefit from the services, activities, or privileges
31 provided by a school.

32 b. Effective prevention strategies and
33 professional development for teachers and
34 administrators.

35 c. Monitoring and evaluation of the policy's
36 effectiveness and inclusion in the comprehensive
37 school improvement plan filed with the department of
38 education in accordance with section 256.7, subsection
39 21.

40 d. Procedures for receiving and responding to
41 complaints.

42 e. Consequences and appropriate remedial action
43 for violation of the policy, taking into account the
44 pattern and severity of particular bullying and
45 harassing behavior.

46 f. Public notice of the policy.

47 g. Prohibition of reprisals or retaliation against
48 any person who reports bullying or harassing behavior.

49 Each school board shall develop procedures
50 necessary to implement and administer this

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1 subsection."

2 2. By renumbering as necessary.

By MATT McCOY

S-5195 FILED MARCH 30, 2004

LOST

SENATE FILE 2298

S-5196

1 Amend Senate File 2298 as follows:

2 1. Page 48, by striking line 23 and inserting the
3 following:

4 "..... \$ 47,363,894

5 . JOBS FOR AMERICA'S GRADUATES

6 For school districts to provide direct services to
7 the most at-risk senior high school students enrolled
8 in school districts through direct intervention by a
9 "jobs for America's graduates" specialist:

10 \$ 400,000

11 . EARLY CHILDHOOD PROGRAMS

12 For purposes of early childhood programs, including
13 but not limited to the early childhood programs grants
14 and the school ready children grant program
15 established pursuant to chapter 28, and the shared
16 vision program administered by the child development
17 coordinating council in accordance with chapter 256A:

18 \$ 1,500,000

19 . PROFESSIONAL DEVELOPMENT

20 For professional development of teachers and
21 improvement of student achievement:

22 \$ 10,000,000

23 Funds appropriated in this subsection shall be
24 distributed as follows:

25 a. The amount of \$555,000 shall be used to
26 implement the highest priority recommendations of the
27 achievement gap task force. Priority shall be given
28 to the recommendations that are research-based and
29 have the highest probability of improving student
30 achievement.

31 b. The amount of \$250,000 shall be allocated for
32 costs of providing textbooks, supplies, or services to
33 each resident pupil who attends a nonpublic school.
34 The funding shall not exceed the comparable services
35 offered to resident public school pupils.

36 c. Funds remaining after distribution as provided
37 in paragraphs "a" and "b" shall be distributed for
38 professional development purposes in accordance with
39 the formula specified in section 284.13, subsection 1,
40 paragraph "f", to each school district that applies to
41 the department and provides a total general fund
42 budget demonstrating that the district intends to
43 increase the proportion of its total expenditures for
44 instruction compared to the proportion expended in the
45 prior year. Increased proportionate expenditures, not
46 including funds received under this lettered
47 paragraph, must be achieved through proportionate
48 decreases in administration and administrative
49 services as defined by the department.

50 d. A school district shall expend the funds

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1 received as provided in paragraph "c" for the
2 following purposes:

3 (1) Compensating staff for professional
4 development time that occurs outside of the regular
5 contract.

6 (2) Substitute teacher costs that provide training
7 or development time for teachers.

8 (3) Costs for trainers or providers of
9 professional development.

10 (4) Professional development supplies and
11 materials, including software or courseware. However,
12 not more than ten percent of the funds received by a
13 school district under paragraph "c" may be used for
14 professional development supplies and materials."

15 2. By renumbering as necessary.

By MIKE CONNOLLY

ROBERT E. DVORSKY

JACK HOLVECK

WILLIAM A. DOTZLER

DR. JOE SENG

JOE BOLKCOM

HERMAN C. QUIRMBACH

DARYL BEALL

ROGER STEWART

S-5196 FILED MARCH 30, 2004

LOST

SENATE FILE 2298

S-5197

1 Amend Senate File 2298 as follows:

2 1. Page 105, line 21, by striking the figure
3 "100,135,253" and inserting the following:
4 "105,736,386".

5 2. By striking page 105, line 32, through page
6 107, line 1, and inserting the following:

7 "2. Of the funds appropriated in this section,
8 \$1,398,403 is allocated as the state match funding for
9 50 highly structured juvenile program beds. If the
10 number of beds provided for in this subsection are not
11 utilized, the remaining funds allocated may be used
12 for group foster care."

13 3. Page 131, by inserting after line 11 the
14 following:

15 "Sec. _____. Section 232.52, subsection 2A, Code
16 Supplement 2003, is amended by striking the
17 subsection.

18 Sec. _____. Section 232.102, subsection 1A, Code
19 Supplement 2003, is amended by striking the
20 subsection.

21 Sec. _____. Section 232.117, subsection 4, Code
22 Supplement 2003, is amended by striking the
23 subsection.

24 Sec. _____. Section 232.127, subsection 8, Code
25 Supplement 2003, is amended by striking the
26 subsection.

27 Sec. _____. Section 232.188, subsection 4, Code
28 Supplement 2003, is amended to read as follows:

29 4. In a decategorization agreement, the department
30 and the county's or group of counties'
31 decategorization governance board shall agree on all
32 of the following items: the governance relationship
33 between the department and the decategorization
34 governance board; the respective areas of autonomy of
35 the department and the board; the budgeting structure
36 for the decategorization; and a method for resolving
37 disputes between the department and the board. The
38 decategorization agreement shall require the
39 department and the decategorization governance board
40 to agree upon a budget ~~within sixty days of the date~~
41 ~~by which the regional group foster care budget targets~~
42 ~~are determined under section 232.143 for~~ on or before
43 August 31 of the fiscal year to which the budget
44 applies. The budget may later be modified to reflect
45 new or changed circumstances.

46 Sec. _____. Section 234.35, subsection 1, paragraph
47 e, Code Supplement 2003, is amended to read as
48 follows:

49 e. When a court has entered an order transferring
50 the legal custody of the child to a foster care

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1 placement pursuant to section 232.52, subsection 2,
2 paragraph "d", or section 232.102, subsection 1.
3 ~~However, payment for a group foster care placement~~
4 ~~shall be limited to those placements which conform to~~
5 ~~a regional group foster care plan established pursuant~~
6 ~~to section 232.143."~~

7 4. Page 135, by inserting after line 28 the
8 following:

9 "Sec. ____ . Section 232.143, Code Supplement 2003,
10 is repealed."

11 5. By striking page 135, line 32, through page
12 136, line 5.

13 6. By renumbering as necessary.

By KEITH A. KREIMAN

S-5197 FILED MARCH 30, 2004

LOST

SENATE FILE 2298**S-5199**

1 Amend Senate File 2298 as follows:

2 1. Page 177, by inserting after line 3, the
3 following:

4 "Sec. ____ . Section 10C.5, Code 2003, is amended to
5 read as follows:

6 10C.5 REPEAL.

7 Sections 10C.1 through 10C.4 and this section are
8 repealed July 1, ~~2004~~ 2008.

9 Sec. ____ . Section 10C.6, subsection 1, paragraph
10 a, unnumbered paragraph 1, Code 2003, is amended to
11 read as follows:

12 A life science enterprise may acquire or hold
13 agricultural land, notwithstanding section 10C.5 as
14 that section exists in the ~~2003~~ 2005 Code ~~or 2003 Code~~
15 Supplement, if all of the following apply:

16 Sec. ____ . Section 10C.6, subsection 1, paragraph
17 a, subparagraphs (1) and (2), Code 2003, are amended
18 to read as follows:

19 (1) The life science enterprise acquires the
20 agricultural land on or before June 30, ~~2004~~ 2008.

21 (2) The enterprise acquires or holds the
22 agricultural land pursuant to chapter 10C as that
23 chapter exists in the ~~2003~~ 2005 Code ~~or 2003 Code~~
24 Supplement."

By KEN VEENSTRA
JOHN P. KIBBIE

S-5199 FILED MARCH 30, 2004

ADOPTED

SENATE FILE 2298

S-5200

1 Amend Senate File 2298 as follows:

2 1. Page 42, line 6, by inserting after the word
3 "state." the following: "The department shall
4 strongly encourage school districts to seek direct
5 claiming under the medical assistance program for
6 funding of school district nursing services for
7 students."

8 2. Page 53, line 19, by inserting after the word
9 "encumbered" the following: "and shall not be
10 expended for any purpose".

11 3. Page 53, line 35, by inserting after the word
12 "encumbered" the following: ", may be expended,".

13 4. Page 55, by inserting after line 16, the
14 following:

15 "The university of Iowa hospitals and clinics, in
16 cooperation with the department of corrections, shall
17 study the utilization of the indigent patient care
18 program by department of corrections' inmates and
19 shall submit a report to the governor and the general
20 assembly on or before January 1, 2005, regarding
21 recommendations to improve the efficiency and cost-
22 effectiveness of the care provided to the inmates."

23 5. Page 68, by inserting after line 2, the
24 following:

25 "2A. Of the funds appropriated in this section,
26 \$49,000 shall be used, in addition to any other funds
27 appropriated in this Act, for provision of training to
28 resident advocate committees for elder group homes, as
29 defined in section 231B.1, and licensed health care
30 facilities as defined in section 135C.1."

31 6. Page 73, by striking lines 25 through 27 and
32 inserting the following: "equivalent positions for
33 program services and investigations. Fees".

34 7. Page 73, line 35, by striking the figure
35 "406,707" and inserting the following: "680,707".

36 8. Page 80, line 17, by striking the figure
37 "19,480,254" and inserting the following:
38 "16,280,254".

39 9. Page 81, line 11, by striking the figure
40 "30,275,728" and inserting the following:
41 "33,475,728".

42 10. Page 92, line 27, by striking the figure
43 "352,794,101" and inserting the following:
44 "353,020,101".

45 11. Page 97, by inserting before line 6 the
46 following:

47 "____. The department shall assist school districts
48 in applying for direct claiming under the medical
49 assistance program for funding of school district
50 nursing services for students."

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- 1 12. Page 98, line 6, by striking the word
2 "intermediary" and inserting the following: "agent".
3 13. Page 98, by striking lines 24 through 28, and
4 inserting the following:
5 "c. Implement a health insurance data match
6 program with insurance carriers to be used to match
7 insureds against".
8 14. Page 98, by striking lines 32 and 33, and
9 inserting the following: "confidential. The
10 department, in consultation with insurance carriers,
11 shall adopt rules to implement this paragraph. The
12 rules shall be published as emergency rules to take
13 effect no later than June 30, 2004. Insurance
14 carriers shall begin providing the information
15 required upon the adoption of the rules."
16 15. Page 99, by striking lines 6 through 9.
17 16. Page 99, by striking lines 14 through 19.
18 17. By striking page 99, line 20, through page
19 100, line 2, and inserting the following:
20 "h. Provide that under the Iowa preferred drug
21 list requirements, any newly released generic drug
22 product shall only be considered to be a preferred
23 drug and therefore not subject to prior authorization
24 if the generic product's cost to the medical
25 assistance program is less than the brand name
26 product's cost to the medical assistance program. In
27 determining the medical assistance program cost of
28 each drug product, the drug product cost shall be the
29 net amount derived following inclusion of all medical
30 assistance program drug rebates and after the impact
31 of all Iowa-specific supplemental rebates are taken
32 into account."
33 18. Page 101, line 16, by striking the figure
34 "12,618,275" and inserting the following:
35 "12,118,275".
36 19. Page 105, line 21, by striking the figure
37 "100,135,253" and inserting the following:
38 "96,935,253".
39 20. Page 105, by inserting after line 21 the
40 following:
41 "In order to address a reduction of \$6,200,000 from
42 the amount allocated under this appropriation in prior
43 years for purposes of juvenile delinquent graduated
44 sanction services, up to \$6,200,000 of the amount of
45 federal temporary assistance for needy families block
46 grant funding appropriated in this division of this
47 Act for child and family services, shall be made
48 available for purposes of juvenile delinquent
49 graduated sanction services."
50 21. Page 107, line 5, by striking the figure

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1 "3,000,000" and inserting the following: "1,000,000".
2 22. Page 107, line 8, by inserting after the
3 figure "232.188." the following: "In addition, up to
4 \$2,000,000 of the amount of federal temporary
5 assistance for needy families block grant funding
6 appropriated in this division of this Act for child
7 and family services shall be made available for
8 purposes of decategorization of child welfare services
9 as provided in this subsection."

10 23. Page 108, line 25, by inserting after the
11 figure "4." the following: "Of the amount allocated
12 in this subsection, up to \$1,431,597 shall be made
13 available to provide school-based supervision of
14 children adjudicated under chapter 232, of which not
15 more than \$15,000 may be used for the purpose of
16 training. A portion of the cost of each school-based
17 liaison officer shall be paid by the school district
18 or other funding source as approved by the chief
19 juvenile court officer."

20 24. Page 109, by striking lines 22 through 31.

21 25. Page 121, line 16, by striking the figure
22 "49,897,364" and inserting the following:
23 "53,097,364".

24 26. Page 122, line 29, by striking the figure
25 "154,013,248." and inserting the following:
26 "156,013,248. For the fiscal year beginning July 1,
27 2004, and ending June 30, 2005, nursing facilities
28 reimbursed under the case-mix reimbursement system
29 shall have their allowable cost calculations adjusted
30 by applying the most recently published HCFA/SNF
31 index. For the purpose of this subparagraph, the
32 HCFA/SNF index means the HCFA total skilled nursing
33 facility market basket index published by data
34 resources, inc."

35 27. Page 129, line 6, by inserting after the word
36 "year." the following: "Of the amount remaining
37 available, the department of human services may use up
38 to \$2,300,000 to draw down the maximum amount of
39 disproportionate share hospital reimbursement under
40 the medical assistance program as provided in the
41 federal Prescription Drug and Medicare Improvement Act
42 of 2003. Any amounts received shall be distributed in
43 accordance with the regular disproportionate share
44 hospital program paid out of the graduate medical
45 education and disproportionate share fund."

46 28. Page 132, by striking lines 21 through 27 and
47 inserting the following:

48 "A carrier, as defined in section 514C.13, shall
49 enter into a health insurance data match program with
50 the department of human services for the sole purpose

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1 of comparing the names of the carrier's insureds with
2 the names of recipients of the medical assistance
3 program."

4 29. Page 134, by inserting after line 8 the
5 following:

6 "Sec. _____. 2002 Iowa Acts, chapter 1174, section
7 4, unnumbered paragraph 3, as amended by 2002 Iowa
8 Acts, Second Extraordinary Session, chapter 1003,
9 section 244, is amended to read as follows:

10 Notwithstanding section 8.33, moneys appropriated
11 under this section that are unobligated or
12 unencumbered at the end of the fiscal year beginning
13 July 1, 2002, and ending June 30, 2003, shall not
14 revert, but shall remain available for the specific
15 purposes designated in this section until June 30,
16 ~~2004~~ 2005."

17 30. Page 136, by inserting before line 14 the
18 following:

19 "4A. The provision amending 2002 Iowa Acts,
20 chapter 1174, section 4, unnumbered paragraph 3, as
21 amended by 2002 Iowa Acts, Second Extraordinary
22 Session, chapter 1003, section 244."

23 31. Page 139, by inserting after line 3, the
24 following:

25 "c. Two million dollars of the moneys appropriated
26 in this subsection shall be transferred to the
27 appropriation in this Act from the general fund of the
28 state for the medical assistance program to be used to
29 implement nursing facility provider reimbursements as
30 provided in 2001 Iowa Acts, chapter 192, section 4,
31 subsection 2, paragraph "c".

32 32. Page 143, line 16, by striking the figure
33 "14,492,712" and inserting the following:
34 "19,157,111".

35 33. Page 144, line 10 by inserting after the word
36 "percent." the following: "However, the amount
37 withheld shall be limited to the amount by which the
38 county's ending balance was in excess of the ending
39 balance percentage of 10 percent."

40 34. Page 144, by striking lines 11 through 14 and
41 inserting the following:

42 "c. For an ending balance percentage of 25 percent
43 or more, a withholding factor of 100 percent."

44 35. Page 144, line 17, by striking the figure
45 "4,753,963" and inserting the following: "9,418,362".

46 36. By striking page 144, line 29, through page
47 145, line 9.

48 37. Page 194, line 6, by striking the word "and"
49 and inserting the following: "and".

50 38. Page 194, line 7, by inserting after the

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1 figure "135C.1" the following: "and a federally
2 licensed, regulated, or registered nonprofit blood
3 bank, blood center, or plasma center that is
4 collecting, processing, or distributing whole human
5 blood, blood components, plasma, blood fractions, or
6 blood derivatives for use by a licensed health care
7 provider".

8 39. By renumbering as necessary.

By MAGGIE TINSMAN

S-5200 FILED MARCH 30, 2004

WITHDRAWN

SENATE FILE 2298**S-5201**

1 Amend Senate File 2298 as follows:

2 1. Page 154, by inserting after line 4 the
3 following:

4 "2. Notwithstanding section 8.33, moneys
5 appropriated in this section that remain unobligated
6 or unexpended at the close of the fiscal year shall
7 not revert but shall remain available for expenditure
8 for the hiring and retention of correctional officers
9 until the close of the succeeding fiscal year."

By EUGENE S. FRAISE

DARYL BEALL

S-5201 FILED MARCH 30, 2004

LOST

SENATE FILE 2298**S-5202**

1 Amend Senate File 2298 as follows:

2 1. Page 193, by inserting after line 33 the
3 following:

4 "Sec. ____ . NEW SECTION. 514C.21 MANDATED
5 COVERAGE FOR MENTAL HEALTH CONDITIONS.

6 1. For purposes of this section, unless the
7 context otherwise requires:

8 a. "Mental health condition" means a condition or
9 disorder involving mental illness or alcohol or
10 substance abuse that falls under any of the diagnostic
11 categories listed in the mental disorders section of
12 the international classification of disease, as
13 periodically revised.

14 b. "Rates, terms, and conditions" means any
15 lifetime payment limits, deductibles, copayments,
16 coinsurance, and any other cost-sharing requirements,
17 out-of-pocket limits, visit limitations, and any other
18 financial component of benefits coverage that affects
19 the covered individual.

20 2. a. Notwithstanding section 514C.6, a policy or
21 contract providing for third-party payment or
22 prepayment of health or medical expenses shall provide
23 coverage benefits for mental health conditions based
24 on rates, terms, and conditions which are no more
25 restrictive than the rates, terms, and conditions for
26 coverage benefits provided for other health or medical
27 conditions under the policy or contract.

28 Additionally, any rates, terms, and conditions
29 involving deductibles, copayments, coinsurance, and
30 any other cost-sharing requirements shall be
31 cumulative for coverage of both mental health
32 conditions and other health or medical conditions
33 under the policy or contract.

34 b. Coverage required under this subsection shall
35 be as follows:

36 (1) For the treatment of mental illness, coverage
37 shall be for services provided by a licensed mental
38 health professional, or services provided in a
39 licensed hospital or health facility.

40 (2) For the treatment of alcohol or substance
41 abuse, coverage shall be for services provided by a
42 substance abuse counselor, as approved by the
43 department of human services, a licensed health
44 facility providing a program for the treatment of
45 alcohol or substance abuse approved by the department
46 of human services, or a substance abuse treatment and
47 rehabilitation facility, as licensed by the department
48 of public health pursuant to chapter 125.

49 3. This section applies to the following classes
50 of third-party payment provider contracts or policies

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1 delivered, issued for delivery, continued, or renewed
2 in this state on or after January 1, 2005:
3 a. Individual or group accident and sickness
4 insurance providing coverage on an expense-incurred
5 basis.
6 b. An individual or group hospital or medical
7 service contract issued pursuant to chapter 509, 514,
8 or 514A.
9 c. A plan established pursuant to chapter 509A for
10 public employees.
11 d. An individual or group health maintenance
12 organization contract regulated under chapter 514B.
13 e. An individual or group Medicare supplemental
14 policy, unless coverage pursuant to such policy is
15 preempted by federal law.
16 f. Any other entity engaged in the business of
17 insurance, risk transfer, or risk retention, which is
18 subject to the jurisdiction of the commissioner.
19 g. An organized delivery system licensed by the
20 director of public health.
21 4. This section shall not apply to employers
22 actively engaged in business who, on at least fifty
23 percent of the employer's working days during the
24 preceding year, employed twenty-five or fewer full-
25 time eligible employees. In determining the number of
26 eligible employees, companies that are affiliated
27 companies or that are eligible to file a combined tax
28 return for purposes of state taxation are considered
29 one employer.
30 5. The commissioner shall adopt rules to
31 administer this section after consultation with the
32 mental health insurance advisory committee.
33 a. The commissioner shall appoint members to a
34 mental health insurance advisory committee. Members
35 shall include all sectors of society impacted by
36 issues associated with coverage of mental health
37 treatment by third-party payors including, but not
38 limited to, representatives of the insurance industry,
39 small and large employers, employee representatives
40 including labor, individual consumers, health care
41 providers, and other groups and individuals that may
42 be identified by the insurance division of the
43 department of commerce.
44 b. The committee shall meet upon the request of
45 the commissioner to review rules proposed under this
46 section by the commissioner, and to make suggestions
47 as appropriate."

By MATT McCOY

S-5202 FILED MARCH 30, 2004

LOST

SENATE FILE 2298**S-5203**

1 Amend Senate File 2298 as follows:
2 1. Page 71, by striking lines 15 through 17, and
3 inserting the following: "if those additional
4 expenditures are directly the result of any
5 unanticipated litigation or scope of practice review
6 committee expense arising from the discharge of an
7 examining board's".

By MAGGIE TINSMAN

S-5203 FILED MARCH 30, 2004

ADOPTED

SENATE FILE 2298**S-5204**

1 Amend Senate File 2298 as follows:
2 1. Page 177, by inserting after line 25, the
3 following:
4 "Sec. _____. Section 85.36, Code 2003, is amended by
5 adding the following new subsection:
6 NEW SUBSECTION. 5A. In the case of a school
7 district employee who is employed pursuant to a
8 contract for a specific period of time, and whose
9 earnings are paid pursuant to a contract for a
10 different period of time than the period of time
11 during which the services are performed, the
12 employee's weekly earnings shall be based on the
13 period of time for which the earnings are paid rather
14 than on the period of time during which the services
15 are performed."
16 2. By renumbering as necessary.

By STEVE KETTERING

S-5204 FILED MARCH 30, 2004

ADOPTED

SENATE FILE 2298

S-5205

1 Amend Senate File 2298 as follows:

2 1. Page 30, by inserting after line 25 the
3 following:

4 "Sec. ____ . GROW IOWA VALUES FUND APPROPRIATION.

5 1. There is appropriated from the grow Iowa values
6 fund to the department of economic development for the
7 fiscal period beginning July 1, 2004, and ending June
8 30, 2006, the following amounts, or so much thereof as
9 is necessary, to be used for the purposes designated:

10 For programs administered by the department of
11 economic development:

12	FY 2004-2005.....	\$ 34,000,000
13	FY 2005-2006.....	\$ 66,000,000

14 2. Notwithstanding section 8.33, moneys
15 appropriated in this section that remain unexpended at
16 the end of a fiscal year shall not revert to any fund
17 but shall remain available for expenditure for the
18 designated purposes during the succeeding fiscal
19 year."

20 2. Page 39, by inserting after line 1 the
21 following:

22 "Sec. ____ . Section 8.57, subsection 5, paragraph
23 e, Code Supplement 2003, is amended to read as
24 follows:

25 e. Notwithstanding provisions to the contrary in
26 sections 99D.17 and 99F.11, for the fiscal year
27 beginning July 1, ~~2000~~ 2003, and ~~for each fiscal year~~
28 ~~thereafter~~ ending June 30, 2004, not more than a total
29 of sixty million dollars shall be deposited in the
30 general fund of the state in ~~any~~ the fiscal year
31 pursuant to sections 99D.17 and 99F.11; for the fiscal
32 period beginning July 1, 2004, and ending June 30,
33 2025, not more than a total of ten million dollars of
34 the moneys directed to be deposited in the general
35 fund of the state in a fiscal year pursuant to
36 sections 99D.17 and 99F.11 shall be deposited in the
37 grow Iowa values fund created in section 15G.108 in
38 any fiscal year, and not more than a total of fifty
39 million dollars shall be deposited in the general fund
40 in any fiscal year; and for the fiscal year beginning
41 July 1, 2025, and for each fiscal year thereafter, not
42 more than a total of sixty million dollars shall be
43 deposited in the general fund of the state in any
44 fiscal year pursuant to sections 99D.17 and 99F.11.

45 The next fifteen million dollars of the moneys
46 directed to be deposited in the general fund of the
47 state in a fiscal year pursuant to sections 99D.17 and
48 99F.11 shall be deposited in the vision Iowa fund
49 created in section 12.72 for the fiscal year beginning
50 July 1, 2000, and for each fiscal year through the

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1 fiscal year beginning July 1, 2019. The next five
2 million dollars of the moneys directed to be deposited
3 in the general fund of the state in a fiscal year
4 pursuant to sections 99D.17 and 99F.11 shall be
5 deposited in the school infrastructure fund created in
6 section 12.82 for the fiscal year beginning July 1,
7 2000, and for each fiscal year thereafter until the
8 principal and interest on all bonds issued by the
9 treasurer of state pursuant to section 12.81 are paid,
10 as determined by the treasurer of state. The total
11 moneys in excess of the moneys deposited in the
12 general fund of the state, the grow Iowa values fund,
13 the vision Iowa fund, and the school infrastructure
14 fund in a fiscal year shall be deposited in the
15 rebuild Iowa infrastructure fund and shall be used as
16 provided in this section, notwithstanding section
17 8.60.

18 If the total amount of moneys directed to be
19 deposited in the general fund of the state under
20 sections 99D.17 and 99F.11 in a fiscal year is less
21 than the total amount of moneys directed to be
22 deposited in the grow Iowa values fund, the vision
23 Iowa fund, and the school infrastructure fund in the
24 fiscal year pursuant to this paragraph "e", the
25 difference shall be paid from lottery revenues in the
26 manner provided in section 99G.39, subsection 3.

27 Sec. ____ . NEW SECTION. 12.91 GENERAL AND
28 SPECIFIC BONDING POWERS.

29 1. The treasurer of state may issue bonds for the
30 purpose of funding the grow Iowa values fund created
31 in section 15G.108. The treasurer of state shall have
32 all of the powers which are necessary to issue and
33 secure bonds and carry out the purposes of the fund.
34 The treasurer of state may issue bonds in principal
35 amounts which are necessary to provide sufficient
36 funds for the grow Iowa values fund, the payment of
37 interest on the bonds, the establishment of reserves
38 to secure the bonds, the costs of issuance of the
39 bonds, other expenditures of the treasurer of state
40 incident to and necessary or convenient to carry out
41 the bond issue for the fund, and all other
42 expenditures of the board necessary or convenient to
43 administer the fund. The bonds are investment
44 securities and negotiable instruments within the
45 meaning of and for purposes of the uniform commercial
46 code.

47 2. Bonds issued under this section are payable
48 solely and only out of the moneys, assets, or revenues
49 of the grow Iowa values fund and any bond reserve
50 funds established pursuant to section 12.92, all of

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1 which may be deposited with trustees or depositories
2 in accordance with bond or security documents and
3 pledged to the payment thereof. Bonds issued under
4 this section shall contain on their face a statement
5 that the bonds do not constitute an indebtedness of
6 the state. The treasurer of state shall not pledge
7 the credit or taxing power of this state or any
8 political subdivision of the state or make bonds
9 issued pursuant to this section payable out of any
10 moneys except those in the grow Iowa values fund.

11 3. The proceeds of bonds issued by the treasurer
12 of state and not required for immediate disbursement
13 may be deposited with a trustee or depository as
14 provided in the bond documents and invested or
15 reinvested in any investment as directed by the
16 treasurer of state and specified in the trust
17 indenture, resolution, or other instrument pursuant to
18 which the bonds are issued without regard to any
19 limitation otherwise provided by law.

20 4. The bonds shall be:

21 a. In a form, issued in denominations, executed in
22 a manner, and payable over terms and with rights of
23 redemption, and be subject to the terms, conditions,
24 and covenants providing for the payment of the
25 principal of, redemption premiums, if any, interest
26 which may be fixed or variable during any period the
27 bonds are outstanding, and such other terms and
28 conditions as prescribed in the trust indenture,
29 resolution, or other instrument authorizing their
30 issuance.

31 b. Negotiable instruments under the laws of the
32 state and may be sold at prices, at public or private
33 sale, and in a manner, as prescribed by the treasurer
34 of state. Chapters 73A, 74, 74A, and 75 do not apply
35 to the sale or issuance of the bonds.

36 c. Subject to the terms, conditions, and covenants
37 providing for the payment of the principal, redemption
38 premiums, if any, interest, and other terms,
39 conditions, covenants, and protective provisions
40 safeguarding payment, not inconsistent with this
41 section and as determined by the trust indenture,
42 resolution, or other instrument authorizing their
43 issuance.

44 5. The bonds are securities in which public
45 officers and bodies of this state, political
46 subdivisions of this state, insurance companies and
47 associations and other persons carrying on an
48 insurance business, banks, trust companies, savings
49 associations, savings and loan associations, and
50 investment companies; administrators, guardians,

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1 executors, trustees, and other fiduciaries; and other
2 persons authorized to invest in bonds or other
3 obligations of the state may properly and legally
4 invest funds, including capital, in their control or
5 belonging to them.

6 6. Bonds must be authorized by a trust indenture,
7 resolution, or other instrument of the treasurer of
8 state.

9 7. Neither the resolution, trust indenture, nor
10 any other instrument by which a pledge is created
11 needs to be recorded or filed under the Iowa uniform
12 commercial code to be valid, binding, or effective.

13 8. Bonds issued under the provisions of this
14 section are declared to be issued for a general public
15 and governmental purpose and all bonds issued under
16 this section shall be exempt from taxation by the
17 state of Iowa and the interest on the bonds shall be
18 exempt from the state income tax and the state
19 inheritance and estate tax.

20 9. Subject to the terms of any bond documents,
21 moneys in the grow Iowa values fund may be expended
22 for administration expenses.

23 10. The treasurer of state may issue bonds for the
24 purpose of refunding any bonds issued pursuant to this
25 section then outstanding, including the payment of any
26 redemption premiums thereon and any interest accrued
27 or to accrue to the date of redemption of the
28 outstanding bonds. Until the proceeds of bonds issued
29 for the purpose of refunding outstanding bonds are
30 applied to the purchase or retirement of outstanding
31 bonds or the redemption of outstanding bonds, the
32 proceeds may be placed in escrow and be invested and
33 reinvested in accordance with the provisions of this
34 section. The interest, income, and profits earned or
35 realized on an investment may also be applied to the
36 payment of the outstanding bonds to be refunded by
37 purchase, retirement, or redemption. After the terms
38 of the escrow have been fully satisfied and carried
39 out, any balance of proceeds and interest earned or
40 realized on the investments may be returned to the
41 treasurer of state for deposit in the grow Iowa values
42 fund established in section 15G.108. All refunding
43 bonds shall be issued and secured and subject to the
44 provisions of this chapter in the same manner and to
45 the same extent as other bonds issued pursuant to this
46 section.

47 11. The treasurer of state shall have all of the
48 powers which are necessary to issue and secure bonds,
49 including but not limited to the power to procure
50 insurance, other credit enhancements, and other

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1 financing arrangements, and to execute instruments and
2 contracts and to enter into agreements convenient or
3 necessary to facilitate financing arrangements with
4 respect to the bonds and to carry out the purposes of
5 the fund, including but not limited to such
6 arrangements, instruments, contracts, and agreements
7 as municipal bond insurance, self-insurance or
8 liquidity trusts, accounts, pools or other
9 arrangements, liquidity facilities or covenants,
10 letters of credit, and interest rate agreements.

11 12. For purposes of this section and sections
12 12.92 through 12.95, the term "bonds" means bonds,
13 notes, and other obligations and financing
14 arrangements issued or entered into by the treasurer
15 of state and the term "interest rate agreement" means
16 an interest rate swap or exchange agreement, an
17 agreement establishing an interest rate floor or
18 ceiling or both, or any similar agreement. Any such
19 agreement may include the option to enter into or
20 cancel the agreement or to reverse or extend the
21 agreement.

22 Sec. ____ . NEW SECTION. 12.92 GROW IOWA VALUES
23 FUND ACCOUNTS AND RESERVE FUNDS.

24 1. The treasurer of state shall establish such
25 accounts within the grow Iowa values fund created in
26 section 15G.108 as may be appropriate, including debt
27 service accounts for the purpose of paying the
28 principal of, redemption premium, if any, and interest
29 on bonds payable therefrom. Moneys in the debt
30 service accounts shall not be subject to appropriation
31 for any other purpose by the general assembly, but
32 shall be used only for the purposes of paying the
33 principal of, redemption premium, if any, and interest
34 on the bonds payable therefrom.

35 2. Revenue for the grow Iowa values fund shall
36 include, but is not limited to, the following, which
37 shall be deposited with the treasurer of state or its
38 designee as provided by any bond or security documents
39 and credited to the debt service account:

40 a. The proceeds of bonds issued to capitalize and
41 pay the costs of the fund and investment earnings on
42 the proceeds.

43 b. Interest attributable to investment of moneys
44 in the fund or an account of the fund.

45 c. Moneys in the form of a devise, gift, bequest,
46 donation, federal or other grant, reimbursement,
47 repayment, judgment, transfer, payment, or
48 appropriation from any source intended to be used for
49 the purposes of the fund or account.

50 3. a. The treasurer of state may create and

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1 establish one or more special funds, to be known as
2 "bond reserve funds", to secure one or more issues of
3 bonds issued pursuant to section 12.91. The treasurer
4 of state shall pay into each bond reserve fund any
5 moneys appropriated and made available by the state or
6 treasurer of state for the purpose of the fund, any
7 proceeds of sale of bonds to the extent provided in
8 the resolutions or trust indentures authorizing their
9 issuance, and any other moneys which may be available
10 to the treasurer of state for the purpose of the fund
11 from any other sources. All moneys held in a bond
12 reserve fund, except as otherwise provided in this
13 chapter, shall be used as required solely for the
14 payment of the principal of bonds secured in whole or
15 in part by the fund or of the sinking fund payments
16 with respect to the bonds, the purchase or redemption
17 of the bonds, the payment of interest on the bonds, or
18 the payments of any redemption premium required to be
19 paid when the bonds are redeemed prior to maturity.

20 b. Moneys in a bond reserve fund shall not be
21 withdrawn from it at any time in an amount that will
22 reduce the amount of the fund to less than the bond
23 reserve fund requirement established for the fund, as
24 provided in this subsection, except for the purpose of
25 making, with respect to bonds secured in whole or in
26 part by the fund, payment when due of principal,
27 interest, redemption premiums, and the sinking fund
28 payments with respect to the bonds for the payment of
29 which other moneys of the treasurer of state are not
30 available.

31 Any income or interest earned by, or incremental
32 to, a bond reserve fund due to the investment of it
33 may be transferred by the treasurer of state to other
34 funds or accounts to the extent the transfer does not
35 reduce the amount of that bond reserve fund below the
36 bond reserve fund requirement for it.

37 c. The treasurer of state shall not at any time
38 issue bonds, secured in whole or in part by a bond
39 reserve fund, if, upon the issuance of the bonds, the
40 amount in the bond reserve fund will be less than the
41 bond reserve fund requirement for the fund, unless the
42 treasurer of state at the time of issuance of the
43 bonds deposits in the fund from the proceeds of the
44 bonds issued or from other sources an amount which,
45 together with the amount then in the fund, will not be
46 less than the bond reserve fund requirement for the
47 fund. For the purposes of this subsection, the term
48 "bond reserve fund requirement" means, as of any
49 particular date of computation, an amount of money, as
50 provided in the resolutions or trust indentures

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1 authorizing the bonds with respect to which the fund
2 is established.

3 d. To assure the continued solvency of any bonds
4 secured by the bond reserve fund, provision is made in
5 paragraph "a" for the accumulation in each bond
6 reserve fund of an amount equal to the bond reserve
7 requirement for the fund. In order to further assure
8 maintenance of the bond reserve funds, the treasurer
9 of state shall, on or before January 1 of each
10 calendar year, make and deliver to the governor the
11 treasurer of state's certificate stating the sum, if
12 any, required to restore each bond reserve fund to the
13 bond reserve fund requirement for that fund. Within
14 thirty days after the beginning of the session of the
15 general assembly next following the delivery of the
16 certificate, the governor shall submit to both houses
17 printed copies of a budget including the sum, if any,
18 required to restore each bond reserve fund to the bond
19 reserve fund requirement for that fund. Any sums
20 appropriated by the general assembly and paid to the
21 treasurer of state pursuant to this subsection shall
22 be deposited by the treasurer of state in the
23 applicable bond reserve fund.

24 Sec. ____ . NEW SECTION. 12.93 PLEDGES.

25 1. It is the intention of the general assembly
26 that a pledge made in respect of bonds shall be valid
27 and binding from the time the pledge is made, that the
28 moneys or property so pledged and received after the
29 pledge by the treasurer of state shall immediately be
30 subject to the lien of the pledge without physical
31 delivery or further act, and that the lien of the
32 pledge shall be valid and binding as against all
33 parties having claims of any kind in tort, contract,
34 or otherwise against the treasurer of state whether or
35 not the parties have notice of the lien.

36 2. The moneys set aside in a fund or funds pledged
37 for any series or issue of bonds shall be held for the
38 sole benefit of the series or issue separate and apart
39 from moneys pledged for another series or issue of
40 bonds of the treasurer of state. Bonds may be issued
41 in series under one or more resolutions or trust
42 indentures and may be fully open-ended, thus providing
43 for the unlimited issuance of additional series, or
44 partially open-ended, limited as to additional series.

45 Sec. ____ . NEW SECTION. 12.94 LIMITATIONS.

46 Bonds issued pursuant to section 12.91 are not
47 debts of the state, or of any political subdivision of
48 the state, and do not constitute a pledge of the faith
49 and credit of the state or a charge against the
50 general credit or general fund of the state. The

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1 issuance of any bonds pursuant to section 12.91 by the
2 treasurer of state does not directly, indirectly, or
3 contingently obligate the state or a political
4 subdivision of the state to apply moneys, or to levy
5 or pledge any form of taxation whatever, to the
6 payment of the bonds. Bonds issued under section
7 12.91 are payable solely and only from the sources and
8 special fund and accounts provided in section 12.92.

9 Sec. _____. NEW SECTION. 12.95 CONSTRUCTION.

10 Sections 12.91 through 12.94, being necessary for
11 the welfare of this state and its inhabitants, shall
12 be liberally construed to effect its purposes.

13 Sec. _____. Section 15G.108, Code Supplement 2003,
14 is amended to read as follows:

15 15G.108 GROW IOWA VALUES FUND.

16 A grow Iowa values fund is created and established
17 as a separate and distinct fund in the state treasury
18 under the control of the grow Iowa values board
19 consisting of moneys appropriated to the grow Iowa
20 values board. Moneys in the fund are not subject to
21 section 8.33. Notwithstanding section 12C.7, interest
22 or earnings on moneys in the fund shall be credited to
23 the fund. Moneys in the fund shall not be subject to
24 appropriation for any other purposes by the general
25 assembly other than as provided in this Act and 2003
26 Iowa Acts, First Extraordinary Session, chapter 2, but
27 shall be used only for the purposes of the grow Iowa
28 values fund. The treasurer of state shall act as
29 custodian of the fund and disburse moneys contained in
30 the fund as directed by the grow Iowa values board,
31 including automatic disbursements of moneys received
32 pursuant to the terms of bond indentures and documents
33 and security provisions to trustees. The fund shall
34 be administered by the grow Iowa values board, which
35 shall make expenditures from the fund consistent with
36 this chapter and pertinent Acts of the general
37 assembly. Any financial assistance provided using
38 moneys from the fund may be provided over a period of
39 time of more than one year. Payments of interest,
40 repayments of moneys loaned pursuant to this chapter,
41 and recaptures of grants or loans shall be deposited
42 in the fund.

43 Sec. _____. Section 15G.110, Code Supplement 2003,
44 is amended to read as follows:

45 15G.110 FUTURE CONSIDERATION.

46 Not later than February 1, 2007, the legislative
47 services agency shall prepare and deliver to the
48 secretary of the senate and the chief clerk of the
49 house of representatives identical bills that repeal
50 the provisions of this chapter, with the exception of

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1 sections 15G.101, 15G.102, 15G.103, and 15G.108. It
2 is the intent of this section that the general
3 assembly shall bring the bill to a vote in either the
4 senate or the house of representatives expeditiously.
5 It is further the intent of this chapter that if the
6 bill is approved by the first house in which it is
7 considered, it shall expeditiously be brought to a
8 vote in the second house.

9 Sec. _____. Section 99G.39, subsection 3, paragraph
10 a, Code Supplement 2003, is amended to read as
11 follows:

12 a. Notwithstanding subsection 1, if gaming
13 revenues under sections 99D.17 and 99F.11 are
14 insufficient in a fiscal year to meet the total amount
15 of such revenues directed to be deposited in the grow
16 Iowa values fund, the vision Iowa fund, and the school
17 infrastructure fund during the fiscal year pursuant to
18 section 8.57, subsection 5, paragraph "e", the
19 difference shall be paid from lottery revenues prior
20 to deposit of the lottery revenues in the general
21 fund. If lottery revenues are insufficient during the
22 fiscal year to pay the difference, the remaining
23 difference shall be paid from lottery revenues in
24 subsequent fiscal years as such revenues become
25 available.

26 Sec. _____. 2003 Iowa Acts, First Extraordinary
27 Session, chapter 1, section 114, is amended to read as
28 follows:

29 SEC. 114. The divisions of this Act designated the
30 grow Iowa values board and fund, with the exception of
31 sections 15G.101, 15G.102, 15G.103, and 15G.108, Code
32 Supplement 2003, the value-added agricultural products
33 and processes financial assistance program, the endow
34 Iowa grants, the technology transfer advisors, the
35 Iowa economic development loan and credit guarantee
36 fund, the economic development assistance and data
37 collection, the cultural and entertainment districts,
38 the workforce issues, and the university-based
39 research utilization program, are repealed effective
40 June 30, 2010."

41 3. By renumbering as necessary.

By WILLIAM A. DOTZLER
HERMAN C. QUIRMBACH
MATT McCOY
JACK HOLVECK
DR. JOE SENG
ROBERT E. DVORSKY
MIKE CONNOLLY
WALLY E. HORN

JOHN P. KIBBIE
JACK HATCH
MICHAEL E. GRONSTAL
AMANDA RAGAN
KEITH A. KREIMAN
THOMAS G. COURTNEY
ROGER STEWART
DARYL BEALL

S-5205 FILED MARCH 30, 2004

LOST

SENATE FILE 2298**S-5208**

1 Amend Senate File 2298 as follows:

2 1. Page 177, by inserting after line 3 the
3 following:

4 "Sec. ____ . Section 28.3, subsection 2, Code 2003,
5 is amended to read as follows:

6 2. The Iowa board shall consist of ~~seventeen~~
7 eighteen voting members with thirteen citizen members
8 and ~~four~~ five state agency members. The ~~four~~ five
9 state agency members shall be the directors of the
10 following departments: economic development,
11 education, human rights, human services, and public
12 health. The thirteen citizen members shall be
13 appointed by the governor, subject to confirmation by
14 the senate. The governor's appointments of citizen
15 members shall be made in a manner so that each of the
16 state's congressional districts is represented by two
17 citizen members and so that all the appointments as a
18 whole reflect the ethnic, cultural, social, and
19 economic diversity of the state. The governor's
20 appointees shall be selected from individuals
21 nominated by community empowerment area boards. The
22 nominations shall reflect the range of interests
23 represented on the community boards so that the
24 governor is able to appoint one or more members each
25 for education, health, human services, business,
26 faith, and public interests. At least one of the
27 citizen members shall be a service consumer or the
28 parent of a service consumer. Terms of office of all
29 citizen members are three years. A vacancy on the
30 board shall be filled in the same manner as the
31 original appointment for the balance of the unexpired
32 term."

33 2. By renumbering as necessary.

By MAGGIE TINSMAN

S-5208 FILED MARCH 30, 2004

ADOPTED

SENATE FILE 2298**S-5209**

1 Amend Senate File 2298 as follows:

2 1. Page 19, by inserting after line 22 the
3 following:

4 "Sec. ____ . NEW SECTION. 476.4B LOW-INCOME
5 UTILITY CUSTOMERS.

6 Notwithstanding any other provisions of this
7 chapter or any law to the contrary, the board may
8 approve upon the terms and conditions in an
9 application, tariff, or settlement agreement proposed
10 or recommended by an electric or gas corporation,
11 programs for assisting low-income residential
12 ratepayers in obtaining or maintaining access to
13 reliable, continuous utility service to such low-
14 income utility customers. The board may also approve
15 energy efficiency, weatherization, and evaluation
16 components as part of such programs. All programs,
17 tariffs, agreements, or rule provisions that provide
18 for such assistance shall include terms for adjusting
19 rates as necessary to ensure that the program, tariff,
20 agreement, or rule provision will not have any
21 negative financial impact on the electric or gas
22 corporation. This section shall not be construed as
23 diminishing the board's existing authority to approve
24 on an experimental basis low-income assistance
25 programs proposed by an electric or gas corporation."
26 2. By renumbering as necessary.

By JACK HATCH

S-5209 FILED MARCH 30, 2004

WITHDRAWN

SENATE FILE 2298

S-5210

1 Amend Senate File 2298 as follows:

2 1. Page 29, by inserting after line 24 the
3 following:

4 "5. For deposit in the revitalizing rural Iowa
5 fund:

6 \$ 50,000,000"

7 2. Page 36, by inserting after line 33 the
8 following:

9 "Sec. ____ . NEW SECTION. 15E.231 REVITALIZING

10 RURAL IOWA PROGRAM -- REVITALIZING RURAL IOWA FUND.

11 1. The department shall establish and administer a
12 revitalizing rural Iowa program for purposes of
13 providing financial assistance in the form of grants
14 to regional rural economic development groups.

15 Financial assistance received under this program shall
16 be used for any of the following purposes:

17 a. Infrastructure, cultural, or recreational needs
18 which are critical to attracting, creating, or
19 expanding employment in the area.

20 b. Making no-interest or low-interest loans to new
21 businesses and existing small businesses.

22 c. Developing volunteer mentoring programs in
23 cooperation with local schools, economic development
24 groups, and others to assist individuals in starting
25 new businesses.

26 d. Developing or expanding businesses involved in
27 value-added agricultural products.

28 e. Expanding school-to-work mentoring and
29 apprenticeship programs in schools, particularly for
30 those students interested in working in agricultural-
31 related businesses.

32 2. A revitalizing rural Iowa fund is created in
33 the state treasury under the control of the department
34 consisting of any moneys appropriated by the general
35 assembly for the purposes of the revitalizing rural
36 Iowa program and any other moneys available to and
37 obtained or accepted by the department for placement
38 in the fund. The fund shall be used to provide grants
39 under the revitalizing rural Iowa program established
40 in this section. Moneys in the fund are not subject
41 to section 8.33. Notwithstanding section 12C.7,
42 interest or earnings on moneys in the fund shall be
43 credited to the fund.

44 Sec. ____ . NEW SECTION. 266.51 APPROPRIATION.

45 For the fiscal year beginning July 1, 2005, and
46 each fiscal year thereafter, there is appropriated
47 from the general fund to Iowa state university of
48 science and technology twenty million one hundred
49 forty thousand one hundred seventy-five dollars for
50 salaries, support, maintenance, and miscellaneous

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1 purposes for the Iowa cooperative extension service in
2 agriculture and home economics."

3 3. By renumbering as necessary.

By KEITH A. KREIMAN

JOE BOLKCOM

JOHN P. KIBBIE

MICHAEL E. GRONSTAL

WILLIAM A. DOTZLER

AMANDA RAGAN

THOMAS G. COURTNEY

DARYL BEALL

ROGER STEWART

WALLY E. HORN

ROBERT E. DVORSKY

DR. JOE SENG

JACK HATCH

EUGENE S. FRAISE

MIKE CONNOLLY

S-5210 FILED MARCH 30, 2004

LOST

SENATE FILE 2298**S-5211**

1 Amend Senate File 2298 as follows:

2 1. Page 51, by inserting after line 19 the
3 following:

4 "Sec. ____ . SCHOOL FINANCE FORMULA APPROPRIATION.
5 Notwithstanding section 8.22A, subsection 3, or any
6 other provision of law to the contrary, the revenue
7 estimate agreed to by the revenue estimating
8 conference at its March 19, 2004, meeting shall be
9 used in determining the state general fund expenditure
10 limitation for the fiscal year beginning July 1, 2004.
11 The amount of the increase in the expenditure
12 limitation over the limitation based upon the revenue
13 estimate agreed to by the revenue estimating
14 conference at its December 8, 2003, meeting shall be
15 appropriated to the department of education for
16 distribution pursuant to section 257.16 to pay
17 foundation aid and supplementary aid under section
18 257.4, subsection 2. The amount appropriated in this
19 section shall be distributed on a per pupil basis to
20 school districts based upon the district's budget
21 enrollment."

22 2. Page 62, by inserting after line 34 the
23 following:

24 "Sec. ____ . Section 257.35, subsection 2, Code
25 Supplement 2003, is amended by striking the
26 subsection."

By MICHAEL E. GRONSTAL
EUGENE S. FRAISE
JOHN P. KIBBIE
MIKE CONNOLLY
ROBERT E. DVORSKY
DICK L. DEARDEN
JACK HOLVECK
DR. JOE SENG
WALLY E. HORN
KEITH A. KREIMAN
DENNIS H. BLACK

THOMAS G. COURTNEY
JOE BOLKCOM
AMANDA RAGAN
STEVEN H. WARNSTADT
DARYL BEALL
WILLIAM A. DOTZLER
MATT McCOY
JACK HATCH
ROGER STEWART
HERMAN C. QUIRMBACH

S-5211 FILED MARCH 30, 2004

LOST

SENATE FILE 2298

S-5212

1 Amend Senate File 2298 as follows:

2 1. Page 39, line 18, by striking the figure
3 "1,029,784" and inserting the following: "1,129,784".

4 2. By striking page 187, line 32, through page
5 193, line 26 and inserting the following:

6 "Sec. ____ . PAYMENTS IN LIEU OF GENERAL FUND
7 REIMBURSEMENT. Notwithstanding the amount of the
8 standing appropriation from the general fund of the
9 state in the following designated sections and
10 notwithstanding any conflicting provisions or voting
11 requirements of section 8.56, there is appropriated
12 from the cash reserve fund in lieu of the
13 appropriations in the following designated sections
14 for the fiscal year beginning July 1, 2004, and ending
15 June 30, 2005, the following amounts for the following
16 designated purposes:

17 1. For reimbursement for the homestead property
18 tax credit under section 425.1:
19 \$120,400,000

20 2. For reimbursement for the agricultural land and
21 family farm tax credits under sections 425A.1 and
22 426.1:
23 \$ 39,100,000

24 3. For reimbursement for the military service tax
25 credit under section 426A.1A:
26 \$ 2,568,402

27 4. For implementing the elderly and disabled
28 credit and reimbursement pursuant to sections 425.16
29 through 425.40:
30 \$ 19,540,000

31 If the sum of the amount of claims for credit for
32 property taxes due plus the amount of claims for
33 reimbursement for rent constituting property tax paid
34 which are to be paid during the fiscal year beginning
35 July 1, 2004, exceeds the amount appropriated in this
36 subsection, the director of revenue shall prorate the
37 payments for the property tax credit and for
38 reimbursement for rent constituting property tax paid.
39 In order for the director to carry out the
40 requirements of this subsection, notwithstanding any
41 provision to the contrary in chapter 425, claims for
42 reimbursement for rent constituting property taxes
43 paid filed before May 1, 2005, shall be eligible to be
44 paid during the fiscal year ending June 30, 2005, and
45 those claims filed on or after May 1, 2005, shall be
46 eligible to be paid during the fiscal year beginning
47 July 1, 2005, and the director is not required to make
48 payments to counties for the property tax credit
49 before June 15, 2005."

By HERMAN C. QUIRMBACH
DARYL BEALL
DENNIS H. BLACK
JOE BOLKCOM
MIKE CONNOLLY
THOMAS G. COURTNEY
DICK L. DEARDEN
WILLIAM A. DOTZLER
ROBERT E. DVORSKY
GENE FRAISE
MICHAEL E. GRONSTAL

JACK HATCH
JACK HOLVECK
WALLY E. HORN
JOHN P. KIBBIE
KEITH KREIMAN
MATT McCOY
AMANDA RAGAN
DR. JOE M. SENG
ROGER STEWART
STEVE H. WARNSTADT

S-5212 FILED MARCH 30, 2004
LOST

SENATE FILE 2298

S-5213

- 1 Amend the amendment, S-5177, to Senate File 2298,
- 2 as follows:
- 3 1. Page 4, by striking lines 24 through 31.
- 4 2. Page 4, line 32, by striking the word "Sec."
- 5 and inserting the following: ""Sec."

By RICHARD F. DRAKE

S-5213 FILED MARCH 30, 2004
ADOPTED

SENATE FILE 2298

S-5216

- 1 Amend the amendment, S-5188, to Senate File 2298 as
- 2 follows:
- 3 1. Page 1, by inserting after line 1 the
- 4 following:
- 5 "____. Page 28, line 15, by striking the figure
- 6 "6,084,500" and inserting the following:
- 7 "5,784,500"."
- 8 2. By renumbering as necessary.

By PAUL MCKINLEY

S-5216 FILED MARCH 30, 2004
ADOPTED

SENATE FILE 2298**S-5219**

1 Amend Senate File 2298 as follows:

2 1. Page 177, by inserting after line 25 the
3 following:

4 "Sec. ____ . Section 208.16, subsection 2, Code
5 2003, is amended to read as follows:

6 2. The division may establish procedures for
7 transferring the responsibility for reclamation of a
8 mine site to a state agency or political subdivision,
9 or to a private entity, which intends to use the site
10 for other purposes. The division, with agreement from
11 the receiving agency or subdivision, or from a private
12 entity, to complete adequate reclamation, may approve
13 the transfer of responsibility, release the bond or
14 security, and terminate or amend the operator's
15 authorization to conduct mining on the site."

16 2. By renumbering as necessary.

By DARYL BEALL

STEVEN H. WARNSTADT

STEWART IVERSON, Jr.

S-5219 FILED MARCH 30, 2004

ADOPTED

SENATE FILE 2298**S-5220**

1 Amend Senate File 2298 as follows:

2 1. Page 177, by inserting after line 3 the
3 following:

4 "Sec. ____ . Section 8.55, subsection 2, paragraph
5 d, Code Supplement 2003, is amended to read as
6 follows:

7 d. Notwithstanding paragraph "a", any moneys in
8 excess of the maximum balance in the economic
9 emergency fund after the distribution of the surplus
10 in the general fund of the state at the conclusion of
11 each fiscal year and after the appropriate amounts
12 have been transferred pursuant to paragraphs "b" and
13 "c" shall not be transferred to the general fund of
14 the state but shall be transferred to the endowment
15 for Iowa's health account of the tobacco settlement
16 trust fund. The total amount transferred, in the
17 aggregate, under this paragraph for all fiscal years
18 shall not exceed the difference between one hundred
19 ~~one thirty-one~~ million ~~seven~~ five hundred ~~fifty-one~~
20 thirty-six thousand dollars and the amounts
21 transferred to the endowment for Iowa's health account
22 to repay the amounts transferred or appropriated from
23 the endowment for Iowa's health account in 2002 Iowa
24 Acts, chapter 1165, 2002 Iowa Acts, chapter 1166, 2002
25 Iowa Acts, chapter 1167, 2002 Iowa Acts, Second
26 Extraordinary Session, chapter 1003, and 2003 Iowa
27 Acts, chapter 183, and 2004 Iowa Acts, Senate File
28 2298."

By BOB BRUNKHORST

S-5220 FILED MARCH 30, 2004
ADOPTED

SENATE FILE 2298

S-5221

1 Amend Senate File 2298 as follows:

2 1. Page 42, line 6, by inserting after the word
3 "state." the following: "The department shall
4 strongly encourage school districts to seek direct
5 claiming under the medical assistance program for
6 funding of school district nursing services for
7 students."

8 2. Page 53, line 19, by inserting after the word
9 "encumbered" the following: "and shall not be
10 expended for any purpose".

11 3. Page 53, line 35, by inserting after the word
12 "encumbered" the following: ", may be expended,".

13 4. Page 55, by inserting after line 16, the
14 following:

15 "The university of Iowa hospitals and clinics, in
16 cooperation with the department of corrections, shall
17 study the utilization of the indigent patient care
18 program by department of corrections' inmates and
19 shall submit a report to the governor and the general
20 assembly on or before January 1, 2005, regarding
21 recommendations to improve the efficiency and cost-
22 effectiveness of the care provided to the inmates."

23 5. Page 68, by inserting after line 2, the
24 following:

25 "2A. Of the funds appropriated in this section,
26 \$49,000 shall be used, in addition to any other funds
27 appropriated in this Act, for provision of training to
28 resident advocate committees for elder group homes, as
29 defined in section 231B.1, and licensed health care
30 facilities as defined in section 135C.1."

31 6. Page 73, by striking lines 25 through 27 and
32 inserting the following: "equivalent positions for
33 program services and investigations. Fees".

34 7. Page 73, line 35, by striking the figure
35 "406,707" and inserting the following: "680,707".

36 8. Page 80, line 17, by striking the figure
37 "19,480,254" and inserting the following:
38 "16,280,254".

39 9. Page 81, line 11, by striking the figure
40 "30,275,728" and inserting the following:
41 "33,475,728".

42 10. Page 97, by inserting before line 6 the
43 following:

44 "____. The department shall assist school districts
45 in applying for direct claiming under the medical
46 assistance program for funding of school district
47 nursing services for students."

48 11. Page 98, line 6, by striking the word
49 "intermediary" and inserting the following: "agent".

50 12. Page 98, by striking lines 24 through 28, and

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1 inserting the following:

2 "c. Implement a health insurance data match
3 program with insurance carriers to be used to match
4 insureds against".

5 13. Page 98, by striking lines 32 and 33, and
6 inserting the following: "confidential. The
7 department, in consultation with insurance carriers,
8 shall adopt rules to implement this paragraph. The
9 rules shall be published as emergency rules to take
10 effect no later than June 30, 2004. Insurance
11 carriers shall begin providing the information
12 required upon the adoption of the rules."

13 14. Page 99, by striking lines 6 through 9.

14 15. Page 99, by striking lines 14 through 19.

15 16. By striking page 99, line 20, through page
16 100, line 2, and inserting the following:

17 "h. Provide that under the Iowa preferred drug
18 list requirements, any newly released generic drug
19 product shall only be considered to be a preferred
20 drug and therefore not subject to prior authorization
21 if the generic product's cost to the medical
22 assistance program is less than the brand name
23 product's cost to the medical assistance program. In
24 determining the medical assistance program cost of
25 each drug product, the drug product cost shall be the
26 net amount derived following inclusion of all medical
27 assistance program drug rebates and after the impact
28 of all Iowa-specific supplemental rebates are taken
29 into account."

30 17. Page 101, line 16, by striking the figure
31 "12,618,275" and inserting the following:

32 "12,118,275".

33 18. Page 105, line 21, by striking the figure
34 "100,135,253" and inserting the following:

35 "96,935,253".

36 19. Page 105, by inserting after line 21 the
37 following:

38 "In order to address a reduction of \$6,200,000 from
39 the amount allocated under this appropriation in prior
40 years for purposes of juvenile delinquent graduated
41 sanction services, up to \$6,200,000 of the amount of
42 federal temporary assistance for needy families block
43 grant funding appropriated in this division of this
44 Act for child and family services, shall be made
45 available for purposes of juvenile delinquent
46 graduated sanction services."

47 20. Page 107, line 5, by striking the figure
48 "3,000,000" and inserting the following: "1,000,000".

49 21. Page 107, line 8, by inserting after the
50 figure "232.188." the following: "In addition, up to

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Page 3

1 \$2,000,000 of the amount of federal temporary
2 assistance for needy families block grant funding
3 appropriated in this division of this Act for child
4 and family services shall be made available for
5 purposes of decategorization of child welfare services
6 as provided in this subsection."

7 22. Page 108, line 25, by inserting after the
8 figure "4." the following: "Of the amount allocated
9 in this subsection, up to \$1,431,597 shall be made
10 available to provide school-based supervision of
11 children adjudicated under chapter 232, of which not
12 more than \$15,000 may be used for the purpose of
13 training. A portion of the cost of each school-based
14 liaison officer shall be paid by the school district
15 or other funding source as approved by the chief
16 juvenile court officer."

17 23. Page 109, by striking lines 22 through 31.

18 24. Page 121, line 16, by striking the figure
19 "49,897,364" and inserting the following:
20 "53,097,364".

21 25. Page 122, line 6, by striking the figure
22 "10,863,436" and inserting the following:
23 "11,089,436".

24 26. Page 122, line 29, by striking the figure
25 "154,013,248." and inserting the following:
26 "156,013,248. For the fiscal year beginning July 1,
27 2004, and ending June 30, 2005, nursing facilities
28 reimbursed under the case-mix reimbursement system
29 shall have their allowable cost calculations adjusted
30 by applying the most recently published HCFA/SNF
31 index. For the purpose of this subparagraph, the
32 HCFA/SNF index means the HCFA total skilled nursing
33 facility market basket index published by data
34 resources, inc."

35 27. Page 129, line 6, by inserting after the word
36 "year." the following: "Of the amount remaining
37 available, the department of human services may use up
38 to \$2,300,000 to draw down the maximum amount of
39 disproportionate share hospital reimbursement under
40 the medical assistance program as provided in the
41 federal Prescription Drug and Medicare Improvement Act
42 of 2003. Any amounts received shall be distributed in
43 accordance with the regular disproportionate share
44 hospital program paid out of the graduate medical
45 education and disproportionate share fund."

46 28. Page 132, by striking lines 21 through 27 and
47 inserting the following:

48 "A carrier, as defined in section 514C.13, shall
49 enter into a health insurance data match program with
50 the department of human services for the sole purpose

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Page 4

1 of comparing the names of the carrier's insureds with
2 the names of recipients of the medical assistance
3 program."

4 29. Page 134, by inserting after line 8 the
5 following:

6 "Sec. ____ . 2002 Iowa Acts, chapter 1174, section
7 4, unnumbered paragraph 3, as amended by 2002 Iowa
8 Acts, Second Extraordinary Session, chapter 1003,
9 section 244, is amended to read as follows:

10 Notwithstanding section 8.33, moneys appropriated
11 under this section that are unobligated or
12 unencumbered at the end of the fiscal year beginning
13 July 1, 2002, and ending June 30, 2003, shall not
14 revert, but shall remain available for the specific
15 purposes designated in this section until June 30,
16 ~~2004~~ 2005."

17 30. Page 136, by inserting before line 14 the
18 following:

19 "4A. The provision amending 2002 Iowa Acts,
20 chapter 1174, section 4, unnumbered paragraph 3, as
21 amended by 2002 Iowa Acts, Second Extraordinary
22 Session, chapter 1003, section 244."

23 31. Page 139, by inserting after line 3, the
24 following:

25 "c. Two million dollars of the moneys appropriated
26 in this subsection shall be transferred to the
27 appropriation in this Act from the general fund of the
28 state for the medical assistance program to be used to
29 implement nursing facility provider reimbursements as
30 provided in 2001 Iowa Acts, chapter 192, section 4,
31 subsection 2, paragraph "c".

32 32. Page 143, line 16, by striking the figure
33 "14,492,712" and inserting the following:
34 "19,157,111".

35 33. Page 144, line 10 by inserting after the word
36 "percent." the following: "However, the amount
37 withheld shall be limited to the amount by which the
38 county's ending balance was in excess of the ending
39 balance percentage of 10 percent."

40 34. Page 144, by striking lines 11 through 14 and
41 inserting the following:

42 "c. For an ending balance percentage of 25 percent
43 or more, a withholding factor of 100 percent."

44 35. Page 144, line 17, by striking the figure
45 "4,753,963" and inserting the following: "9,418,362".

46 36. By striking page 144, line 29, through page
47 145, line 9.

48 37. Page 194, line 6, by striking the word "and"
49 and inserting the following: "and".

50 38. Page 194, line 7, by inserting after the

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1 figure "135C.1" the following: "and a federally
2 licensed, regulated, or registered nonprofit blood
3 bank, blood center, or plasma center that is
4 collecting, processing, or distributing whole human
5 blood, blood components, plasma, blood fractions, or
6 blood derivatives for use by a licensed health care
7 provider".

8 39. By renumbering as necessary.

By MAGGIE TINSMAN

S-5221 FILED MARCH 30, 2004

WITHDRAWN

SENATE FILE 2298**S-5222**

1 Amend Senate File 2298 as follows:

2 1. Page 167, by striking lines 10 through 15.

3 2. Page 167, by inserting before line 16 the
4 following:

5 "Sec. _____. Section 13B.4, subsection 2, Code
6 Supplement 2003, as amended by 2004 Iowa Acts, House
7 File 2138, section 1, if enacted, is amended to read
8 as follows:

9 2. The state public defender shall file a notice
10 with the clerk of the district court in each county
11 served by a public defender designating which public
12 defender office shall receive notice of appointment of
13 cases. The state public defender may also designate a
14 nonprofit organization which ~~contracts~~ has a contract
15 with the state public defender to provide legal
16 services to eligible indigent persons prior to the
17 effective date of this Act. Except as otherwise
18 provided, in each county in which the state public
19 defender files a designation, the state public
20 defender's designee shall be appointed by the court to
21 represent all eligible indigents, in all of the cases
22 and proceedings specified in the designation. The
23 appointment shall not be made if the state public
24 defender notifies the court that the public defender
25 designee will not provide legal representation in
26 certain cases as identified in the designation by the
27 state public defender."

28 3. By striking page 171, line 27, through page
29 172, line 9.

30 4. Page 174, by inserting after line 34 the
31 following:

32 "Sec. _____. STATE PUBLIC DEFENDER STUDY. The state
33 public defender in consultation with the indigent
34 defense advisory commission, the supreme court, the
35 Iowa state bar association, the Iowa association of
36 criminal defense lawyers, and other interested
37 organizations, shall study cost saving methods that
38 can be implemented to deliver legal representation to
39 indigent defendants in a more efficient manner. The
40 state public defender, in cooperation with the
41 entities consulted with, shall file a report with the
42 general assembly by December 15, 2004. The report
43 shall include recommendations for achieving
44 efficiencies in the delivery of indigent defense
45 services including but not limited to the advisability
46 of the state public defender entering into indigent
47 defense contracts for a predetermined fee in specific
48 types of cases."

49 5. Page 175, line 1, by inserting before the
50 figure "85.66" the following: "13B.4, subsection 2,".

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1 6. Page 175, line 5, by inserting after the
2 figure "13B.4," the following: "subsection 1,".

By DAVID MILLER
BRYAN J. SIEVERS

S-5222 FILED MARCH 30, 2004

ADOPTED

SENATE FILE 2298

S-5223

1 Amend Senate File 2298 as follows:

2 1. Page 42, line 6, by inserting after the word
3 "state." the following: "The department shall
4 strongly encourage school districts to seek direct
5 claiming under the medical assistance program for
6 funding of school district nursing services for
7 students."

8 2. Page 53, line 19, by inserting after the word
9 "encumbered" the following: "and shall not be
10 expended for any purpose".

11 3. Page 53, line 35, by inserting after the word
12 "encumbered" the following: ", may be expended,".

13 4. Page 55, by inserting after line 16, the
14 following:

15 "The university of Iowa hospitals and clinics, in
16 cooperation with the department of corrections, shall
17 study the utilization of the indigent patient care
18 program by department of corrections' inmates and
19 shall submit a report to the governor and the general
20 assembly on or before January 1, 2005, regarding
21 recommendations to improve the efficiency and cost-
22 effectiveness of the care provided to the inmates."

23 5. Page 68, by inserting after line 2, the
24 following:

25 "2A. Of the funds appropriated in this section,
26 \$49,000 shall be used, in addition to any other funds
27 appropriated in this Act, for provision of training to
28 resident advocate committees for elder group homes, as
29 defined in section 231B.1, and licensed health care
30 facilities as defined in section 135C.1."

31 6. Page 73, by striking lines 25 through 27 and
32 inserting the following: "equivalent positions for
33 program services and investigations. Fees".

34 7. Page 73, line 35, by striking the figure
35 "406,707" and inserting the following: "680,707".

36 8. Page 80, line 17, by striking the figure
37 "19,480,254" and inserting the following:
38 "16,280,254".

39 9. Page 81, line 11, by striking the figure
40 "30,275,728" and inserting the following:
41 "33,475,728".

42 10. Page 97, by inserting before line 6 the
43 following:

44 "____. The department shall assist school districts
45 in applying for direct claiming under the medical
46 assistance program for funding of school district
47 nursing services for students."

48 11. Page 98, line 6, by striking the word
49 "intermediary" and inserting the following: "agent".

50 12. Page 98, by striking lines 24 through 28, and

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- 1 inserting the following:
- 2 "c. Implement a health insurance data match
- 3 program with insurance carriers to be used to match
- 4 insureds against".
- 5 13. Page 98, by striking lines 32 and 33, and
- 6 inserting the following: "confidential. The
- 7 department, in consultation with insurance carriers,
- 8 shall adopt rules to implement this paragraph. The
- 9 rules shall be published as emergency rules to take
- 10 effect no later than June 30, 2004. Insurance
- 11 carriers shall begin providing the information
- 12 required upon the adoption of the rules."
- 13 14. Page 99, by striking lines 6 through 9.
- 14 15. Page 99, by striking lines 14 through 19.
- 15 16. By striking page 99, line 20, through page
- 16 100, line 2, and inserting the following:
- 17 "h. Provide that under the Iowa preferred drug
- 18 list requirements, any newly released generic drug
- 19 product shall only be considered to be a preferred
- 20 drug and therefore not subject to prior authorization
- 21 if the generic product's cost to the medical
- 22 assistance program is less than the brand name
- 23 product's cost to the medical assistance program. In
- 24 determining the medical assistance program cost of
- 25 each drug product, the drug product cost shall be the
- 26 net amount derived following inclusion of all medical
- 27 assistance program drug rebates and after the impact
- 28 of all Iowa-specific supplemental rebates are taken
- 29 into account."
- 30 17. Page 101, line 16, by striking the figure
- 31 "12,618,275" and inserting the following:
- 32 "12,118,275".
- 33 18. Page 105, line 21, by striking the figure
- 34 "100,135,253" and inserting the following:
- 35 "96,935,253".
- 36 19. Page 105, by inserting after line 21 the
- 37 following:
- 38 "In order to address a reduction of \$6,200,000 from
- 39 the amount allocated under this appropriation in prior
- 40 years for purposes of juvenile delinquent graduated
- 41 sanction services, up to \$6,200,000 of the amount of
- 42 federal temporary assistance for needy families block
- 43 grant funding appropriated in this division of this
- 44 Act for child and family services, shall be made
- 45 available for purposes of juvenile delinquent
- 46 graduated sanction services."
- 47 20. Page 107, line 5, by striking the figure
- 48 "3,000,000" and inserting the following: "1,000,000".
- 49 21. Page 107, line 8, by inserting after the
- 50 figure "232.188." the following: "In addition, up to

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Page 3

1 \$2,000,000 of the amount of federal temporary
2 assistance for needy families block grant funding
3 appropriated in this division of this Act for child
4 and family services shall be made available for
5 purposes of decategorization of child welfare services
6 as provided in this subsection."

7 22. Page 108, line 25, by inserting after the
8 figure "4." the following: "Of the amount allocated
9 in this subsection, up to \$1,431,597 shall be made
10 available to provide school-based supervision of
11 children adjudicated under chapter 232, of which not
12 more than \$15,000 may be used for the purpose of
13 training. A portion of the cost of each school-based
14 liaison officer shall be paid by the school district
15 or other funding source as approved by the chief
16 juvenile court officer."

17 23. Page 109, by striking lines 22 through 31.

18 24. Page 121, line 16, by striking the figure
19 "49,897,364" and inserting the following:
20 "53,097,364".

21 25. Page 122, line 6, by striking the figure
22 "10,863,434" and inserting the following:
23 "11,089,434".

24 26. Page 122, line 29, by striking the figure
25 "154,013,248." and inserting the following:
26 "156,013,248. For the fiscal year beginning July 1,
27 2004, and ending June 30, 2005, nursing facilities
28 reimbursed under the case-mix reimbursement system
29 shall have their allowable cost calculations adjusted
30 by applying the most recently published HCFA/SNF
31 index. For the purpose of this subparagraph, the
32 HCFA/SNF index means the HCFA total skilled nursing
33 facility market basket index published by data
34 resources, inc."

35 27. Page 129, line 6, by inserting after the word
36 "year." the following: "Of the amount remaining
37 available, the department of human services may use up
38 to \$2,300,000 to draw down the maximum amount of
39 disproportionate share hospital reimbursement under
40 the medical assistance program as provided in the
41 federal Prescription Drug and Medicare Improvement Act
42 of 2003. Any amounts received shall be distributed in
43 accordance with the regular disproportionate share
44 hospital program paid out of the graduate medical
45 education and disproportionate share fund."

46 28. Page 132, by striking lines 21 through 27 and
47 inserting the following:

48 "A carrier, as defined in section 514C.13, shall
49 enter into a health insurance data match program with
50 the department of human services for the sole purpose

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1 of comparing the names of the carrier's insureds with
2 the names of recipients of the medical assistance
3 program."

4 29. Page 134, by inserting after line 8 the
5 following:

6 "Sec. ____ . 2002 Iowa Acts, chapter 1174, section
7 4, unnumbered paragraph 3, as amended by 2002 Iowa
8 Acts, Second Extraordinary Session, chapter 1003,
9 section 244, is amended to read as follows:

10 Notwithstanding section 8.33, moneys appropriated
11 under this section that are unobligated or
12 unencumbered at the end of the fiscal year beginning
13 July 1, 2002, and ending June 30, 2003, shall not
14 revert, but shall remain available for the specific
15 purposes designated in this section until June 30,
16 ~~2004~~ 2005."

17 30. Page 136, by inserting before line 14 the
18 following:

19 "4A. The provision amending 2002 Iowa Acts,
20 chapter 1174, section 4, unnumbered paragraph 3, as
21 amended by 2002 Iowa Acts, Second Extraordinary
22 Session, chapter 1003, section 244."

23 31. Page 139, by inserting after line 3, the
24 following:

25 "c. Two million dollars of the moneys appropriated
26 in this subsection shall be transferred to the
27 appropriation in this Act from the general fund of the
28 state for the medical assistance program to be used to
29 implement nursing facility provider reimbursements as
30 provided in 2001 Iowa Acts, chapter 192, section 4,
31 subsection 2, paragraph "c".

32 32. Page 143, line 16, by striking the figure
33 "14,492,712" and inserting the following:
34 "19,157,111".

35 33. Page 144, line 10 by inserting after the word
36 "percent." the following: "However, the amount
37 withheld shall be limited to the amount by which the
38 county's ending balance was in excess of the ending
39 balance percentage of 10 percent."

40 34. Page 144, by striking lines 11 through 14 and
41 inserting the following:

42 "c. For an ending balance percentage of 25 percent
43 or more, a withholding factor of 100 percent."

44 35. Page 144, line 17, by striking the figure
45 "4,753,963" and inserting the following: "9,418,362".

46 36. By striking page 144, line 29, through page
47 145, line 9.

48 37. Page 194, line 6, by striking the word "and"
49 and inserting the following: "and".

50 38. Page 194, line 7, by inserting after the

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1 figure "135C.1" the following: "and a federally
2 licensed, regulated, or registered nonprofit blood
3 bank, blood center, or plasma center that is
4 collecting, processing, or distributing whole human
5 blood, blood components, plasma, blood fractions, or
6 blood derivatives for use by a licensed health care
7 provider".

8 39. By renumbering as necessary.

By MAGGIE TINSMAN

S-5223 FILED MARCH 30, 2004

ADOPTED

SENATE FILE 2298

S-5224

1 Amend Senate File 2298 as follows:

2 1. Page 194, by inserting after line 7 the
3 following:

4 "Sec. ____ . STATE COURTS -- JUSTICES, JUDGES, AND
5 MAGISTRATES.

6 1. The salary rates specified in subsection 2 are
7 for the fiscal year beginning July 1, 2004, effective
8 for the pay period beginning December 31, 2004, and
9 for subsequent fiscal years until otherwise provided
10 by the general assembly. The salaries provided for in
11 this section shall be paid from funds appropriated to
12 the judicial branch pursuant to any Act of the general
13 assembly.

14 2. The following annual salary rates shall be paid
15 to the persons holding the judicial positions
16 indicated during the fiscal year beginning July 1,
17 2004, effective with the pay period beginning December
18 31, 2004, and for subsequent pay periods.

- 19 a. Chief justice of the supreme court:
- 20 \$ 129,580
- 21 b. Each justice of the supreme court:
- 22 \$ 124,950
- 23 c. Chief judge of the court of appeals:
- 24 \$ 124,830
- 25 d. Each associate judge of the court of appeals:
- 26 \$ 120,210
- 27 e. Each chief judge of a judicial district:
- 28 \$ 119,100
- 29 f. Each district judge except the chief judge of a
- 30 judicial district:
- 31 \$ 114,250
- 32 g. Each district associate judge:
- 33 \$ 99,560
- 34 h. Each associate juvenile judge:
- 35 \$ 99,560
- 36 i. Each associate probate judge:
- 37 \$ 99,560
- 38 j. Each judicial magistrate:
- 39 \$ 29,680
- 40 k. Each senior judge:
- 41 \$ 6,630

42 3. Persons receiving the salary rates established
43 under subsection 2 shall not receive any additional
44 salary adjustments provided by this division of this
45 Act."

By DONALD B. REDFERN

S-5224 FILED MARCH 30, 2004

LOST

SENATE FILE 2298
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SSB 3169)

(AS AMENDED AND PASSED BY THE SENATE MARCH 30, 2004)

_____ - New Language by the Senate
* - Language Stricken by the Senate

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

A BILL FOR

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

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

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S.F. 2298

DIVISION I

ADMINISTRATION AND REGULATION

Section 1. DEPARTMENT OF ADMINISTRATIVE SERVICES. There is appropriated from the general fund of the state to the department of administrative services for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

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

.....	\$	4,564,351
.....	FTEs	233.95

UTILITY COSTS

2. For the payment of utility costs:

.....	\$	2,576,000
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Notwithstanding section 8.33, any excess funds appropriated for utility costs in this subsection shall not revert to the general fund of the state at the end of the fiscal year but shall remain available for expenditure for the purposes of this subsection during the fiscal year beginning July 1, 2005.

3. For distribution to other departments:

.....	\$	10,802,911
-------	----	------------

Moneys appropriated in this subsection shall be separately accounted for in a distribution account and shall be distributed to other governmental entities based upon formulas established by the department to pay for services provided governmental entities by the department as described in chapter 8A.

4. Members of the general assembly serving as members of the deferred compensation advisory board shall be entitled to receive per diem and necessary travel and actual expenses pursuant to section 2.10, subsection 5, while carrying out their official duties as members of the board.

5. Any funds and premiums collected by the department for

1 workers' compensation shall be segregated into a separate
2 workers' compensation fund in the state treasury to be used
3 for payment of state employees' workers' compensation claims
4 and administrative costs. Notwithstanding section 8.33,
5 unencumbered or unobligated moneys remaining in this workers'
6 compensation fund at the end of the fiscal year shall not
7 revert but shall be available for expenditure for purposes of
8 the fund for subsequent fiscal years.

9 6. DEPARTMENT OF TRANSPORTATION -- PERSONNEL SERVICES
10 PAYMENT. The department of administrative services shall
11 periodically provide a billing statement to the state
12 department of transportation outlining the costs of personnel
13 services provided to the state department of transportation.
14 The amount indicated on each billing statement shall be paid
15 by the state department of transportation out of funds
16 available to the department from the road use tax fund and the
17 primary road fund. Amounts received by the department of
18 administrative services shall be considered repayment receipts
19 as defined in section 8.2, and deposited into the accounts of
20 the department.

21 Sec. 2. REVOLVING FUNDS.

22 1. There is appropriated from the general fund of the
23 state to the department of administrative services for the
24 fiscal year beginning July 1, 2004, and ending June 30, 2005,
25 the following amount, or so much thereof as is necessary, to
26 be used for the purposes designated:

27 For start-up funding for revolving funds under the control
28 of the department of administrative services and for salaries,
29 support, maintenance, and miscellaneous purposes:

30 \$ 1,950,000

31 Notwithstanding any provision of this section to the
32 contrary, the department of administrative services shall
33 deposit \$1,950,000 in the general fund of the state from
34 moneys in departmental revolving funds and internal service
35 funds at the end of the fiscal year.

1 2. There is appropriated to the department of
2 administrative services for the fiscal year beginning July 1,
3 2004, and ending June 30, 2005, from the revolving funds
4 designated in chapter 8A and from internal service funds
5 created by the department, such amounts as the department
6 deems necessary for the operation of the department consistent
7 with the requirements of chapter 8A.

8 Sec. 3. READY TO WORK PROGRAM COORDINATOR. There is
9 appropriated from the workers' compensation trust fund to the
10 department of administrative services for the fiscal year
11 beginning July 1, 2004, and ending June 30, 2005, the
12 following amount, or so much thereof as is necessary, to be
13 used for the purposes designated:

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

16 \$ 89,416

17 Sec. 4. FUNDING FOR IOWACCESS.

18 1. Notwithstanding section 321A.3, subsection 1, for the
19 fiscal year beginning July 1, 2004, and ending June 30, 2005,
20 the first \$1,000,000 collected and transferred by the
21 department of transportation to the treasurer of state with
22 respect to the fees for transactions involving the furnishing
23 of a certified abstract of a vehicle operating record under
24 section 321A.3, subsection 1, shall be transferred to the
25 IowAccess revolving fund established by section 8A.224 and
26 administered by the department of administrative services for
27 the purposes of developing, implementing, maintaining, and
28 expanding electronic access to government records as provided
29 by law.

30 2. All fees collected with respect to transactions
31 involving IowAccess shall be deposited in the IowAccess
32 revolving fund and shall be used only for the support of
33 IowAccess projects.

34 Sec. 5. STATE EMPLOYEE HEALTH INSURANCE ADMINISTRATION
35 CHARGE. For the fiscal year beginning July 1, 2004, and

1 ending June 30, 2005, the monthly per contract administrative
2 charge which may be assessed by the department of
3 administrative services shall be \$2.00 per contract on all
4 health insurance plans administered by the department.

5 Sec. 6. AUDITOR OF STATE. There is appropriated from the
6 general fund of the state to the office of the auditor of
7 state for the fiscal year beginning July 1, 2004, and ending
8 June 30, 2005, the following amount, or so much thereof as is
9 necessary, to be used for the purposes designated:

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

13 \$ 1,144,755
14 FTEs 106.30

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

26 Sec. 7. IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD. There
27 is appropriated from the general fund of the state to the Iowa
28 ethics and campaign disclosure board for the fiscal year
29 beginning July 1, 2004, and ending June 30, 2005, the
30 following amount, or so much thereof as is necessary, for the
31 purposes designated:

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

35 \$ 411,296

1 FTEs 6.00

2 Sec. 8. DEPARTMENT OF COMMERCE. There is appropriated

3 from the general fund of the state to the department of

4 commerce for the fiscal year beginning July 1, 2004, and

5 ending June 30, 2005, the following amounts, or so much

6 thereof as is necessary, for the purposes designated:

7 1. ALCOHOLIC BEVERAGES DIVISION

8 For salaries, support, maintenance, and miscellaneous

9 purposes, and for not more than the following full-time

10 equivalent positions:

11 \$ 1,876,497

12 FTEs 33.00

13 2. BANKING DIVISION

14 For salaries, support, maintenance, and miscellaneous

15 purposes, and for not more than the following full-time

16 equivalent positions:

17 \$ 6,344,805

18 FTEs 65.00

19 3. CREDIT UNION DIVISION

20 For salaries, support, maintenance, and miscellaneous

21 purposes, and for not more than the following full-time

22 equivalent positions:

23 \$ 1,377,364

24 FTEs 19.00

25 4. INSURANCE DIVISION

26 a. For salaries, support, maintenance, and miscellaneous

27 purposes, and for not more than the following full-time

28 equivalent positions:

29 \$ 3,850,498

30 FTEs 95.00

31 b. The insurance division may reallocate authorized full-

32 time equivalent positions as necessary to respond to

33 accreditation recommendations or requirements. The insurance

34 division expenditures for examination purposes may exceed the

35 projected receipts, refunds, and reimbursements, estimated

1 pursuant to section 505.7, subsection 7, including the
2 expenditures for retention of additional personnel, if the
3 expenditures are fully reimbursable and the division first
4 does both of the following:

5 (1) Notifies the department of management, the legislative
6 services agency, and the legislative fiscal committee of the
7 need for the expenditures.

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

11 5. PROFESSIONAL LICENSING AND REGULATION DIVISION

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

15	\$	766,766
16	FTEs	12.00

17 6. UTILITIES DIVISION

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

21	\$	6,877,319
22	FTEs	79.00

23 b. The utilities division may expend additional funds,
24 including funds for additional personnel, if those additional
25 expenditures are actual expenses which exceed the funds
26 budgeted for utility regulation and the expenditures are fully
27 reimbursable. Before the division expends or encumbers an
28 amount in excess of the funds budgeted for regulation, the
29 division shall first do both of the following:

30 (1) Notify the department of management, the legislative
31 services agency, and the legislative fiscal committee of the
32 need for the expenditures.

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

1 7. CHARGES -- TRAVEL

2 Each division and the office of consumer advocate shall
3 include in its charges assessed or revenues generated, an
4 amount sufficient to cover the amount stated in its
5 appropriation, and any state-assessed indirect costs
6 determined by the department of administrative services. The
7 director of the department of commerce shall review on a
8 quarterly basis all out-of-state travel for the previous
9 quarter for officers and employees of each division of the
10 department if the travel is not already authorized by the
11 executive council.

12 Sec. 9. DEPARTMENT OF COMMERCE -- PROFESSIONAL LICENSING

13 AND REGULATION. There is appropriated from the housing
14 improvement fund of the Iowa department of economic
15 development to the division of professional licensing and
16 regulation of the department of commerce for the fiscal year
17 beginning July 1, 2004, and ending June 30, 2005, the
18 following amount, or so much thereof as is necessary, to be
19 used for the purposes designated:

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

22 \$ 62,317

23 Sec. 10. GOVERNOR AND LIEUTENANT GOVERNOR. There is

24 appropriated from the general fund of the state to the offices
25 of the governor and the lieutenant governor for the fiscal
26 year beginning July 1, 2004, and ending June 30, 2005, the
27 following amounts, or so much thereof as is necessary, to be
28 used for the purposes designated:

29 1. GENERAL OFFICE

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

34 \$ 1,536,949

35 FTEs 19.25

1 2. TERRACE HILL QUARTERS

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

5	\$	343,149
6	FTEs	8.00

7 3. ADMINISTRATIVE RULES COORDINATOR

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

12	\$	136,458
13	FTEs	3.00

14 4. NATIONAL GOVERNORS ASSOCIATION

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

17	\$	64,393
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18 5. STATE-FEDERAL RELATIONS

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

22	\$	111,236
23	FTEs	2.00

24 Sec. 11. GOVERNOR'S OFFICE OF DRUG CONTROL POLICY.

25 1. There is appropriated from the general fund of the
26 state to the governor's office of drug control policy for the
27 fiscal year beginning July 1, 2004, and ending June 30, 2005,
28 the following amount, or so much thereof as is necessary, to
29 be used for the purposes designated:

30 For salaries, support, maintenance, and miscellaneous
31 purposes including statewide coordination of the drug abuse
32 resistance education (D.A.R.E.) programs or similar programs,
33 and for not more than the following full-time equivalent
34 positions:

35	\$	254,386
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1 FTEs 9.00

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

7 Sec. 12. DEPARTMENT OF HUMAN RIGHTS. There is
8 appropriated from the general fund of the state to the
9 department of human rights for the fiscal year beginning July
10 1, 2004, and ending June 30, 2005, the following amounts, or
11 so much thereof as is necessary, to be used for the purposes
12 designated:

13 1. CENTRAL ADMINISTRATION DIVISION

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

17 \$ 264,102
18 FTEs 7.00

19 2. DEAF SERVICES DIVISION

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

23 \$ 362,710
24 FTEs 6.00

25 The fees collected by the division for provision of
26 interpretation services by the division to obligated agencies
27 shall be disbursed pursuant to the provisions of section 8.32,
28 and shall be dedicated and used by the division for continued
29 and expanded interpretation services.

30 3. PERSONS WITH DISABILITIES DIVISION

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

34 \$ 184,971
35 FTEs 3.50

1 4. LATINO AFFAIRS DIVISION

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

5	\$	166,718
6	FTEs	3.00

7 5. STATUS OF WOMEN DIVISION

8 For salaries, support, maintenance, and miscellaneous
9 purposes, including the Iowans in transition program, and the
10 domestic violence and sexual assault-related grants, and for
11 not more than the following full-time equivalent positions:

12	\$	329,530
13	FTEs	3.00

14 6. STATUS OF AFRICAN-AMERICANS DIVISION

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

18	\$	118,296
19	FTEs	2.00

20 7. CRIMINAL AND JUVENILE JUSTICE PLANNING DIVISION

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

24	\$	403,774
25	FTEs	6.96

26 The criminal and juvenile justice planning advisory council
27 and the juvenile justice advisory council shall coordinate
28 their efforts in carrying out their respective duties relative
29 to juvenile justice.

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

33 Sec. 13. DEPARTMENT OF INSPECTIONS AND APPEALS. There is
34 appropriated from the general fund of the state to the
35 department of inspections and appeals for the fiscal year

1 beginning July 1, 2004, and ending June 30, 2005, the
2 following amounts, or so much thereof as is necessary, for the
3 purposes designated:

4 1. ADMINISTRATION DIVISION

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

8 \$ 1,489,090
9 FTEs 32.25

10 2. ADMINISTRATIVE HEARINGS DIVISION

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

14 \$ 614,114
15 FTEs 23.00

16 3. INVESTIGATIONS DIVISION

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

20 \$ 1,407,295
21 FTEs 41.00

22 4. HEALTH FACILITIES DIVISION

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

26 \$ 2,276,836
27 FTEs 108.75

28 5. EMPLOYMENT APPEAL BOARD

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

32 \$ 35,215
33 FTEs 15.00

34 The employment appeal board shall be reimbursed by the
35 labor services division of the department of workforce

1 development for all costs associated with hearings conducted
2 under chapter 91C, related to contractor registration. The
3 board may expend, in addition to the amount appropriated under
4 this subsection, additional amounts as are directly billable
5 to the labor services division under this subsection and to
6 retain the additional full-time equivalent positions as needed
7 to conduct hearings required pursuant to chapter 91C.

8 6. CHILD ADVOCACY BOARD

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

13	\$	1,752,780
14	FTEs	38.99

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

20 b. The court appointed special advocate program shall
21 investigate and develop opportunities for expanding fund-
22 raising for the program.

23 c. Administrative costs charged by the department of
24 inspections and appeals for items funded under this subsection
25 shall not exceed 4 percent of the amount appropriated in this
26 subsection.

27 Sec. 14. RACING AND GAMING COMMISSION.

28 1. RACETRACK REGULATION

29 There is appropriated from the general fund of the state to
30 the racing and gaming commission of the department of
31 inspections and appeals for the fiscal year beginning July 1,
32 2004, and ending June 30, 2005, the following amount, or so
33 much thereof as is necessary, to be used for the purposes
34 designated:

35 For salaries, support, maintenance, and miscellaneous

1 purposes for the regulation of pari-mutuel racetracks, and for
2 not more than the following full-time equivalent positions:

3 \$ 2,201,453
4 FTEs 27.53

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

7 2. EXCURSION BOAT REGULATION

8 There is appropriated from the general fund of the state to
9 the racing and gaming commission of the department of
10 inspections and appeals for the fiscal year beginning July 1,
11 2004, and ending June 30, 2005, the following amount, or so
12 much thereof as is necessary, to be used for the purposes
13 designated:

14 For salaries, support, maintenance, and miscellaneous
15 purposes for administration and enforcement of the excursion
16 boat gambling laws, and for not more than the following full-
17 time equivalent positions:

18 \$ 1,806,048
19 FTEs 30.22

20 Sec. 15. USE TAX APPROPRIATION. There is appropriated
21 from the use tax receipts collected pursuant to sections
22 423.26 and 423.27 as enacted by 2003 Iowa Acts, First
23 Extraordinary Session, chapter 2, sections 119 and 120 prior
24 to their deposit in the road use tax fund pursuant to section
25 423.43 as enacted by 2003 Iowa Acts, First Extraordinary
26 Session, chapter 2, section 136, to the administrative
27 hearings division of the department of inspections and appeals
28 for the fiscal year beginning July 1, 2004, and ending June
29 30, 2005, the following amount, or so much thereof as is
30 necessary, for the purposes designated:

31 For salaries, support, maintenance, and miscellaneous
32 purposes:

33 \$ 1,325,632

34 Sec. 16. DEPARTMENT OF MANAGEMENT. There is appropriated
35 from the general fund of the state to the department of

1 management for the fiscal year beginning July 1, 2004, and
2 ending June 30, 2005, the following amounts, or so much
3 thereof as is necessary, to be used for the purposes
4 designated:

5 1. GENERAL OFFICE -- STATEWIDE PROPERTY TAX ADMINISTRATION

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

9 \$ 2,137,824
10 FTEs 32.00

11 2. ENTERPRISE RESOURCE PLANNING

12 If funding is provided for the redesign of the enterprise
13 resource planning budget system for the fiscal year beginning
14 July 1, 2004, then there is appropriated from the general fund
15 of the state to the department of management for the fiscal
16 year beginning July 1, 2004, and ending June 30, 2005, the
17 following amount, or so much thereof as is necessary, to be
18 used for the purposes designated:

19 For salaries, support, maintenance, and miscellaneous
20 purposes for administration of the enterprise resource
21 planning system, and for not more than the following full-time
22 equivalent positions:

23 \$ 57,435
24 FTEs 1.00

25 3. SALARY MODEL ADMINISTRATOR

26 For salary, support, and miscellaneous purposes of the
27 salary model administrator, and for not more than the
28 following full-time equivalent positions:

29 \$ 123,598
30 FTEs 1.00

31 The salary model administrator shall work in conjunction
32 with the legislative services agency to maintain the state's
33 salary model used for analyzing, comparing, and projecting
34 state employee salary and benefit information, including
35 information relating to employees of the state board of

1 regents. The department of revenue, the department of
2 administrative services, the five institutions under the
3 jurisdiction of the state board of regents, the judicial
4 district departments of correctional services, and the state
5 department of transportation shall provide salary data to the
6 department of management and the legislative services agency
7 to operate the state's salary model. The format and frequency
8 of provision of the salary data shall be determined by the
9 department of management and the legislative services agency.
10 The information shall be used in collective bargaining
11 processes under chapter 20 and in calculating the funding
12 needs contained within the annual salary adjustment
13 legislation. A state employee organization as defined in
14 section 20.3, subsection 4, may request information produced
15 by the model, but the information provided shall not contain
16 information attributable to individual employees.

17 4. FEDERAL OVERRECOVERY

18 For providing matching funds for information technology
19 services provided by the department of administrative services
20 to the department of human services:

21 \$ 3,000,000

22 Sec. 17. ROAD USE TAX APPROPRIATION. There is
23 appropriated from the road use tax fund to the department of
24 management for the fiscal year beginning July 1, 2004, and
25 ending June 30, 2005, the following amount, or so much thereof
26 as is necessary, to be used for the purposes designated:

27 For salaries, support, maintenance, and miscellaneous
28 purposes:

29 \$ 56,000

30 Sec. 18. SECRETARY OF STATE. There is appropriated from
31 the general fund of the state to the office of the secretary
32 of state for the fiscal year beginning July 1, 2004, and
33 ending June 30, 2005, the following amounts, or so much
34 thereof as is necessary, to be used for the purposes
35 designated:

1 1. ADMINISTRATION AND ELECTIONS

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

5	\$	660,233
6	FTEs	10.00

7 The state department or state agency which provides data
8 processing services to support voter registration file
9 maintenance and storage shall provide those services without
10 charge.

11 2. BUSINESS SERVICES

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

15	\$	1,615,893
16	FTEs	32.00

17 Sec. 19. SECRETARY OF STATE FILING FEES REFUND.

18 Notwithstanding the obligation to collect fees pursuant to the
19 provisions of section 490.122, subsection 1, paragraphs "a"
20 and "s", and section 504A.85, subsections 1 and 9, for the
21 fiscal year beginning July 1, 2004, and ending June 30, 2005,
22 the secretary of state may refund these fees to the filer
23 pursuant to rules established by the secretary of state. The
24 decision of the secretary of state not to issue a refund under
25 rules established by the secretary of state is final and not
26 subject to review pursuant to the provisions of the Iowa
27 administrative procedure Act.

28 Sec. 20. TREASURER. There is appropriated from the
29 general fund of the state to the office of treasurer of state
30 for the fiscal year beginning July 1, 2004, and ending June
31 30, 2005, the following amount, or so much thereof as is
32 necessary, to be used for the purposes designated:

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

1 \$ 800,564
2 FTEs 28.80

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

5 Sec. 21. IPERS -- GENERAL OFFICE. There is appropriated
6 from the Iowa public employees' retirement system fund to the
7 Iowa public employees' retirement system for the fiscal year
8 beginning July 1, 2004, and ending June 30, 2005, the
9 following amount, or so much thereof as is necessary, to be
10 used for the purposes designated:

11 For salaries, support, maintenance, and other operational
12 purposes to pay the costs of the Iowa public employees'
13 retirement system, and for not more than the following full-
14 time equivalent positions:

15 \$ 8,879,900
16 FTEs 90.13

17 Sec. 22. DEPARTMENT OF REVENUE. There is appropriated
18 from the general fund of the state to the department of
19 revenue for the fiscal year beginning July 1, 2004, and ending
20 June 30, 2005, the following amounts, or so much thereof as is
21 necessary, to be used for the purposes designated:

22 1. COMPLIANCE -- INTERNAL RESOURCES MANAGEMENT --
23 STATEWIDE PROPERTY TAX ADMINISTRATION

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

27 \$ 24,776,391
28 FTEs 389.66

29 Of the funds appropriated pursuant to this subsection,
30 \$400,000 shall be used to pay the direct costs of compliance
31 related to the collection and distribution of local sales and
32 services taxes imposed pursuant to chapters 422B and 422E or
33 successor chapters.

34 The director of revenue shall prepare and issue a state
35 appraisal manual and the revisions to the state appraisal

1 manual as provided in section 421.17, subsection 17, without
2 cost to a city or county.

3 2. COLLECTION COSTS AND FEES

4 For payment of collection costs and fees pursuant to
5 section 422.26:

6 \$ 27,462

7 Sec. 23. MOTOR VEHICLE FUEL TAX APPROPRIATION. There is
8 appropriated from the motor fuel tax fund created by section
9 452A.77 to the department of revenue for the fiscal year
10 beginning July 1, 2004, and ending June 30, 2005, the
11 following amount, or so much thereof as is necessary, to be
12 used for the purposes designated:

13 For salaries, support, maintenance, and miscellaneous
14 purposes for administration and enforcement of the provisions
15 of chapter 452A and the motor vehicle use tax program:

16 \$ 1,181,082

17 Sec. 24. Section 7J.1, Code Supplement 2003, is amended by
18 adding the following new subsection:

19 NEW SUBSECTION. 7A. EXECUTIVE COUNCIL FLEXIBILITY.

20 Notwithstanding any provision of law to the contrary, a
21 charter agency shall not be required to obtain executive
22 council approval for claims for expenses of attending
23 conventions, out-of-state travel requests, and memberships in
24 professional organizations.

25 Sec. 25. Section 8.63, subsection 5, Code Supplement 2003,
26 is amended to read as follows:

27 5. A state agency seeking a loan from the innovations fund
28 shall complete an application form designed by the state
29 innovations fund committee which employs, for projects, a
30 return on investment concept and demonstrates how state
31 general fund expenditures will be reduced or how state general
32 fund revenues will increase, or for enterprises, a business
33 plan that shows how the enterprise will meet customer needs,
34 provide value to customers, and demonstrate financial
35 viability. Minimum loan requirements for state agency

1 requests shall be determined by the committee. As an
2 incentive to increase state general fund revenues, an agency
3 may retain up to fifty percent of savings realized in
4 connection with a project loan from the innovations fund. The
5 amount retained shall be determined by the innovations fund
6 committee. Savings realized but not retained by an agency
7 shall not be deposited in the innovations fund.

8 Sec. 26. Section 8.63, subsection 6, paragraph b, Code
9 Supplement 2003, is amended to read as follows:

10 b. If the department of management and the department of
11 revenue certify that the savings from a proposed innovations
12 fund project will result in a net increase in the balance of
13 the general fund of the state without a corresponding cost
14 savings to the requesting agency, and if the requesting agency
15 meets all other eligibility requirements, the innovations fund
16 committee may approve the loan for the project and not require
17 repayment by the requesting agency. There is appropriated
18 from the general fund of the state to the department of
19 management for deposit in the innovations fund an amount
20 sufficient to repay the loan amount, which amount shall not
21 exceed the principal amount of the loan plus interest on the
22 loan.

23 Sec. 27. Section 543B.14, Code 2003, is amended to read as
24 follows:

25 543B.14 FEES AND EXPENSES -- FUNDS.

26 All fees and charges collected by the real estate
27 commission under this chapter shall be paid into the general
28 fund of the state, except that ~~the equivalent of the greater~~
29 ~~of ten dollars or forty percent per year of the fees for~~ fifty
30 dollars from each real estate salesperson's license, ~~plus the~~
31 ~~equivalent of the greater of ten dollars or twenty-five~~
32 ~~percent per year of the fees for~~ and each broker's license
33 shall be paid into the Iowa real estate education fund created
34 in section 543B.54. All expenses incurred by the commission
35 under this chapter, including compensation of staff assigned

1 to the commission, shall be paid from funds appropriated for
2 those purposes, except for expenses incurred and compensation
3 paid for the real estate education director, which shall be
4 paid out of the real estate education fund.

5 Sec. 28. Section 543B.54, Code 2003, is amended to read as
6 follows:

7 543B.54 REAL ESTATE EDUCATION FUND.

8 The Iowa real estate education fund is created as a
9 financial assurance mechanism to assist in the establishment
10 and maintenance of a real estate education program at the
11 university of northern Iowa and to assist the real estate
12 commission in providing an education director. The fund is
13 created as a separate fund in the state treasury, and any
14 funds remaining in the fund at the end of each fiscal year
15 shall not revert to the general fund, but shall remain in the
16 Iowa real estate education fund. ~~Seventy-percent-of-the~~
17 ~~moneys-in-the-fund~~ Twenty-five dollars per license from fees
18 deposited for each real estate salesperson's license and each
19 broker's license shall be distributed and are appropriated to
20 the board of regents for the purpose of establishing and
21 maintaining a real estate education program at the university
22 of northern Iowa. ~~Thirty-percent-of-the~~ The remaining moneys
23 in the fund shall be distributed and are appropriated to the
24 professional licensing and regulation division of the
25 department of commerce for the purpose of hiring and
26 compensating a real estate education director and regulatory
27 compliance personnel.

28 Sec. 29. SPAN OF CONTROL. The department of
29 administrative services, in consultation with the department
30 of management and after discussion and collaboration with
31 executive branch agencies, shall pursue a goal of increasing
32 the ratio of the number of employees per supervisor for
33 executive branch agencies in the aggregate to twelve employees
34 for one supervisor by December 31, 2005.

35 DIVISION II

1 AGRICULTURE AND NATURAL RESOURCES
2 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP
3 GENERAL APPROPRIATIONS

4 Sec. 30. GENERAL DEPARTMENT APPROPRIATION. There is
5 appropriated from the general fund of the state to the
6 department of agriculture and land stewardship for the fiscal
7 year beginning July 1, 2004, and ending June 30, 2005, the
8 following amount, or so much thereof as is necessary, to be
9 used for the purposes designated:

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

15 \$ 16,946,668
16 FTEs 410.64

17 b. Of the amount appropriated in paragraph "a", the
18 department shall not expend less than \$50,000 for salaries,
19 support, maintenance, and miscellaneous purposes of
20 administering the senior farmers market nutrition program
21 under the jurisdiction of the United States department of
22 agriculture.

23 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP
24 DESIGNATED APPROPRIATIONS

25 Sec. 31. RIVER AUTHORITY. There is appropriated from the
26 general fund of the state to the department of agriculture and
27 land stewardship for the fiscal year beginning July 1, 2004,
28 and ending June 30, 2005, the following amount, or so much
29 thereof as is necessary, to be used for the purposes
30 designated:

31 For purposes of supporting the department's membership in
32 the state interagency Missouri river authority, created in
33 section 28L.1, in the Missouri river basin association:

34 \$ 9,535

35 Sec. 32. HORSE AND DOG RACING. There is appropriated from

1 the moneys available under section 99D.13 to the department of
2 agriculture and land stewardship for the fiscal year beginning
3 July 1, 2004, and ending June 30, 2005, the following amount,
4 or so much thereof as is necessary, to be used for the
5 purposes designated:

6 For salaries, support, maintenance, and miscellaneous
7 purposes for the administration of section 99D.22:
8 \$ 305,516

9 Sec. 33. DAIRY PRODUCTS CONTROL BUREAU. There is
10 appropriated from the general fund of the state to the
11 department of agriculture and land stewardship for the fiscal
12 year beginning July 1, 2004, and ending June 30, 2005, the
13 following amount, or so much thereof as is necessary, to be
14 used for the purposes designated:

15 For purposes of supporting the operations of the dairy
16 products control bureau, including salaries, support,
17 maintenance, and miscellaneous purposes:
18 \$ 632,170

19 Sec. 34. AVIAN INFLUENZA. There is appropriated from the
20 general fund of the state to the department of agriculture and
21 land stewardship for the fiscal year beginning July 1, 2004,
22 and ending June 30, 2005, the following amount, or so much
23 thereof as is necessary, to be used for the purpose
24 designated:

25 For the support of testing and monitoring avian influenza:
26 \$ 50,000

27 Notwithstanding section 8.33, moneys appropriated pursuant
28 to this section which are unencumbered or unobligated on June
29 30, 2005, shall not revert as provided in section 8.33. After
30 June 30, 2005, the department shall retain any such
31 unobligated or unencumbered moneys for the continued testing
32 and monitoring of avian influenza.

33 Sec. 35. SALE AND PURCHASE OF LABORATORY EQUIPMENT --
34 APPROPRIATIONS. Notwithstanding chapter 8A, the department of
35 administrative services shall conduct a sale of equipment or

1 devices owned by the department of agriculture and land
2 stewardship and used by laboratories operated by the
3 department of agriculture and land stewardship. The
4 department of administrative services shall conduct the sale
5 upon authorization of the department of agriculture and land
6 stewardship. The sale shall only include equipment and
7 devices that the department does not move to its new
8 laboratory building. The moneys from the sale are
9 appropriated to the department of agriculture and land
10 stewardship for the fiscal period beginning July 1, 2004, and
11 ending June 30, 2006. The moneys shall only be used to
12 replace, update, enhance, or supplement equipment or devices
13 used by laboratories operated by the department of agriculture
14 and land stewardship. However, the department shall not enter
15 into a lease-purchase agreement to obtain the equipment or
16 devices. Unencumbered and unobligated moneys remaining on
17 June 30, 2006, shall be deposited in the general fund of the
18 state in the same manner as a reversion under section 8.33.

19 DEPARTMENT OF NATURAL RESOURCES

20 GENERAL APPROPRIATIONS

21 Sec. 36. GENERAL DEPARTMENT APPROPRIATION. There is
22 appropriated from the general fund of the state to the
23 department of natural resources for the fiscal year beginning
24 July 1, 2004, and ending June 30, 2005, the following amount,
25 or so much thereof as is necessary, to be used for the
26 purposes designated:

27 For purposes of supporting the department, including its
28 divisions, for administration, regulation, and programs, for
29 salaries, support, maintenance, miscellaneous purposes, and
30 for not more than the following full-time equivalent
31 positions:

32	\$ 16,569,282
33	FTEs 1080.12

34 Sec. 37. STATE FISH AND GAME PROTECTION FUND --
35 APPROPRIATION TO THE DIVISION OF FISH AND WILDLIFE.

1 1. a. There is appropriated from the state fish and game
2 protection fund to the department of natural resources for the
3 fiscal year beginning July 1, 2004, and ending June 30, 2005,
4 the following amount, or so much thereof as is necessary, to
5 be used for the purposes designated:

6 For administrative support, and for salaries, support,
7 maintenance, equipment, and miscellaneous purposes:

8 \$ 30,715,335

9 b. Notwithstanding section 455A.10, the department may use
10 the unappropriated balance remaining in the fish and game
11 protection fund to provide for the funding of health and life
12 insurance premium payments from unused sick leave balances of
13 conservation peace officers employed in a protection
14 occupation who retire, pursuant to section 97B.49B.

15 2. The department shall not expend more moneys from the
16 fish and game protection fund than provided in this section,
17 unless the expenditure derives from contributions made by a
18 private entity, or a grant or moneys received from the federal
19 government, and is approved by the natural resource
20 commission. The department of natural resources shall
21 promptly notify the legislative services agency and the
22 chairpersons and ranking members of the joint appropriations
23 subcommittee on agriculture and natural resources concerning
24 the commission's approval.

25 DEPARTMENT OF NATURAL RESOURCES

26 RELATED TRANSFERS

27 Sec. 38. SNOWMOBILE FEES -- TRANSFER FOR ENFORCEMENT
28 PURPOSES. There is transferred on July 1, 2004, from the fees
29 required to be deposited in the special conservation fund
30 under section 321G.7 to the fish and game protection fund and
31 appropriated to the department of natural resources for the
32 fiscal year beginning July 1, 2004, and ending June 30, 2005,
33 the following amount, or so much thereof as is necessary, to
34 be used for the purpose designated:

35 For enforcing snowmobile laws as part of the state

1 snowmobile program administered by the department of natural
2 resources:

3 \$ 100,000

4 Sec. 39. VESSEL FEES -- TRANSFER FOR ENFORCEMENT PURPOSES.

5 There is transferred on July 1, 2004, from the fees required
6 to be deposited in the special conservation fund under section
7 462A.52 to the fish and game protection fund and appropriated
8 to the natural resource commission for the fiscal year
9 beginning July 1, 2004, and ending June 30, 2005, the
10 following amount, or so much thereof as is necessary, to be
11 used for the purpose designated:

12 For the administration and enforcement of navigation laws
13 and water safety:

14 \$ 1,400,000

15 Notwithstanding section 8.33, moneys transferred and
16 appropriated in this section that remain unencumbered or
17 unobligated at the close of the fiscal year shall not revert
18 to the credit of the fish and game protection fund but shall
19 be credited to the special conservation fund established by
20 section 462A.52 to be used as provided in that section.

21 DEPARTMENT OF NATURAL RESOURCES

22 DESIGNATED APPROPRIATIONS

23 Sec. 40. REVENUE ADMINISTERED BY THE IOWA COMPREHENSIVE
24 UNDERGROUND STORAGE TANK FUND BOARD. There is appropriated
25 from the unassigned revenue fund administered by the Iowa
26 comprehensive underground storage tank fund board, to the
27 department of natural resources for the fiscal year beginning
28 July 1, 2004, and ending June 30, 2005, the following amount,
29 or so much thereof as is necessary, to be used for the purpose
30 designated:

31 For administration expenses of the underground storage tank
32 section of the department of natural resources:

33 \$ 200,000

34 Sec. 41. FLOODPLAIN PERMIT BACKLOG. Notwithstanding any
35 contrary provision of state law, for the fiscal year beginning

1 July 1, 2004, and ending June 30, 2005, the department of
2 natural resources may use additional funds available to the
3 department from stormwater discharge permit fees for the
4 staffing of the following additional full-time staff members
5 to reduce the department's floodplain permit backlog:

6 FTEs 2.00

7 Sec. 42. IMPLEMENTATION OF THE FEDERAL TOTAL MAXIMUM DAILY
8 LOAD PROGRAM. Notwithstanding any contrary provision of state
9 law, for the fiscal year beginning July 1, 2004, and ending
10 June 30, 2005, the department of natural resources may use
11 additional funds available to the department from stormwater
12 discharge permit fees for the staffing of the following
13 additional full-time equivalent positions for implementation
14 of the federal total maximum daily load program:

15 FTEs 2.00

16 MISCELLANEOUS PROVISIONS

17 Sec. 43. Section 424.19, Code Supplement 2003, is amended
18 to read as follows:

19 424.19 FUTURE REPEAL.

20 This chapter is repealed effective June 30, ~~2014~~ 2016.

21 Sec. 44. CONTINGENT EFFECTIVENESS. The moneys
22 appropriated from the general fund of the state to the
23 department of agriculture and land stewardship for purposes of
24 supporting the testing and monitoring of avian influenza as
25 provided in this division of this Act shall not be effective
26 if 2004 Iowa Acts, Senate File 2194, is enacted.

27 Sec. 45. CONTINGENT EFFECTIVENESS. The amendment to
28 section 424.19, as provided in this division of this Act, is
29 effective only if 2004 Iowa Acts, House File 2401, is enacted.

30 DIVISION III

31 ECONOMIC DEVELOPMENT

32 Sec. 46. GOALS AND ACCOUNTABILITY.

33 1. The goals for the department of economic development
34 shall be to expand and stimulate the state economy, increase
35 the wealth of Iowans, and increase the population of the

1 state.

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

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

6 b. Adopt practices and services consistent with free
7 market, private sector philosophies.

8 c. Ensure economic growth and development throughout the
9 state.

10 3. The department of economic development shall
11 demonstrate accountability by using performance measures
12 appropriate to show the attainment of the goals in subsection
13 1 for the state and by measuring the effectiveness and results
14 of the department's programs and activities. The performance
15 measures and associated benchmarks shall be developed or
16 identified in cooperation with the legislative services agency
17 and approved by the joint appropriations subcommittee on
18 economic development. The data demonstrating accountability
19 collected by the department shall be made readily available
20 and maintained in computer-readable format.

21 Sec. 47. DEPARTMENT OF ECONOMIC DEVELOPMENT. There is
22 appropriated from the general fund of the state to the
23 department of economic development for the fiscal year
24 beginning July 1, 2004, and ending June 30, 2005, the
25 following amounts, or so much thereof as is necessary, to be
26 used for the purposes designated:

27 1. ADMINISTRATION DIVISION

28 a. General administration

29 For salaries, support, maintenance, miscellaneous purposes,
30 programs, for the transfer to the Iowa state commission grant
31 program, and for not more than the following full-time
32 equivalent positions:

33	\$	1,562,332
34	FTEs	28.75

35 b. The department shall work with businesses and

1 communities to continually improve the economic development
2 climate along with the economic well-being and quality of life
3 for Iowans. The administration division shall coordinate with
4 other state agencies ensuring that all state departments are
5 attentive to the needs of an entrepreneurial culture.

6 2. BUSINESS DEVELOPMENT DIVISION

7 a. Business development operations

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

15	\$	<u>5,784,500</u>
16	FTEs	57.00

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

25 c. Notwithstanding section 8.33, moneys appropriated in
26 this subsection that remain unencumbered or unobligated at the
27 close of the fiscal year shall not revert but shall remain
28 available for expenditure for the purposes designated until
29 the close of the succeeding fiscal year.

30 3. COMMUNITY DEVELOPMENT DIVISION

31 a. Community development programs

32 For salaries, support, maintenance, miscellaneous purposes,
33 community economic development programs, tourism operations,
34 community assistance, the film office, the mainstreet and
35 rural mainstreet programs, the school-to-career program, the

1 community development block grant, and housing and shelter-
2 related programs and for not more than the following full-time
3 equivalent positions:

4 \$ 5,730,725
5 FTEs 61.75

6 b. The department shall encourage development of
7 communities and quality of life to foster economic growth.
8 The department shall prepare communities for future growth and
9 development through development, expansion, and modernization
10 of infrastructure.

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

18 d. Notwithstanding section 8.33, moneys appropriated in
19 this subsection that remain unencumbered or unobligated at the
20 close of the fiscal year shall not revert to any fund but
21 shall remain available for expenditure for the designated
22 purposes during the succeeding fiscal year.

23 4. For allocating moneys for the world food prize:
24 \$ 285,000

25 Sec. 48. VISION IOWA PROGRAM -- FTE AUTHORIZATION. For
26 purposes of administrative duties associated with the vision
27 Iowa program, the department of economic development is
28 authorized an additional 2.25 full-time equivalent positions
29 above those otherwise authorized in this division of this Act.

30 Sec. 49. RURAL COMMUNITY 2000 PROGRAM. There is
31 appropriated from loan repayments on loans under the former
32 rural community 2000 program, sections 15.281 through 15.288,
33 Code 2001, to the department of economic development for the
34 fiscal year beginning July 1, 2004, and ending June 30, 2005,
35 the following amounts, or so much thereof as is necessary, to

1 be used for the purposes designated:

2 1. For providing financial assistance to Iowa's councils
3 of governments that provide technical and planning assistance
4 to local governments:

5 \$ 150,000

6 2. For the rural development program for the purposes of
7 the program including the rural enterprise fund and
8 collaborative skills development training:

9 \$ 120,000

10 Sec. 50. INSURANCE ECONOMIC DEVELOPMENT. There is
11 appropriated from moneys collected by the division of
12 insurance in excess of the anticipated gross revenues under
13 section 505.7, subsection 3, to the department of economic
14 development for the fiscal year beginning July 1, 2004, and
15 ending June 30, 2005, the following amount, or so much thereof
16 as is necessary, for insurance economic development and
17 international insurance economic development:

18 \$ 100,000

19 Sec. 51. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding
20 section 15E.120, subsection 5, there is appropriated from the
21 Iowa community development loan fund all the moneys available
22 during the fiscal year beginning July 1, 2004, and ending June
23 30, 2005, to the department of economic development for the
24 community development program to be used by the department for
25 the purposes of the program.

26 Sec. 52. WORKFORCE DEVELOPMENT FUND. There is
27 appropriated from the workforce development fund account
28 created in section 15.342A, to the workforce development fund
29 created in section 15.343, for the fiscal year beginning July
30 1, 2004, and ending June 30, 2005, the following amount, for
31 the purposes of the workforce development fund, and for not
32 more than the following full-time equivalent positions:

33 \$ 4,000,000

34 FTEs 4.00

35 Sec. 53. WORKFORCE DEVELOPMENT ADMINISTRATION. From funds

1 appropriated or transferred to or receipts credited to the
2 workforce development fund created in section 15.343, up to
3 \$400,000 for the fiscal year beginning July 1, 2004, and
4 ending June 30, 2005, may be used for the administration of
5 workforce development activities including salaries, support,
6 maintenance, and miscellaneous purposes and for not more than
7 4.00 full-time equivalent positions.

8 Sec. 54. JOB TRAINING FUND. Notwithstanding section
9 15.251, all remaining moneys in the job training fund on July
10 1, 2004, and any moneys appropriated or credited to the fund
11 during the fiscal year beginning July 1, 2004, shall be
12 transferred to the workforce development fund established
13 pursuant to section 15.343.

14 Sec. 55. IOWA STATE UNIVERSITY.

15 1. There is appropriated from the general fund of the
16 state to the Iowa state university of science and technology
17 for the fiscal year beginning July 1, 2004, and ending June
18 30, 2005, the following amount, or so much thereof as is
19 necessary, to be used for small business development centers,
20 the science and technology research park, the institute for
21 physical research, and for not more than the following full-
22 time equivalent positions:

23	\$	2,363,557
24	FTEs	56.53

25 2. Of the moneys appropriated in subsection 1, Iowa state
26 university shall allocate at least \$550,000 for purposes of
27 funding small business development centers. Small business
28 development centers shall be located equally throughout the
29 different regions of the state. Iowa state university may
30 allocate moneys appropriated in subsection 1 to the various
31 small business development centers in any manner necessary to
32 achieve the purposes of this subsection.

33 3. Iowa state university of science and technology shall
34 do all of the following:

35 a. Direct expenditures for research toward projects that

1 will provide economic stimulus for Iowa.

2 b. Emphasize that a business and an individual that
3 creates a business and receives benefits from a program
4 funded, in part, through moneys appropriated in this section
5 have a commercially viable product or service.

6 c. Provide emphasis to providing services to Iowa-based
7 companies.

8 4. It is the intent of the general assembly that the
9 industrial incentive program focus on Iowa industrial sectors
10 and seek contributions and in-kind donations from businesses,
11 industrial foundations, and trade associations and that moneys
12 for the institute for physical research and technology
13 industrial incentive program shall only be allocated for
14 projects which are matched by private sector moneys for
15 directed contract research or for nondirected research. The
16 match required of small businesses as defined in section
17 15.102, subsection 4, for directed contract research or for
18 nondirected research shall be \$1 for each \$3 of state funds.
19 The match required for other businesses for directed contract
20 research or for nondirected research shall be \$1 for each \$1
21 of state funds. The match required of industrial foundations
22 or trade associations shall be \$1 for each \$1 of state funds.

23 Iowa state university of science and technology shall
24 report annually to the joint appropriations subcommittee on
25 economic development and the legislative services agency the
26 total amount of private contributions, the proportion of
27 contributions from small businesses and other businesses, and
28 the proportion for directed contract research and nondirected
29 research of benefit to Iowa businesses and industrial sectors.

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

35 Sec. 56. UNIVERSITY OF IOWA.

1 1. There is appropriated from the general fund of the
2 state to the state university of Iowa for the fiscal year
3 beginning July 1, 2004, and ending June 30, 2005, the
4 following amount, or so much thereof as is necessary, to be
5 used for the university of Iowa research park and for the
6 advanced drug development program at the Oakdale research
7 park, including salaries, support, maintenance, equipment,
8 miscellaneous purposes, and for not more than the following
9 full-time equivalent positions:

10	\$	247,005
11	FTEs	6.00

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

13 a. Direct expenditures for research toward projects that
14 will provide economic stimulus for Iowa.

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

19 c. Provide emphasis to providing services to Iowa-based
20 companies.

21 3. The board of regents shall submit a report on the
22 progress of regents institutions in meeting the strategic plan
23 for technology transfer and economic development to the
24 secretary of the senate, the chief clerk of the house of
25 representatives, and the legislative services agency by
26 January 15, 2005.

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

32 Sec. 57. UNIVERSITY OF NORTHERN IOWA.

33 1. There is appropriated from the general fund of the
34 state to the university of northern Iowa for the fiscal year
35 beginning July 1, 2004, and ending June 30, 2005, the

1 following amount, or so much thereof as is necessary, to be
2 used for the metal casting institute, and for the institute of
3 decision making, including salaries, support, maintenance,
4 miscellaneous purposes, and for not more than the following
5 full-time equivalent positions:

6 \$ 361,291
7 FTEs 4.75

8 2. The university of northern Iowa shall do all of the
9 following:

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

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

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

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

23 Sec. 58. DEPARTMENT OF WORKFORCE DEVELOPMENT.

24 1. There is appropriated from the general fund of the
25 state to the department of workforce development for the
26 fiscal year beginning July 1, 2004, and ending June 30, 2005,
27 the following amount, or so much thereof as is necessary, for
28 the division of labor services, the division of workers'
29 compensation, the workforce development state and regional
30 boards, the new employment opportunity fund, salaries,
31 support, maintenance, miscellaneous purposes, and for not more
32 than the following full-time equivalent positions:

33 \$ 5,189,124
34 FTEs 100.20

35 2. From the contractor registration fees, the division of

1 labor services shall reimburse the department of inspections
2 and appeals for all costs associated with hearings under
3 chapter 91C, relating to contractor registration.

4 3. The division of workers' compensation shall continue
5 charging a \$65 filing fee for workers' compensation cases.
6 The filing fee shall be paid by the petitioner of a claim.
7 However, the fee can be taxed as a cost and paid by the losing
8 party, except in cases where it would impose an undue hardship
9 or be unjust under the circumstances.

10 4. Notwithstanding section 8.33, moneys appropriated in
11 this section that remain unencumbered or unobligated at the
12 close of the fiscal year shall not revert but shall remain
13 available for expenditure for the purposes designated until
14 the close of the succeeding fiscal year.

15 5. Five full-time equivalent positions shall be designated
16 for safety and health consultants for the division of labor
17 services.

18 6. One full-time equivalent position shall be designated
19 for a deputy commissioner in the division of workers'
20 compensation.

21 Sec. 59. ADMINISTRATIVE CONTRIBUTION SURCHARGE FUND.

22 Notwithstanding section 96.7, subsection 12, paragraph "c",
23 there is appropriated from the administrative contribution
24 surcharge fund of the state to the department of workforce
25 development for the fiscal year beginning July 1, 2004, and
26 ending June 30, 2005, any moneys remaining in the
27 administrative contribution surcharge fund on June 30, 2004,
28 and the entire amount collected during the fiscal year
29 beginning July 1, 2004, and ending June 30, 2005, or so much
30 thereof as is necessary, for salaries, support, maintenance,
31 conducting labor market surveys, miscellaneous purposes, and
32 for workforce development regional advisory board member
33 expenses.

34 Sec. 60. EMPLOYMENT SECURITY CONTINGENCY FUND. There is
35 appropriated from the special employment security contingency

1 fund to the department of workforce development for the fiscal
2 year beginning July 1, 2004, and ending June 30, 2005, the
3 following amounts, or so much thereof as is necessary, for the
4 purposes designated:

5 1. DIVISION OF WORKERS' COMPENSATION

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

8 \$ 471,000

9 2. IMMIGRATION SERVICE CENTERS

10 For salaries, support, maintenance, and miscellaneous
11 purposes for the pilot immigration service centers:

12 \$ 160,000

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

27 Any remaining additional penalty and interest revenue may
28 be allocated and used to accomplish the mission of the
29 department.

30 Sec. 61. PUBLIC EMPLOYMENT RELATIONS BOARD. There is
31 appropriated from the general fund of the state to the public
32 employment relations board for the fiscal year beginning July
33 1, 2004, and ending June 30, 2005, the following amount, or so
34 much thereof as is necessary, for the purposes designated:

35 For salaries, support, maintenance, miscellaneous purposes,

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

3 \$ 895,752
4 FTEs 10.00

5 Sec. 62. IOWA COMMUNITY COLLEGE ONE SOURCE TRAINING
6 INITIATIVE. In the interest of putting an emphasis on the
7 software and information technology sector in this state, the
8 Iowa community college one source training initiative is
9 encouraged to explore a partnership with software and
10 information technology of Iowa to identify methods of funding
11 the training and retraining needs of the software and
12 information technology sector in Iowa. To the extent
13 possible, funding from the workforce training and economic
14 development moneys in the grow Iowa values fund should be
15 considered as a potential funding source for these purposes.

16 Sec. 63. VALUE-ADDED AGRICULTURAL PRODUCTS AND PROCESSES
17 FINANCIAL ASSISTANCE FUND MONEYS. The office of renewable
18 fuels and coproducts may apply to the department of economic
19 development for moneys in the value-added agricultural
20 products and processes financial assistance fund for deposit
21 in the renewable fuels and coproducts fund created in section
22 159A.7.

23 Sec. 64. IOWA FINANCE AUTHORITY AUDIT. The auditor of
24 state is requested to review the audit of the Iowa finance
25 authority performed by the auditor hired by the authority.
26 The auditor of state is also requested to conduct a
27 performance audit of the authority to determine the
28 effectiveness of the authority and the programs of the
29 authority.

30 Sec. 65. APPLICATION FOR DEPARTMENT OF ECONOMIC
31 DEVELOPMENT MONEYS. For the fiscal year beginning July 1,
32 2004, any entity that was specifically identified in 2001 Iowa
33 Acts, chapter 188, to receive funding from the department of
34 economic development, excluding any entity identified to
35 receive a direct appropriation beginning July 1, 2004, may

1 apply to the department for assistance through the appropriate
2 program. The department shall provide application criteria
3 necessary to implement this section.

4 Sec. 66. EXPENDITURE AND ALLOCATION REPORTS. The
5 department of economic development, the department of
6 workforce development, and the regents institutions receiving
7 an appropriation pursuant to this division of this Act shall
8 file a written report on a quarterly basis with the
9 chairpersons and ranking members of the joint appropriations
10 subcommittee on economic development and the legislative
11 services agency regarding all expenditures of moneys
12 appropriated pursuant to this division of this Act during the
13 quarter, allocations of moneys appropriated pursuant to this
14 Act during the quarter, and full-time equivalent positions
15 allocated during the quarter.

16 Sec. 67. SHELTER ASSISTANCE FUND. In providing moneys
17 from the shelter assistance fund to homeless shelter programs
18 in the fiscal year beginning July 1, 2004, and ending June 30,
19 2005, the department of economic development shall explore the
20 potential of allocating moneys to homeless shelter programs
21 based in part on their ability to move their clients toward
22 self-sufficiency.

23 Sec. 68. FEDERAL GRANTS. All federal grants to and the
24 federal receipts of agencies appropriated funds under this
25 division of this Act, not otherwise appropriated, are
26 appropriated for the purposes set forth in the federal grants
27 or receipts unless otherwise provided by the general assembly.

28 Sec. 69. UNEMPLOYMENT COMPENSATION PROGRAM.
29 Notwithstanding section 96.9, subsection 4, paragraph "a",
30 moneys credited to the state by the secretary of the treasury
31 of the United States pursuant to section 903 of the Social
32 Security Act shall be appropriated to the department of
33 workforce development and shall be used by the department for
34 the administration of the unemployment compensation program
35 only. This appropriation shall not apply to any fiscal year

1 beginning after December 31, 2004.

2 Sec. 70. PAYROLL EXPENDITURE REFUNDS. There is
3 appropriated from the general fund of the state to the
4 department of economic development for the fiscal year
5 beginning July 1, 2004, and ending June 30, 2005, \$27,786, or
6 so much thereof as is necessary, to pay refunds as provided
7 under section 15.365.

8 DIVISION IV

9 EDUCATION

10 COLLEGE STUDENT AID COMMISSION

11 Sec. 71. There is appropriated from the general fund of
12 the state to the college student aid commission for the fiscal
13 year beginning July 1, 2004, and ending June 30, 2005, the
14 following amounts, or so much thereof as may be necessary, to
15 be used for the purposes designated:

16 1. GENERAL ADMINISTRATION

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

20	\$	298,825
21	FTEs	4.30

22 2. STUDENT AID PROGRAMS

23 For payments to students for the Iowa grant program:

24 \$ 1,029,784

25 3. DES MOINES UNIVERSITY -- OSTEOPATHIC MEDICAL CENTER

26 For the Des Moines university -- osteopathic medical center
27 for an initiative in primary health care to direct primary
28 care physicians to shortage areas in the state:

29 \$ 396,451

30 From the funds appropriated in this subsection, \$50,000
31 shall be used for forgivable loans in accordance with section
32 261.19, subsection 2.

33 4. NATIONAL GUARD EDUCATIONAL ASSISTANCE PROGRAM

34 For purposes of providing national guard educational
35 assistance under the program established in section 261.86:

1 \$ 2,900,000

2 5. TEACHER SHORTAGE FORGIVABLE LOAN PROGRAM

3 For the teacher shortage forgivable loan program
4 established in section 261.111:

5 \$ 460,472

6 Sec. 72. WORK-STUDY APPROPRIATION NULLIFICATION FOR FY
7 2004-2005. Notwithstanding section 261.85, for the fiscal
8 year beginning July 1, 2004, and ending June 30, 2005, the
9 amount appropriated for the work-study program under section
10 261.85 shall be zero.

11 DEPARTMENT FOR THE BLIND

12 Sec. 73. ADMINISTRATION. There is appropriated from the
13 general fund of the state to the department for the blind for
14 the fiscal year beginning July 1, 2004, and ending June 30,
15 2005, the following amount, or so much thereof as is
16 necessary, to be used for the purposes designated:

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

20 \$ 1,541,907

21 FTEs 109.51

22 DEPARTMENT OF CULTURAL AFFAIRS

23 Sec. 74. There is appropriated from the general fund of
24 the state to the department of cultural affairs for the fiscal
25 year beginning July 1, 2004, and ending June 30, 2005, the
26 following amounts, or so much thereof as is necessary, to be
27 used for the purposes designated:

28 1. ADMINISTRATION

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

32 \$ 214,475

33 FTEs 1.17

34 The department of cultural affairs shall coordinate
35 activities with the tourism office of the department of

1 economic development to promote attendance at the state
2 historical building and at this state's historic sites.

3 2. COMMUNITY CULTURAL GRANTS

4 For planning and programming for the community cultural
5 grants program established under section 303.3:

6 \$ 299,240

7 3. HISTORICAL DIVISION

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

11 \$ 2,868,725

12 FTEs 54.78

13 4. HISTORIC SITES

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

17 \$ 526,459

18 FTEs 8.00

19 5. ARTS DIVISION

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

23 \$ 1,157,486

24 FTEs 7.55

25 DEPARTMENT OF EDUCATION

26 Sec. 75. There is appropriated from the general fund of
27 the state to the department of education for the fiscal year
28 beginning July 1, 2004, and ending June 30, 2005, the
29 following amounts, or so much thereof as may be necessary, to
30 be used for the purposes designated:

31 1. GENERAL ADMINISTRATION

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

35 \$ 5,168,114

1 FTEs 85.65

2 The director of the department of education shall ensure
3 that all school districts are aware of the state education
4 resources available on the state website for listing teacher
5 job openings and shall make every reasonable effort to enable
6 qualified practitioners to post their resumes on the state
7 website. The department shall administer the posting of job
8 vacancies for school districts, accredited nonpublic schools,
9 and area education agencies on the state website. The
10 department may coordinate this activity with the Iowa school
11 board association or other interested education associations
12 in the state. The department shall strongly encourage school
13 districts to seek direct claiming under the medical assistance
14 program for funding of school district nursing services for
15 students.

16 2. VOCATIONAL EDUCATION ADMINISTRATION

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

20 \$ 514,828
21 FTEs 18.25

22 3. VOCATIONAL REHABILITATION SERVICES DIVISION

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

26 \$ 4,278,784
27 FTEs 281.50

28 The division of vocational rehabilitation services shall
29 seek funding from other sources, such as local funds, for
30 purposes of matching the state's federal vocational
31 rehabilitation allocation, as well as for matching other
32 federal vocational rehabilitation funding that may become
33 available.

34 Except where prohibited under federal law, the division of
35 vocational rehabilitation services of the department of

1 education shall accept client assessments, or assessments of
2 potential clients, performed by other agencies in order to
3 reduce duplication of effort.

4 Notwithstanding the full-time equivalent position limit
5 established in this lettered paragraph, for the fiscal year
6 ending June 30, 2005, if federal funding is received to pay
7 the costs of additional employees for the vocational
8 rehabilitation services division who would have duties
9 relating to vocational rehabilitation services paid for
10 through federal funding, authorization to hire not more than
11 4.00 additional full-time equivalent employees shall be
12 provided, the full-time equivalent position limit shall be
13 exceeded, and the additional employees shall be hired by the
14 division.

15 b. For matching funds for programs to enable persons with
16 severe physical or mental disabilities to function more
17 independently, including salaries and support, and for not
18 more than the following full-time equivalent position:

19	\$	54,150
20	FTEs	1.00

21 The highest priority use for the moneys appropriated under
22 this lettered paragraph shall be for programs that emphasize
23 employment and assist persons with severe physical or mental
24 disabilities to find and maintain employment to enable them to
25 function more independently.

26 4. STATE LIBRARY

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

30	\$	1,262,603
31	FTEs	18.00

32 b. For the enrich Iowa program:

33	\$	1,698,432
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34 (1) Funds allocated for purposes of the enrich Iowa
35 program as provided in this lettered paragraph shall be

1 distributed by the division of libraries and information
2 services to provide support for Iowa's libraries. The
3 commission of libraries shall develop rules governing the
4 allocation of funds provided by the general assembly for the
5 enrich Iowa program to provide direct state assistance to
6 public libraries and to fund the open access and access plus
7 programs. Direct state assistance to eligible public
8 libraries is provided as an incentive to improve library
9 services and to reduce inequities among communities in the
10 delivery of library services based on recognized and adopted
11 performance measures. Funds distributed as direct state
12 assistance shall be distributed to eligible public libraries
13 that are in compliance with performance measures adopted by
14 rule by the commission of libraries. The funds allocated as
15 provided in this lettered paragraph shall not be used for the
16 costs of administration by the division. The amount of direct
17 state assistance distributed to each eligible public library
18 shall be based upon the following:

19 (a) The level of compliance by the eligible public library
20 with the performance measures adopted by the commission as
21 provided in this subparagraph.

22 (b) The number of people residing within an eligible
23 library's geographic service area for whom the library
24 provides services.

25 (c) The amount of other funding the eligible public
26 library received in the previous fiscal year for providing
27 services to rural residents and to contracting communities.

28 (2) Moneys received by a public library under this
29 lettered paragraph shall supplement, not supplant, any other
30 funding received by the library.

31 (3) For purposes of this section, "eligible public
32 library" means a public library that meets all of the
33 following requirements:

34 (a) Submits to the division all of the following:

35 (i) The report provided for under section 256.51,

1 subsection 1, paragraph "h".

2 (ii) An application and accreditation report, in a format
3 approved by the commission, that provides evidence of the
4 library's compliance with at least one level of the standards
5 established in accordance with section 256.51, subsection 1,
6 paragraph "k".

7 (iii) Any other application or report the division deems
8 necessary for the implementation of the enrich Iowa program.

9 (b) Participates in the library resource and information
10 sharing programs established by the state library.

11 (c) Is a public library established by city ordinance or a
12 library district as provided in chapter 336.

13 (4) Each eligible public library shall maintain a separate
14 listing within its budget for payments received and
15 expenditures made pursuant to this lettered paragraph, and
16 shall annually submit this listing to the division.

17 (5) By January 15, 2006, the division shall submit a
18 program evaluation report to the general assembly and the
19 governor detailing the uses and the impacts of funds allocated
20 under this lettered paragraph.

21 (6) A public library that receives funds in accordance
22 with this lettered paragraph shall have an internet use policy
23 in place, which may or may not include internet filtering.
24 The library shall submit a report describing the library's
25 internet use efforts to the division.

26 (7) A public library that receives funds in accordance
27 with this lettered paragraph shall provide open access, the
28 reciprocal borrowing program, as a service to its patrons, at
29 a reimbursement rate determined by the state library.

30 5. LIBRARY SERVICE AREA SYSTEM

31 For state aid:

32 \$ 1,376,558

33 6. PUBLIC BROADCASTING DIVISION

34 For salaries, support, maintenance, capital expenditures,
35 miscellaneous purposes, and for not more than the following

1 full-time equivalent positions:

2 \$ 6,568,514

3 FTEs 78.00

4 7. REGIONAL TELECOMMUNICATIONS COUNCILS

5 For state aid and for not more than the following full-time
6 equivalent positions:

7 \$ 1,600,806

8 FTEs 6.00

9 a. Of the amount appropriated in this subsection, \$360,328
10 shall be allocated to the public broadcasting division for
11 purposes of providing support for functions related to the
12 Iowa communications network, including but not limited to the
13 following functions: development of distance learning
14 applications; development of a central information source on
15 the internet relating to educational uses of the network;
16 second-line technical support for network sites; testing and
17 initializing sites onto the network; and coordinating the work
18 of the education telecommunications council.

19 b. Of the amount appropriated in this subsection,
20 \$1,240,478 shall be allocated to the regional
21 telecommunications councils established in section 8D.5. The
22 regional telecommunications councils shall use the funds to
23 provide technical assistance for network classrooms, planning
24 and troubleshooting for local area networks, scheduling of
25 video sites, and other related support activities.

26 8. VOCATIONAL EDUCATION TO SECONDARY SCHOOLS

27 For reimbursement for vocational education expenditures
28 made by secondary schools:

29 \$ 2,936,904

30 Funds appropriated in this subsection shall be used for
31 expenditures made by school districts to meet the standards
32 set in sections 256.11, 258.4, and 260C.14 as a result of the
33 enactment of 1989 Iowa Acts, chapter 278. Funds shall be used
34 as reimbursement for vocational education expenditures made by
35 secondary schools in the manner provided by the department of

1 education for implementation of the standards set in 1989 Iowa
2 Acts, chapter 278.

3 9. SCHOOL FOOD SERVICE

4 For use as state matching funds for federal programs that
5 shall be disbursed according to federal regulations, including
6 salaries, support, maintenance, and miscellaneous purposes:

7 \$ 2,509,683

8 10. IOWA EMPOWERMENT FUND

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

11 \$ 13,381,594

12 a. From the moneys deposited in the school ready children
13 grants account for the fiscal year beginning July 1, 2004, and
14 ending June 30, 2005, not more than \$200,000 is allocated for
15 the community empowerment office and other technical
16 assistance activities. It is the intent of the general
17 assembly that regional technical assistance teams will be
18 established and will include staff from various agencies, as
19 appropriate, including the area education agencies, community
20 colleges, and the Iowa state university of science and
21 technology cooperative extension service in agriculture and
22 home economics. The Iowa empowerment board shall direct staff
23 to work with the advisory council to inventory technical
24 assistance needs. Funds allocated under this lettered
25 paragraph may be used by the Iowa empowerment board for the
26 purpose of skills development and support for ongoing training
27 of the regional technical assistance teams. However, funds
28 shall not be used for additional staff or for the
29 reimbursement of staff.

30 b. Notwithstanding any other provision of law to the
31 contrary, the community empowerment office shall use the
32 documentation created by the legislative services agency to
33 continue the implementation of the four-year phase-in period
34 of the distribution formula approved by the community
35 empowerment board.

1 c. As a condition of receiving funding appropriated in
 2 this subsection, each community empowerment area board shall
 3 report to the Iowa empowerment board progress on each of the
 4 state indicators approved by the state board, as well as
 5 progress on local indicators. The community empowerment area
 6 board must also submit a written plan amendment extending by
 7 one year the area's comprehensive school ready children grant
 8 plan developed for providing services for children from birth
 9 through five years of age and provide other information
 10 specified by the Iowa empowerment board. The amendment may
 11 also provide for changes in the programs and services provided
 12 under the plan. The Iowa empowerment board shall establish a
 13 submission deadline for the plan amendment that allows a
 14 reasonable period of time for preparation of the plan
 15 amendment and for review and approval or request for
 16 modification of the plan amendment by the Iowa empowerment
 17 board. In addition, the community empowerment board must
 18 continue to comply with reporting provisions and other
 19 requirements adopted by the Iowa empowerment board in
 20 implementing section 28.8.

21 11. TEXTBOOKS OF NONPUBLIC SCHOOL PUPILS

22 To provide funds for costs of providing textbooks to each
 23 resident pupil who attends a nonpublic school as authorized by
 24 section 301.1. The funding is limited to \$20 per pupil and
 25 shall not exceed the comparable services offered to resident
 26 public school pupils:

27 \$ 590,458

28 12. STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM

29 For purposes, as provided in law, of the student
 30 achievement and teacher quality program established pursuant
 31 to chapter 284:

32 \$ 43,113,894

33 13. COMMUNITY COLLEGES

34 For general state financial aid to merged areas as defined
 35 in section 260C.2 in accordance with chapters 258 and 260C:

1	.....	\$139,779,244
2	The funds appropriated in this subsection shall be	
3	allocated as follows:	
4	a. Merged Area I	\$ 6,717,353
5	b. Merged Area II	\$ 7,859,917
6	c. Merged Area III	\$ 7,295,985
7	d. Merged Area IV	\$ 3,569,332
8	e. Merged Area V	\$ 7,499,287
9	f. Merged Area VI	\$ 6,918,909
10	g. Merged Area VII	\$ 10,008,601
11	h. Merged Area IX	\$ 12,311,409
12	i. Merged Area X	\$ 19,369,288
13	j. Merged Area XI	\$ 20,524,506
14	k. Merged Area XII	\$ 8,084,396
15	l. Merged Area XIII	\$ 8,298,918
16	m. Merged Area XIV	\$ 3,612,936
17	n. Merged Area XV	\$ 11,362,216
18	o. Merged Area XVI	\$ 6,346,191

19 Sec. 76. BOARD OF EDUCATIONAL EXAMINERS LICENSING FEES.

20 Notwithstanding section 272.10, up to 85 percent of any funds

21 received annually resulting from an increase in fees approved

22 and implemented for licensing by the state board of

23 educational examiners after July 1, 1997, and before June 30,

24 2003, and up to 70 percent of any funds received annually

25 resulting from an increase in fees approved and implemented

26 for licensing by the state board after July 1, 2003, shall be

27 available for the fiscal year beginning July 1, 2004, to the

28 state board for purposes related to the state board's duties,

29 including, but not limited to, additional full-time equivalent

30 positions. The director of the department of administrative

31 services shall draw warrants upon the treasurer of state from

32 the funds appropriated as provided in this section and shall

33 make the funds resulting from the increase in fees available

34 during the fiscal year to the state board on a monthly basis.

35 Sec. 77. MINIMUM TEACHER SALARY REQUIREMENTS -- FY 2004-

1 2005.

2 1. Notwithstanding section 284.7, subsection 1, paragraph
3 "a", subparagraph (2), the minimum teacher salary paid by a
4 school district or area education agency for purposes of
5 teacher compensation in accordance with chapter 284, for the
6 fiscal year beginning July 1, 2004, and ending June 30, 2005,
7 shall be the minimum salary amount the school district or area
8 education agency paid to a first-year beginning teacher or,
9 the minimum salary amount the school district or area
10 education agency would have paid a first-year beginning
11 teacher if the school district or area education agency had
12 participated in the program in the 2001-2002 school year, in
13 accordance with section 284.7, subsection 1, Code Supplement
14 2001. If the school district or area education agency did not
15 employ a first-year beginning teacher in the 2001-2002 school
16 year, the minimum salary is the amount that the district would
17 have paid a first-year beginning teacher under chapter 284 in
18 the 2001-2002 school year.

19 2. Notwithstanding section 284.7, subsection 1, paragraph
20 "b", subparagraph (2), the minimum career teacher salary paid
21 to a career teacher who was a beginning teacher in the 2001-
22 2002 school year, by a school district or area education
23 agency participating in the student achievement and teacher
24 quality program, for the school year beginning July 1, 2004,
25 and ending June 30, 2005, shall be, unless the school district
26 has a minimum career teacher salary that exceeds thirty
27 thousand dollars, one thousand dollars greater than the
28 minimum salary amount the school district or area education
29 agency paid to a first-year beginning teacher if the school
30 district or area education agency participated in the program
31 during the 2001-2002 school year, or the minimum salary amount
32 the school district or area education agency would have paid a
33 first-year beginning teacher if the school district or area
34 education agency had participated in the program in the 2001-
35 2002 school year, in accordance with section 284.7, subsection

1 1, Code Supplement 2001.

2 3. Notwithstanding section 284.7, subsection 1, paragraph
3 "b", subparagraph (2), and except as provided in subsection 2,
4 the minimum career teacher salary paid by a school district or
5 area education agency participating in the student achievement
6 and teacher quality program, for purposes of teacher
7 compensation in accordance with chapter 284, for the school
8 year beginning July 1, 2004, and ending June 30, 2005, shall
9 be the minimum salary amount the school district or area
10 education agency paid to a career teacher if the school
11 district or area education agency participated in the program
12 during the 2001-2002 school year, or, the minimum salary
13 amount the school district or area education agency would have
14 paid a career teacher if the school district or area education
15 agency had participated in the program in the 2001-2002 school
16 year, in accordance with section 284.7, subsection 1, Code
17 Supplement 2001.

18 Sec. 78. SUPPLEMENTAL AID FOR THE IOWA PUBLIC BROADCASTING
19 DIVISION. Notwithstanding the provisions of section 8.33, or
20 any other provision of law to the contrary, \$158,000 from the
21 moneys from the appropriation made in section 284.13,
22 subsection 1, paragraph "d", as amended by this division of
23 this Act, which remain unexpended or unencumbered on June 30,
24 2004, shall not revert but shall remain available for
25 expenditure in the succeeding fiscal year by the department of
26 education for the public broadcasting division to supplement
27 the appropriation made in this division of this Act for the
28 public broadcasting division.

29 STATE BOARD OF REGENTS

30 Sec. 79. There is appropriated from the general fund of
31 the state to the state board of regents for the fiscal year
32 beginning July 1, 2004, and ending June 30, 2005, the
33 following amounts, or so much thereof as may be necessary, to
34 be used for the purposes designated:

35 1. OFFICE OF STATE BOARD OF REGENTS

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

4 \$ 1,160,398
5 FTEs 16.00

6 The state board of regents, the department of management,
7 and the legislative services agency shall cooperate to
8 determine and agree upon, by November 15, 2004, the amount
9 that needs to be appropriated for tuition replacement for the
10 fiscal year beginning July 1, 2005.

11 The state board of regents shall submit a monthly financial
12 report in a format agreed upon by the state board of regents
13 office and the legislative services agency.

14 b. For allocation by the state board of regents to the
15 state university of Iowa, the Iowa state university of science
16 and technology, and the university of northern Iowa to
17 reimburse the institutions for deficiencies in their operating
18 funds resulting from the pledging of tuitions, student fees
19 and charges, and institutional income to finance the cost of
20 providing academic and administrative buildings and facilities
21 and utility services at the institutions:

22 \$ 13,009,474

23 Notwithstanding section 8.33, funds appropriated for the
24 purposes in this lettered paragraph remaining unencumbered or
25 unobligated at the end of the fiscal year shall not revert to
26 the general fund of the state but shall be available for
27 expenditure for the purposes specified in this lettered
28 paragraph during the subsequent fiscal year.

29 c. For funds to be allocated to the southwest Iowa
30 graduate studies center:

31 \$ 105,956

32 d. For funds to be allocated to the siouxland interstate
33 metropolitan planning council for the tristate graduate center
34 under section 262.9, subsection 21:

35 \$ 77,941

1 e. For funds to be allocated to the quad-cities graduate
2 studies center:

3 \$ 157,144

4 2. STATE UNIVERSITY OF IOWA

5 a. General university, including lakeside laboratory

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

9 \$219,937,344

10 FTEs 4,055.62

11 It is the intent of the general assembly that the
12 university continue progress on the school of public health
13 and the public health initiative for the purposes of
14 establishing an accredited school of public health and for
15 funding an initiative for the health and independence of
16 elderly Iowans. From the funds appropriated in this lettered
17 paragraph, the university may use up to \$2,100,000 for the
18 school of public health and the public health initiative.

19 b. University hospitals

20 For salaries, support, maintenance, equipment, and
21 miscellaneous purposes and for medical and surgical treatment
22 of indigent patients as provided in chapter 255, for medical
23 education, and for not more than the following full-time
24 equivalent positions:

25 \$ 27,284,584

26 FTEs 5,471.01

27 Of the amount appropriated in this lettered paragraph,
28 \$25,950,166 shall be considered encumbered and shall not be
29 expended for any purpose until January 1, 2005.

30 (1) However, if the department of human services adjusts
31 hospital payments to provide an increased base rate to offset
32 the high cost incurred for providing services to medical
33 assistance patients prior to January 1, 2005, a portion of the
34 amount specified in this unnumbered paragraph equal to the
35 increased Medicaid payment shall revert to the general fund of

1 the state. Notwithstanding section 8.54, subsection 7, the
2 amount required to revert under this subparagraph shall not be
3 considered to be appropriated for purposes of the state
4 general fund expenditure limitation for the fiscal year
5 beginning July 1, 2004.

6 (2) If the adjustment described in subparagraph (1) to
7 increase the base rate is not made prior to January 1, 2005,
8 the amount specified in this unnumbered paragraph shall no
9 longer be considered encumbered, may be expended, and shall be
10 available for the purposes originally specified.

11 (3) Any incremental increase in the base rate made
12 pursuant to subparagraph (1) shall not be used in determining
13 the university of Iowa hospital and clinics disproportionate
14 share rate or when determining the statewide average base rate
15 for purposes of calculating indirect medical education rates.

16 The university of Iowa hospitals and clinics shall, within
17 the context of chapter 255 and when medically appropriate,
18 make reasonable efforts to extend the university of Iowa
19 hospitals and clinics' use of home telemedicine and other
20 technologies to reduce the frequency of visits to the hospital
21 required by the indigent patients.

22 The university of Iowa hospitals and clinics shall submit
23 quarterly a report regarding the portion of the appropriation
24 in this lettered paragraph expended on medical education. The
25 report shall be submitted in a format jointly developed by the
26 university of Iowa hospitals and clinics, the legislative
27 services agency, and the department of management, and shall
28 delineate the expenditures and purposes of the funds.

29 (4) Funds appropriated in this lettered paragraph shall
30 not be used to perform abortions except medically necessary
31 abortions, and shall not be used to operate the early
32 termination of pregnancy clinic except for the performance of
33 medically necessary abortions. For the purpose of this
34 lettered paragraph, an abortion is the purposeful interruption
35 of pregnancy with the intention other than to produce a live-

1 born infant or to remove a dead fetus, and a medically
2 necessary abortion is one performed under one of the following
3 conditions:

4 (a) The attending physician certifies that continuing the
5 pregnancy would endanger the life of the pregnant woman.

6 (b) The attending physician certifies that the fetus is
7 physically deformed, mentally deficient, or afflicted with a
8 congenital illness.

9 (c) The pregnancy is the result of a rape which is
10 reported within 45 days of the incident to a law enforcement
11 agency or public or private health agency which may include a
12 family physician.

13 (d) The pregnancy is the result of incest which is
14 reported within 150 days of the incident to a law enforcement
15 agency or public or private health agency which may include a
16 family physician.

17 (e) The abortion is a spontaneous abortion, commonly known
18 as a miscarriage, wherein not all of the products of
19 conception are expelled.

20 The total quota allocated to the counties for indigent
21 patients for the fiscal year beginning July 1, 2004, shall not
22 be lower than the total quota allocated to the counties for
23 the fiscal year commencing July 1, 1998. The total quota
24 shall be allocated among the counties on the basis of the 2000
25 census pursuant to section 255.16.

26 The university of Iowa hospitals and clinics, in
27 cooperation with the department of corrections, shall study
28 the utilization of the indigent patient care program by
29 department of corrections' inmates and shall submit a report
30 to the governor and the general assembly on or before January
31 1, 2005, regarding recommendations to improve the efficiency
32 and cost-effectiveness of the care provided to the inmates.

33 c. Psychiatric hospital

34 For salaries, support, maintenance, equipment,
35 miscellaneous purposes, for the care, treatment, and

1 maintenance of committed and voluntary public patients, and
2 for not more than the following full-time equivalent
3 positions:

4 \$ 7,043,056
5 FTEs 272.11

6 d. Center for disabilities and development
7 For salaries, support, maintenance, miscellaneous purposes,
8 and for not more than the following full-time equivalent
9 positions:

10 \$ 6,363,265
11 FTEs 143.34

12 From the funds appropriated in this lettered paragraph,
13 \$200,000 shall be allocated for purposes of the employment
14 policy group.

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

19 \$ 2,657,335
20 FTEs 43.25

21 f. State hygienic laboratory
22 For salaries, support, maintenance, miscellaneous purposes,
23 and for not more than the following full-time equivalent
24 positions:

25 \$ 3,802,520
26 FTEs 102.49

27 g. Family practice program
28 For allocation by the dean of the college of medicine, with
29 approval of the advisory board, to qualified participants, to
30 carry out chapter 148D for the family practice program,
31 including salaries and support, and for not more than the
32 following full-time equivalent positions:

33 \$ 2,075,948
34 FTEs 192.40

35 h. Child health care services

1 For specialized child health care services, including
2 childhood cancer diagnostic and treatment network programs,
3 rural comprehensive care for hemophilia patients, and the Iowa
4 high-risk infant follow-up program, including salaries and
5 support, and for not more than the following full-time
6 equivalent positions:

7 \$ 649,066
8 FTEs 53.46

9 i. Statewide cancer registry

10 For the statewide cancer registry, and for not more than
11 the following full-time equivalent positions:

12 \$ 178,739
13 FTEs 2.40

14 j. Substance abuse consortium

15 For funds to be allocated to the Iowa consortium for
16 substance abuse research and evaluation, and for not more than
17 the following full-time equivalent positions:

18 \$ 64,871
19 FTEs 1.50

20 k. Center for biocatalysis

21 For the center for biocatalysis, and for not more than the
22 following full-time equivalent positions:

23 \$ 881,384
24 FTEs 5.20

25 l. Primary health care initiative

26 For the primary health care initiative in the college of
27 medicine and for not more than the following full-time
28 equivalent positions:

29 \$ 759,875
30 FTEs 7.75

31 From the funds appropriated in this lettered paragraph,
32 \$330,000 shall be allocated to the department of family
33 practice at the state university of Iowa college of medicine
34 for family practice faculty and support staff.

35 m. Birth defects registry

1 For the birth defects registry and for not more than the
2 following full-time equivalent positions:

3 \$ 44,636
4 FTEs 1.30

5 3. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

6 a. General university

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

10 \$173,189,751
11 FTEs 3,647.42

12 It is the intent of the general assembly that the
13 university continue progress on the center for excellence in
14 fundamental plant sciences. From the funds appropriated in
15 this lettered paragraph, the university may use up to
16 \$4,670,000 for the center for excellence in fundamental plant
17 sciences.

18 b. Agricultural experiment station

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

22 \$ 31,019,520
23 FTEs 546.98

24 c. Cooperative extension service in agriculture and home
25 economics

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

29 \$ 19,738,432
30 FTEs 383.34

31 d. Leopold center

32 For agricultural research grants at Iowa state university
33 under section 266.39B, and for not more than the following
34 full-time equivalent positions:

35 \$ 464,319

1 FTEs 11.25
2 e. Livestock disease research
3 For deposit in and the use of the livestock disease
4 research fund under section 267.8:
5 \$ 220,708
6 4. UNIVERSITY OF NORTHERN IOWA
7 a. General university
8 For salaries, support, maintenance, equipment,
9 miscellaneous purposes, and for not more than the following
10 full-time equivalent positions:
11 \$ 77,804,507
12 FTEs 1,398.01
13 It is the intent of the general assembly that the
14 university continue progress on the implementation of a
15 masters in social work program. From the funds appropriated
16 in this lettered paragraph, the university may use up to
17 \$450,000 for the implementation of the masters in social work
18 program, up to \$100,000 for the roadside vegetation project,
19 and up to \$200,000 for the Iowa office for staff development.
20 b. Recycling and reuse center
21 For purposes of the recycling and reuse center, and for not
22 more than the following full-time equivalent positions:
23 \$ 211,858
24 FTEs 3.00
25 5. STATE SCHOOL FOR THE DEAF
26 For salaries, support, maintenance, miscellaneous purposes,
27 and for not more than the following full-time equivalent
28 positions:
29 \$ 8,261,706
30 FTEs 126.60
31 6. IOWA BRAILLE AND SIGHT SAVING SCHOOL
32 For salaries, support, maintenance, miscellaneous purposes,
33 and for not more than the following full-time equivalent
34 positions:
35 \$ 4,622,122

1 FTEs 81.00
2 7. TUITION AND TRANSPORTATION COSTS
3 For payment to local school boards for the tuition and
4 transportation costs of students residing in the Iowa braille
5 and sight saving school and the state school for the deaf
6 pursuant to section 262.43 and for payment of certain
7 clothing, prescription, and transportation costs for students
8 at these schools pursuant to section 270.5:
9 \$ 15,020
10 Sec. 80. MEDICAL ASSISTANCE -- SUPPLEMENTAL AMOUNTS. For
11 the fiscal year beginning July 1, 2004, and ending June 30,
12 2005, the department of human services shall continue the
13 supplemental disproportionate share and a supplemental
14 indirect medical education adjustment applicable to state-
15 owned acute care hospitals with more than 500 beds and shall
16 reimburse qualifying hospitals pursuant to that adjustment
17 with a supplemental amount for services provided medical
18 assistance recipients. The adjustment shall generate
19 supplemental payments intended to equal the state
20 appropriation made to a qualifying hospital for treatment of
21 indigent patients as provided in chapter 255. To the extent
22 of the supplemental payments, a qualifying hospital shall,
23 after receipt of the funds, transfer to the department of
24 human services an amount equal to the actual supplemental
25 payments that were made in that month. The aggregate amounts
26 for the fiscal year shall not exceed the state appropriation
27 made to the qualifying hospital for treatment of indigent
28 patients as provided in chapter 255. The department of human
29 services shall deposit these funds in the department's medical
30 assistance account. To the extent that state funds
31 appropriated to a qualifying hospital for the treatment of
32 indigent patients as provided in chapter 255 have been
33 transferred to the department of human services as a result of
34 these supplemental payments made to the qualifying hospital,
35 the department shall not, directly or indirectly, recoup the

1 supplemental payments made to a qualifying hospital for any
2 reason, unless an equivalent amount of the funds transferred
3 to the department of human services by a qualifying hospital
4 pursuant to this provision is transferred to the qualifying
5 hospital by the department.

6 If the state supplemental amount allotted to the state of
7 Iowa for the federal fiscal year beginning October 1, 2004,
8 and ending September 30, 2005, pursuant to section 1923(f)(3)
9 of the federal Social Security Act, as amended, or pursuant to
10 federal payments for indirect medical education is greater
11 than the amount necessary to fund the federal share of the
12 supplemental payments specified in the preceding paragraph,
13 the department of human services shall increase the
14 supplemental disproportionate share or supplemental indirect
15 medical education adjustment by the lesser of the amount
16 necessary to utilize fully the state supplemental amount or
17 the amount of state funds appropriated to the state university
18 of Iowa general education fund and allocated to the university
19 for the college of medicine. The state university of Iowa
20 shall transfer from the allocation for the college of medicine
21 to the department of human services, on a monthly basis, an
22 amount equal to the additional supplemental payments made
23 during the previous month pursuant to this paragraph. A
24 qualifying hospital receiving supplemental payments pursuant
25 to this paragraph that are greater than the state
26 appropriation made to the qualifying hospital for treatment of
27 indigent patients as provided in chapter 255 shall be
28 obligated as a condition of its participation in the medical
29 assistance program to transfer to the state university of Iowa
30 general education fund on a monthly basis an amount equal to
31 the funds transferred by the state university of Iowa to the
32 department of human services. To the extent that state funds
33 appropriated to the state university of Iowa and allocated to
34 the college of medicine have been transferred to the
35 department of human services as a result of these supplemental

1 payments made to the qualifying hospital, the department shall
2 not, directly or indirectly, recoup these supplemental
3 payments made to a qualifying hospital for any reason, unless
4 an equivalent amount of the funds transferred to the
5 department of human services by the state university of Iowa
6 pursuant to this paragraph is transferred to the qualifying
7 hospital by the department.

8 Continuation of the supplemental disproportionate share and
9 supplemental indirect medical education adjustment shall
10 preserve the funds available to the university hospital for
11 medical and surgical treatment of indigent patients as
12 provided in chapter 255 and to the state university of Iowa
13 for educational purposes at the same level as provided by the
14 state funds initially appropriated for that purpose.

15 The department of human services shall, in any compilation
16 of data or other report distributed to the public concerning
17 payments to providers under the medical assistance program,
18 set forth reimbursements to a qualifying hospital through the
19 supplemental disproportionate share and supplemental indirect
20 medical education adjustment as a separate item and shall not
21 include such payments in the amounts otherwise reported as the
22 reimbursement to a qualifying hospital for services to medical
23 assistance recipients.

24 For purposes of this section, "supplemental payment" means
25 a supplemental payment amount paid for medical assistance to a
26 hospital qualifying for that payment under this section.

27 Sec. 81. For the fiscal year beginning July 1, 2004, and
28 ending June 30, 2005, the state board of regents may use
29 notes, bonds, or other evidences of indebtedness issued under
30 section 262.48 to finance projects that will result in energy
31 cost savings in an amount that will cause the state board to
32 recover the cost of the projects within an average of six
33 years.

34 Sec. 82. Notwithstanding section 270.7, the department of
35 administrative services shall pay the state school for the

1 deaf and the Iowa braille and sight saving school the moneys
2 collected from the counties during the fiscal year beginning
3 July 1, 2004, for expenses relating to prescription drug costs
4 for students attending the state school for the deaf and the
5 Iowa braille and sight saving school.

6 Sec. 83. Section 256.44, subsection 7, Code 2003, is
7 amended to read as follows:

8 7. The department shall prorate the amount of the annual
9 awards paid in accordance with this section when the number of
10 award recipients exceeds one thousand one hundred individuals.
11 The department may prorate the amount of an annual award when
12 a teacher who meets the qualifications of subsection 1 is
13 employed on a less than full-time basis by a school district.
14 The state board shall adopt rules under chapter 17A
15 establishing criteria for the proration of annual awards.

16 Sec. 84. Section 261.19, subsection 2, Code 2003, is
17 amended to read as follows:

18 2. a. Notwithstanding the administration provisions of
19 subsection 1, the forgivable loan program established pursuant
20 to subsection 1 shall be administered by the commission in
21 conjunction with Des Moines university. Des Moines university
22 shall match on an equal basis state aid appropriated for
23 purposes of the forgivable loan program.

24 b. Des Moines university shall provide recommendations to
25 the commission for students who meet the eligibility
26 requirements of the forgivable loan program. A forgivable
27 loan may be awarded to a resident of Iowa who is enrolled at
28 Des Moines university -- osteopathic medical center if the
29 student agrees to practice in this state for a period of time
30 to be determined by the commission at the time the loan is
31 awarded. Forgivable loans to eligible students shall not
32 become due until after the student completes a residency
33 program. Interest on the loans shall begin to accrue the day
34 following the student's graduation date. If the student
35 completes the period of practice established by the commission

1 and agreed to by the student, the loan amount shall be
2 forgiven. The loan amount shall not be forgiven if the
3 osteopathic physician fails to complete the required time
4 period of practice in this state or fails to satisfactorily
5 continue in the university's program of medical education.

6 Sec. 85. Section 257B.1B, subsection 1, Code 2003, is
7 amended to read as follows:

8 1. Fifty-five percent of the moneys deposited in the fund
9 to the department of education for allocation to the reading
10 recovery center to assist school districts in developing
11 reading recovery programs. ~~From the moneys allocated in this~~
12 ~~subsection, one hundred thousand dollars shall be distributed~~
13 ~~to the reading recovery center, and the remaining balance~~
14 ~~shall be distributed to the area education agencies in the~~
15 ~~proportion that the number of children who are eligible for~~
16 ~~free or reduced price meals under the federal National School~~
17 ~~Lunch Act and the federal Child Nutrition Act of 1966-42~~
18 ~~U.S.C. § 1751--1785, in the basic enrollment of grades one~~
19 ~~through six in the area served by an agency, bears to the sum~~
20 ~~of the number of children who are eligible for free or reduced~~
21 ~~price meals under the federal National School Lunch Act and~~
22 ~~the federal Child Nutrition Act of 1966-42 U.S.C. §~~
23 ~~1751--1785, in the basic enrollments of grades one through six~~
24 ~~in all of the areas served by area education agencies in the~~
25 ~~state for the budget year.~~

26 Sec. 86. Section 261.25, subsections 1, 2, and 3, Code
27 Supplement 2003, are amended to read as follows:

28 1. There is appropriated from the general fund of the
29 state to the commission for each fiscal year the sum of forty-
30 six forty-seven million four one hundred seventeen fifty-seven
31 thousand nine five hundred sixty-four fifteen dollars for
32 tuition grants.

33 2. There is appropriated from the general fund of the
34 state to the commission for each fiscal year the sum of four
35 hundred seventy-seven sixty-five thousand one hundred three

1 seventy-five dollars for scholarships.

2 3. There is appropriated from the general fund of the
3 state to the commission for each fiscal year the sum of two
4 million three five hundred seventy-five thirty-three thousand
5 six one hundred fifty-seven fifteen dollars for vocational-
6 technical tuition grants.

7 Sec. 87. Section 279.20, Code 2003, is amended to read as
8 follows:

9 279.20 SUPERINTENDENT -- TERM.

10 1. The board of directors of a school district may employ
11 a superintendent of schools for a term of not to exceed three
12 years. However, the board's initial contract with a
13 superintendent shall not exceed one year if the board is
14 obligated to pay a former superintendent under an unexpired
15 contract. The superintendent shall be the executive officer
16 of the board and have such powers and duties as may be
17 prescribed by rules adopted by the board or by law. Boards of
18 directors may jointly exercise the powers conferred by this
19 section.

20 2. The board of directors of a school district may
21 delegate the authority to hire support personnel and sign the
22 support personnel employment contracts if the board adopts a
23 policy authorizing the superintendent to perform such duties
24 and specifying the positions the superintendent is authorized
25 to fill. For purposes of this subsection, the term "support
26 personnel" includes, but is not limited to, bus drivers,
27 custodians, educational associates, and clerical and food
28 service employees.

29 Sec. 88. Section 284.10, subsection 3, Code Supplement
30 2003, is amended by striking the subsection.

31 Sec. 89. Section 284.13, subsection 1, paragraphs b, d,
32 and e, Code Supplement 2003, are amended to read as follows:

33 b. For the fiscal year beginning July 1, ~~2003~~ 2004, and
34 ending June 30, ~~2004~~ 2005, to the department of education, the
35 amount of one million seven hundred thousand dollars for the

1 issuance of national board certification awards in accordance
2 with section 256.44.

3 d. For the fiscal year beginning July 1, 2003, and ending
4 June 30, 2004, up to one million dollars to the department of
5 education for purposes of establishing maintaining the
6 evaluator training program, including but not limited to an
7 evaluation process, the training of providers, development of
8 a provider approval process, training materials and costs, for
9 payment to practitioners under section 284.10, subsection 3,
10 and to pay any applicable costs of the employer's share of
11 contributions to federal social security and the Iowa public
12 employees' retirement system or a pension and annuity
13 retirement system established under chapter 294, for such
14 amounts paid by the district, and for subsidies to school
15 districts for training costs. A portion of the funds
16 allocated to the department for purposes of this paragraph may
17 be used by the department for administrative purposes.
18 Notwithstanding section 8.33, from the moneys allocated under
19 this paragraph for the fiscal year beginning July 1, 2003,
20 that remain unobligated or unexpended at the end of the fiscal
21 year, one hundred fifty thousand dollars shall not revert but
22 shall remain available for expenditure to maintain the
23 evaluator training program, and up to five hundred thousand
24 dollars shall remain available to supplement moneys allocated
25 pursuant to paragraph "f" of this subsection.

26 e. For the fiscal year beginning July 1, ~~2003~~ 2004, and
27 ending June 30, ~~2004~~ 2005, up to ~~three~~ four hundred ~~seventy-~~
28 ~~five~~ thousand dollars to the department of education for
29 purposes of implementing the career development program
30 requirements of section 284.6, and the review panel
31 requirements of section 284.9. From the moneys allocated to
32 the department pursuant to this paragraph, not less than
33 seventy-five thousand dollars shall be used to administer the
34 ambassador to education position in accordance with section
35 256.45. A portion of the funds allocated to the department

1 for purposes of this paragraph may be used by the department
2 for administrative purposes. Notwithstanding section 8.33,
3 moneys allocated for purposes of this paragraph prior to July
4 1, 2004, which remain unobligated or unexpended at the end of
5 the fiscal year for which the moneys were appropriated, shall
6 remain available for expenditure for the purposes for which
7 they were allocated, for the fiscal year beginning July 1,
8 2004, and ending June 30, 2005.

9 Sec. 90. EFFECTIVE DATE. The provisions of this division
10 of this Act providing for supplemental aid for the Iowa public
11 broadcasting division and amending section 284.13, subsection
12 1, paragraphs "d" and "e", relating to moneys carried over to
13 the 2004-2005 fiscal year, being deemed of immediate
14 importance, takes effect upon enactment.

15 DIVISION V

16 HEALTH AND HUMAN SERVICES

17 ELDER AFFAIRS

18 Sec. 91. DEPARTMENT OF ELDER AFFAIRS. There is
19 appropriated from the general fund of the state to the
20 department of elder affairs for the fiscal year beginning July
21 1, 2004, and ending June 30, 2005, the following amount, or so
22 much thereof as is necessary, to be used for the purposes
23 designated:

24 For aging programs for the department of elder affairs and
25 area agencies on aging to provide citizens of Iowa who are 60
26 years of age and older with case management for the frail
27 elderly, the retired and senior volunteer program, resident
28 advocate committee coordination, employment, and other
29 services which may include, but are not limited to, adult day
30 services, respite care, chore services, telephone reassurance,
31 information and assistance, and home repair services,
32 including the winterizing of homes, and for the construction
33 of entrance ramps which make residences accessible to the
34 physically handicapped, and for salaries, support,
35 administration, maintenance, miscellaneous purposes, and for

1 not more than the following full-time equivalent positions
2 with the department of elder affairs:

3 \$ 2,625,146
4 FTEs 26.75

5 1. Funds appropriated in this section may be used to
6 supplement federal funds under federal regulations. To
7 receive funds appropriated in this section, a local area
8 agency on aging shall match the funds with moneys from other
9 sources according to rules adopted by the department. Funds
10 appropriated in this section may be used for elderly services
11 not specifically enumerated in this section only if approved
12 by an area agency on aging for provision of the service within
13 the area.

14 2. Of the funds allocated in this section and any other
15 state funds allocated for aging programs of the area agencies
16 on aging not more than 7.5 percent of the total amount
17 allocated shall be used for area agencies on aging
18 administrative purposes.

19 3. Of the funds appropriated in this section, \$49,000
20 shall be used, in addition to any other funds appropriated in
21 this Act, for provision of training to resident advocate
22 committees for elder group homes, as defined in section
23 231B.1, and licensed health care facilities as defined in
24 section 135C.1.

25 4. It is the intent of the general assembly that the Iowa
26 chapters of the Alzheimer's association and the case
27 management program for the frail elderly shall collaborate and
28 cooperate fully to assist families in maintaining family
29 members with Alzheimer's disease in the community for the
30 longest period of time possible.

31 5. The department shall maintain policies and procedures
32 regarding Alzheimer's support and the retired and senior
33 volunteer program.

34

HEALTH

35 Sec. 92. DEPARTMENT OF PUBLIC HEALTH. There is

1 appropriated from the general fund of the state to the Iowa
2 department of public health for the fiscal year beginning July
3 1, 2004, and ending June 30, 2005, the following amounts, or
4 so much thereof as is necessary, to be used for the purposes
5 designated:

6 1. ADDICTIVE DISORDERS

7 For reducing the prevalence of use of tobacco, alcohol, and
8 other drugs, and treating individuals affected by addictive
9 behaviors, including gambling, and for not more than the
10 following full-time equivalent positions:

11 \$ 1,267,111
12 FTEs 15.75

13 a. The department shall continue to coordinate with
14 substance abuse treatment and prevention providers regardless
15 of funding source to assure the delivery of substance abuse
16 treatment and prevention programs.

17 b. The commission on substance abuse, in conjunction with
18 the department, shall continue to coordinate the delivery of
19 substance abuse services involving prevention, social and
20 medical detoxification, and other treatment by medical and
21 nonmedical providers to uninsured and court-ordered substance
22 abuse patients in all counties of the state.

23 c. The department and any grantee or subgrantee of the
24 department shall not discriminate against a nongovernmental
25 organization that provides substance abuse treatment and
26 prevention services or applies for funding to provide those
27 services on the basis that the organization has a religious
28 character. The department shall report to the governor and
29 the general assembly on or before February 1, 2005, regarding
30 the number of religious or other nongovernmental organizations
31 that applied for funds in the preceding fiscal year, the
32 amounts awarded to those organizations, and the basis for any
33 refusal by the department or grantee or subgrantee of the
34 department to award funds to any of those organizations that
35 applied.

1 2. ADULT WELLNESS

2 For maintaining or improving the health status of adults,
3 with target populations between the ages of 18 through 60, and
4 for not more than the following full-time equivalent
5 positions:

6	\$	304,067
7	FTEs	20.85

8 3. CHILD AND ADOLESCENT WELLNESS

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

12	\$	915,803
13	FTEs	44.10

14 4. CHRONIC CONDITIONS

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

18	\$	845,863
19	FTEs	10.00

20 5. COMMUNITY CAPACITY

21 For strengthening the health care delivery system at the
22 local level, and for not more than the following full-time
23 equivalent positions:

24	\$	1,267,359
25	FTEs	21.60

26 Of the funds appropriated in this subsection, \$100,000 is
27 allocated for a child vision screening program implemented
28 through the university of Iowa hospitals and clinics in
29 collaboration with community empowerment areas.

30 6. ELDERLY WELLNESS

31 For optimizing the health of persons 60 years of age and
32 older, and for not more than the following full-time
33 equivalent positions:

34	\$	9,233,985
35	FTEs	4.95

1 The department shall implement elderly wellness services in
2 a manner that ensures that the services provided are not
3 payable by a third-party source. The department shall submit
4 a report by December 1, 2004, to the persons in this division
5 of this Act designated to receive reports regarding the
6 provision of services and expenditures for the services.

7 7. ENVIRONMENTAL HAZARDS

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

11	\$	251,808
12	FTEs	8.30

13 8. INFECTIOUS DISEASES

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

17	\$	1,079,703
18	FTEs	38.25

19 9. INJURIES

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

24	\$	1,379,358
25	FTEs	9.10

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

29 10. PUBLIC PROTECTION

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

33	\$	6,598,873
34	FTEs	152.05

35 a. The department may expend funds received from licensing

1 fees in addition to amounts appropriated in this subsection,
2 if those additional expenditures are directly the result of
3 any unanticipated litigation or scope of practice review
4 committee expense arising from the discharge of an examining
5 board's regulatory duties. Before the department expends or
6 encumbers funds for a scope of practice review committee or
7 for an amount in excess of the funds budgeted for an examining
8 board, the director of the department of management shall
9 approve the expenditure or encumbrance. The amounts necessary
10 to fund any unanticipated litigation or scope of practice
11 review committee expense in the fiscal year beginning July 1,
12 2004, shall not exceed 5 percent of the average annual fees
13 generated by the boards for the previous two fiscal years.
14 The funds authorized for expenditure pursuant to this lettered
15 paragraph are appropriated to the department for the purposes
16 described in this paragraph.

17 b. For the fiscal year beginning July 1, 2004, the
18 department shall retain fees collected from the certification
19 of lead inspectors and lead abaters pursuant to section
20 135.105A to support the certification program; and shall
21 retain fees collected from the licensing, registration,
22 authorization, accreditation, and inspection of x-ray machines
23 used for mammographically guided breast biopsy, screening, and
24 diagnostic mammography, pursuant to section 136C.10 to support
25 the administration of the chapter. The department may also
26 retain fees collected pursuant to section 136C.10 on all
27 shippers of radioactive material waste containers transported
28 across Iowa if the department does not obtain funding to
29 support the oversight and regulation of this activity, and for
30 x-ray radiology examination fees collected by the department
31 and reimbursed to a private organization conducting the
32 examination. Fees retained by the department pursuant to this
33 lettered paragraph are appropriated to the department for the
34 purposes described in this lettered paragraph.

35 c. The department may retain and expend not more than

1 \$297,961 for lease and maintenance expenses from fees
2 collected pursuant to section 147.80 by the board of dental
3 examiners, the board of pharmacy examiners, the board of
4 medical examiners, and the board of nursing in the fiscal year
5 beginning July 1, 2004, and ending June 30, 2005. Fees
6 retained by the department pursuant to this lettered paragraph
7 are appropriated to the department for the purposes described
8 in this lettered paragraph.

9 d. The department may retain and expend not more than
10 \$100,000 for reduction of the number of days necessary to
11 process medical license requests and for reduction of the
12 number of days needed for consideration of malpractice cases
13 from fees collected pursuant to section 147.80 by the board of
14 medical examiners in the fiscal year beginning July 1, 2004,
15 and ending June 30, 2005. Fees retained by the department
16 pursuant to this lettered paragraph are appropriated to the
17 department for the purposes described in this lettered
18 paragraph.

19 e. The board of dental examiners may retain and expend not
20 more than \$148,060 from revenues generated pursuant to section
21 147.80. Fees retained by the board pursuant to this lettered
22 paragraph are appropriated to the department to be used for
23 the purposes of regulating dental assistants.

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

33 g. The board of medical examiners, the board of pharmacy
34 examiners, the board of dental examiners, and the board of
35 nursing shall retain their individual executive officers, but

1 are strongly encouraged to share administrative, clerical, and
2 investigative staffs to the greatest extent possible. The
3 department shall submit a status report regarding the sharing
4 of staff under this paragraph to the persons designated in
5 this division of this Act to receive reports by December 1,
6 2004.

7 h. For the fiscal year beginning July 1, 2004, the board
8 of nursing may retain and expend 90 percent of the revenues
9 generated from any increase in licensing fees pursuant to
10 section 147.80 for purposes related to the state board's
11 duties, including but not limited to the addition of full-time
12 equivalent positions for program services and investigations.
13 Fees retained by the board pursuant to this lettered paragraph
14 are appropriated to the board of nursing for the purposes
15 described in this paragraph.

16 11. RESOURCE MANAGEMENT

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

20	\$	<u>680,707</u>
21	FTEs	47.30

22 12. The university of Iowa hospitals and clinics under the
23 control of the state board of regents shall not receive
24 indirect costs from the funds appropriated in this section.

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

30 14. a. The department shall apply for available federal
31 funds for sexual abstinence education programs.

32 b. It is the intent of the general assembly to comply with
33 the United States Congress' intent to provide education that
34 promotes abstinence from sexual activity outside of marriage
35 and reduces pregnancies, by focusing efforts on those persons

1 most likely to father and bear children out of wedlock.

2 c. Any sexual abstinence education program awarded moneys
3 under the grant program shall meet the definition of
4 abstinence education in the federal law. Grantees shall be
5 evaluated based upon the extent to which the abstinence
6 program successfully communicates the goals set forth in the
7 federal law.

8 d. It is the intent of the general assembly that the Iowa
9 department of public health and the department of human
10 services shall coordinate programs regarding pregnancy
11 prevention to the greatest extent possible.

12 Sec. 93. GAMBLING TREATMENT FUND -- APPROPRIATION.

13 1. There is appropriated from funds available in the
14 gambling treatment fund established in the office of the
15 treasurer of state pursuant to section 99G.39 to the Iowa
16 department of public health for the fiscal year beginning July
17 1, 2004, and ending June 30, 2005, the following amount, or so
18 much thereof as is necessary, to be used for the purpose
19 designated:

20 a. Addictive disorders

21 To be utilized for the benefit of persons with addictions:

22 \$ 1,690,000

23 The appropriation made in this paragraph shall be made from
24 proceeds credited to the gambling treatment fund due to an
25 increase in the percentage of gambling proceeds credited to
26 the gambling treatment fund if any enactment of legislation by
27 the 2004 Eightieth General Assembly in the Regular or
28 Extraordinary Legislative Session increases the percentage of
29 gambling proceeds credited to the gambling treatment fund.

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

34 b. Gambling treatment program

35 The funds in the gambling treatment fund after the

1 appropriation in paragraph "a" is made are appropriated and
2 shall be used for funding of administrative costs and to
3 provide programs which may include, but are not limited to,
4 outpatient and follow-up treatment for persons affected by
5 problem gambling, rehabilitation and residential treatment
6 programs, information and referral services, education and
7 preventive services, and financial management services.

8 2. Unless provided otherwise in legislation enacted by the
9 Eightieth General Assembly in 2004, for the fiscal year
10 beginning July 1, 2004, and ending June 30, 2005, from the tax
11 revenue received by the state racing and gaming commission
12 pursuant to section 99D.15, subsections 1, 3, and 4, an amount
13 equal to three-tenths of one percent of the gross sum wagered
14 by the pari-mutuel method is to be deposited into the gambling
15 treatment fund.

16 Sec. 94. VITAL RECORDS. The vital records modernization
17 project as enacted in 1993 Iowa Acts, chapter 55, section 1,
18 as amended by 1994 Iowa Acts, chapter 1068, section 8, as
19 amended by 1997 Iowa Acts, chapter 203, section 9, 1998 Iowa
20 Acts, chapter 1221, section 9, and 1999 Iowa Acts, chapter
21 201, section 17, and as continued by 2000 Iowa Acts, chapter
22 1222, section 10, 2001 Iowa Acts, chapter 182, section 13,
23 2002 Iowa Acts, Second Extraordinary Session, chapter 1003,
24 section 104, and 2003 Iowa Acts, chapter 175, section 4, shall
25 be extended until June 30, 2005, and the increased fees to be
26 collected pursuant to that project shall continue to be
27 collected and are appropriated to the Iowa department of
28 public health until June 30, 2005. The department shall
29 submit a report to the persons designated by this Act to
30 receive reports no later than September 1, 2004, concerning
31 the status of the modernization project, the fees collected,
32 and a target date for the project's completion.

33 Sec. 95. SCOPE OF PRACTICE REVIEW PROJECT. The scope of
34 practice review committee pilot project as enacted in 1997
35 Iowa Acts, chapter 203, section 6, as continued by 2002 Iowa

1 Acts, Second Extraordinary Session, chapter 1003, section 107,
2 and 2003 Iowa Acts, chapter 175, section 5, shall be extended
3 until June 30, 2005. The Iowa department of public health
4 shall submit an annual progress report to the governor and the
5 general assembly by January 15 and shall include any
6 recommendations for legislative action as a result of review
7 committee activities. The department may contract with a
8 school or college of public health in Iowa to assist in
9 implementing the project.

10 Sec. 96. AIDS DRUG ASSISTANCE PROGRAM. The Iowa
11 department of public health and the department of human
12 services shall collaborate to identify funding within the
13 funds available for the fiscal year beginning July 1, 2004, to
14 use in leveraging the maximum amount of federal funding
15 through the federal Ryan White Care Act, Title II, AIDS drug
16 assistance program for AIDS drug assistance program
17 supplemental drug treatment grants. The Iowa department of
18 public health shall submit a report regarding the results of
19 this directive to the persons specified in this Act to receive
20 reports.

21 COMMISSION OF VETERANS AFFAIRS

22 Sec. 97. COMMISSION OF VETERANS AFFAIRS. There is
23 appropriated from the general fund of the state to the
24 commission of veterans affairs for the fiscal year beginning
25 July 1, 2004, and ending June 30, 2005, the following amounts,
26 or so much thereof as is necessary, to be used for the
27 purposes designated:

28 1. COMMISSION OF VETERANS AFFAIRS ADMINISTRATION

29 For salaries, support, maintenance, miscellaneous purposes,
30 including the war orphans educational aid fund established
31 pursuant to chapter 35, and for not more than the following
32 full-time equivalent positions:

33	\$	293,971
34	FTEs	4.00

35 Of the funds appropriated in this subsection, \$100,000

1 shall be used by the commission to contract with the
2 department of elder affairs to utilize local veterans affairs
3 commissions and the retired senior volunteers program to
4 increase the utilization by eligible individuals of benefits
5 available through the federal department of veterans affairs.

6 The commission of veterans affairs may use the gifts
7 accepted by the chairperson of the commission of veterans
8 affairs, or designee, and other resources available to the
9 commission for use at its Camp Dodge office. The commission
10 shall report annually to the governor and the general assembly
11 on monetary gifts received by the commission for the Camp
12 Dodge office.

13 2. IOWA VETERANS HOME

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

17	\$ 16,189,139
18	FTEs 843.50

19 a. The Iowa veterans home may use the gifts accepted by
20 the chairperson of the commission of veterans affairs and
21 other resources available to the commission for use at the
22 Iowa veterans home.

23 b. Any Iowa veterans home successor contractor shall not
24 consider employees of a state institution or facility to be
25 new employees for purposes of employee wages, health
26 insurance, or retirement benefits.

27 c. The chairpersons and ranking members of the joint
28 appropriations subcommittee on health and human services shall
29 be notified by January 15 of any calendar year during which a
30 request for proposals is anticipated to be issued regarding
31 any Iowa veterans home contract involving employment, for
32 purposes of providing legislative review and oversight.

33 d. The Iowa veterans home shall operate with a net state
34 general fund appropriation. The amount appropriated in this
35 subsection is the net amount of state moneys projected to be

1 needed for the Iowa veterans home. The purposes of operating
2 with a net state general fund appropriation are to encourage
3 the Iowa veterans home to operate with increased self-
4 sufficiency, to improve quality and efficiency, and to support
5 collaborative efforts among all funders of services available
6 from the Iowa veterans home. Moneys appropriated in this
7 subsection may be used throughout the fiscal year in the
8 manner necessary for purposes of cash flow management, and for
9 purposes of cash flow management the Iowa veterans home may
10 temporarily draw more than the amount appropriated, provided
11 the amount appropriated is not exceeded at the close of the
12 fiscal year.

13 e. Revenues attributable to the Iowa veterans home for the
14 fiscal year beginning July 1, 2004, shall be deposited into
15 the Iowa veterans home account and shall be treated as
16 repayment receipts, including but not limited to all of the
17 following:

- 18 (1) Federal veterans administration payments.
- 19 (2) Medical assistance revenue received under chapter
20 249A.
- 21 (3) Federal Medicare program payments.
- 22 (4) Moneys received from client financial participation.
- 23 (5) Other revenues generated from current, new, or
24 expanded services which the Iowa veterans home is authorized
25 to provide.

26 f. For the purposes of allocating the salary adjustment
27 fund moneys appropriated in another Act, the Iowa veterans
28 home shall be considered to be funded entirely with state
29 moneys.

30 g. Notwithstanding section 8.33, up to \$500,000 of the
31 Iowa veterans home revenues that remain unencumbered or
32 unobligated at the close of the fiscal year shall not revert
33 but shall remain available to be used in the succeeding fiscal
34 year.

35

HUMAN SERVICES

1 Sec. 98. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK
2 GRANT. There is appropriated from the fund created in section
3 8.41 to the department of human services for the fiscal year
4 beginning July 1, 2004, and ending June 30, 2005, from moneys
5 received under the federal temporary assistance for needy
6 families (TANF) block grant pursuant to the federal Personal
7 Responsibility and Work Opportunity Reconciliation Act of
8 1996, Pub. L. No. 104-193, and successor legislation, which
9 are federally appropriated for the federal fiscal years
10 beginning October 1, 2003, and ending September 30, 2004, and
11 beginning October 1, 2004, and ending September 30, 2005, the
12 following amounts, or so much thereof as is necessary, to be
13 used for the purposes designated:

14 If the total amount of federal government appropriations
15 received for Iowa's portion of the TANF block grant amounts
16 for the federal fiscal years beginning October 1, 2003, and
17 ending September 30, 2004, and beginning October 1, 2004, and
18 ending September 30, 2005, is less than \$131,524,959, it is
19 the intent of the general assembly to act expeditiously during
20 the 2005 legislative session to adjust appropriations or take
21 other actions to address the reduced amount. Moneys
22 appropriated in this section shall be used in accordance with
23 the federal law making the funds available, applicable Iowa
24 law, appropriations made from the general fund of the state in
25 this Act for the purpose designated, and administrative rules
26 adopted to implement the federal and Iowa law:

27 1. To be credited to the family investment program account
28 and used for assistance under the family investment program
29 under chapter 239B:

30 \$ 45,277,569

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

35 \$ 13,412,794

1 3. For field operations:
2 \$ 16,280,254
3 4. For general administration:
4 \$ 3,660,030
5 5. For local administrative costs:
6 \$ 2,136,565
7 6. For state child care assistance:
8 \$ 18,073,746
9 a. Of the funds appropriated in this subsection, \$200,000
10 shall be used for provision of educational opportunities to
11 registered child care home providers in order to improve
12 services and programs offered by this category of providers
13 and to increase the number of providers. The department may
14 contract with institutions of higher education or child care
15 resource and referral centers to provide the educational
16 opportunities. Allowable administrative costs under the
17 contracts shall not exceed 5 percent. The application for a
18 grant shall not exceed two pages in length.
19 b. Of the funds appropriated in this subsection, the
20 maximum amount allowed under Pub. L. No. 104-193 and successor
21 legislation shall be transferred to the child care and
22 development block grant appropriation. Funds appropriated in
23 this subsection that remain following the transfer shall be
24 used to provide direct spending for the child care needs of
25 working parents in families eligible for the family investment
26 program.
27 6A. For mental health and developmental disabilities
28 community services:
29 \$ 4,500,610
30 7. For child and family services:
31 \$ 33,475,728
32 8. For child abuse prevention grants:
33 \$ 250,000
34 9. For pregnancy prevention grants on the condition that
35 family planning services are funded:

1 \$ 2,514,413

2 a. If the department receives approval of a waiver from
3 the centers for Medicare and Medicaid services of the United
4 States department of health and human services to provide
5 family planning services, of the amount appropriated in this
6 subsection, \$533,580 shall be transferred to the appropriation
7 in this Act for child and family services.

8 b. Pregnancy prevention grants shall be awarded to
9 programs in existence on or before July 1, 2004, if the
10 programs are comprehensive in scope and have demonstrated
11 positive outcomes. Grants shall be awarded to pregnancy
12 prevention programs which are developed after July 1, 2004, if
13 the programs are comprehensive in scope and are based on
14 existing models that have demonstrated positive outcomes.
15 Grants shall comply with the requirements provided in 1997
16 Iowa Acts, chapter 208, section 14, subsections 1 and 2,
17 including the requirement that grant programs must emphasize
18 sexual abstinence. Priority in the awarding of grants shall
19 be given to programs that serve areas of the state which
20 demonstrate the highest percentage of unplanned pregnancies of
21 females age 13 or older but younger than age 18 within the
22 geographic area to be served by the grant.

23 c. In addition to the full-time equivalent positions
24 funded in this Act, the department may use a portion of the
25 funds appropriated in this subsection to employ up to an
26 additional 1.00 FTE for the administration of programs
27 specified in this subsection.

28 10. For technology needs and other resources necessary to
29 meet federal welfare reform reporting, tracking, and case
30 management requirements:

31 \$ 1,037,186

32 11. For the healthy opportunities for parents to
33 experience success (HOPES) program administered by the Iowa
34 department of public health to target child abuse prevention:

35 \$ 200,000

1 12. To be credited to the state child care assistance
2 appropriation made in this section to be used for funding of
3 community-based early childhood programs targeted to children
4 from birth through five years of age, developed by community
5 empowerment areas as provided in this subsection:

6 \$ 7,350,000

7 a. The department may transfer TANF block grant funding
8 appropriated and allocated in this subsection to the child
9 care and development block grant appropriation in accordance
10 with federal law as necessary to comply with the provisions of
11 this subsection. The funding shall then be provided to
12 community empowerment areas for the fiscal year beginning July
13 1, 2004, in accordance with all of the following:

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

16 (2) The maximum funding amount a community empowerment
17 area is eligible to receive shall be determined by applying
18 the area's percentage of the state's average monthly family
19 investment program population in the preceding fiscal year to
20 the total amount appropriated for fiscal year 2004-2005 from
21 the TANF block grant to fund community-based programs targeted
22 to children from birth through five years of age developed by
23 community empowerment areas.

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

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

33 b. The moneys distributed in accordance with this
34 subsection shall be used by communities for the purposes of
35 enhancing quality child care capacity in support of parent

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

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

19 13. For a pilot program to be established in a judicial
20 district, selected by the department and the judicial council,
21 to provide employment and support services to delinquent child
22 support obligors as an alternative to commitment to jail as
23 punishment for contempt of court:

24 \$ 200,000

25 Of the amounts appropriated in this section, \$11,904,734
26 for the fiscal year beginning July 1, 2004, shall be
27 transferred to the appropriation of the federal social
28 services block grant for that fiscal year. If the federal
29 government revises requirements to reduce the amount that may
30 be transferred to the federal social services block grant, it
31 is the intent of the general assembly to act expeditiously
32 during the 2005 legislative session to adjust appropriations
33 or the transfer amount or take other actions to address the
34 reduced amount.

35 Eligible funding available under the TANF block grant that

1 is not appropriated or not otherwise expended shall be
2 considered reserved for economic downturns and welfare reform
3 purposes and is subject to further state appropriation to
4 support families in their movement toward self-sufficiency.

5 Federal funding received that is designated for activities
6 supporting marriage or two-parent families is appropriated to
7 the Iowa marriage initiative grant fund created in section
8 234.45.

9 Sec. 99. IOWA MARRIAGE INITIATIVE GRANT FUND.

10 1. Moneys credited to the Iowa marriage initiative grant
11 fund under 2003 Iowa Acts, chapter 175, section 7, subsection
12 15, and any other moneys credited to the fund are appropriated
13 to the department for the fiscal year beginning July 1, 2004,
14 and ending June 30, 2005, to be used in accordance with this
15 section.

16 2. The department shall establish an Iowa fatherhood and
17 family initiative grant program utilizing funds credited to
18 the Iowa marriage initiative grant fund created in section
19 234.45 to fund services to support fatherhood and to encourage
20 the formation and maintenance of two-parent families that are
21 secure and nurturing. The department of human services shall
22 adopt rules pursuant to chapter 17A to administer the grant
23 fund and to establish procedures for awarding of grants.

24 3. The program shall require that a grantee be a nonprofit
25 organization incorporated in this state with demonstrated
26 successful experience in facilitating fatherhood promotion
27 activities, marriage and family promotion activities, in using
28 media resources to promote fatherhood and marriage and family
29 formation, in making presentations to service or faith-based
30 organizations, and in raising private funding for activities
31 that support fatherhood, marriage, and families.

32 4. Preference in awarding grants may be given to those
33 nonprofit organizations working with faith-based groups and
34 those groups targeting young fathers.

35 5. The program activities funded by a grant shall include

1 but are not limited to all of the following:

2 a. Working with individuals who have a demonstrated
3 ability in working with at-risk fathers or working with those
4 who may solemnize marriages pursuant to section 595.10 to
5 utilize premarital diagnostic tools, to implement marriage
6 agreements developed by the individuals who may solemnize
7 marriages pursuant to section 595.10 that provide for an
8 appropriate engagement period and premarital and post marital
9 counseling, and to use volunteer mentors in program
10 activities.

11 b. Provision of a series of meetings sharing best
12 practices that encourage young fathers to fulfill their
13 responsibilities to the expectant mother of the child during
14 the pregnancy, and to the mother of the child following the
15 birth of the child, that promote happy and healthy marriages,
16 and that offer counseling to determine the father's level of
17 commitment to the child and the child's mother.

18 6. The program activities funded by a grant shall be
19 privately funded at no less than fifty percent of the grant
20 amount.

21 7. Grants shall be awarded in a manner that results in
22 provision of services throughout the state in an equal number
23 of urban and rural geographic areas.

24 8. The department shall implement the grant program so
25 that the initial request for proposals is issued on or before
26 October 1, 2004, and so that any grants are awarded on or
27 before January 1, 2005.

28 9. A grantee shall submit a quarterly financial report to
29 the department and to the legislative services agency and
30 shall be subject to an annual independent evaluation to assess
31 accomplishment of the purposes of the program.

32 10. The department shall provide a copy of the request for
33 proposals and shall submit a report concerning the proposals
34 received and grants awarded to those persons designated by
35 this division of this Act to receive reports.

1 11. The department may adopt emergency rules to implement
2 the provisions of this section.

3 Sec. 100. FAMILY INVESTMENT PROGRAM ACCOUNT.

4 1. Moneys credited to the family investment program (FIP)
5 account for the fiscal year beginning July 1, 2004, and ending
6 June 30, 2005, shall be used in accordance with the following
7 requirements:

8 a. The department of human services shall provide
9 assistance in accordance with chapter 239B.

10 b. The department shall continue the special needs program
11 under FIP.

12 c. The department shall continue to comply with federal
13 welfare reform data requirements pursuant to the
14 appropriations made for that purpose.

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

21 FTEs 9.98

22 3. The department may transfer funds in accordance with
23 section 8.39, either federal or state, to or from the child
24 care appropriations made for the fiscal year beginning July 1,
25 2004, if the department deems this would be a more effective
26 method of paying for JOBS program child care, to maximize
27 federal funding, or to meet federal maintenance of effort
28 requirements.

29 4. Moneys appropriated in this division of this Act and
30 credited to the FIP account for the fiscal year beginning July
31 1, 2004, and ending June 30, 2005, are allocated as follows:

32 a. For the family development and self-sufficiency grant
33 program as provided under section 217.12:

34 \$ 5,133,042

35 (1) Of the funds allocated for the family development and

1 self-sufficiency grant program in this lettered paragraph, not
2 more than 5 percent of the funds shall be used for the
3 administration of the grant program.

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

15 (3) The department may continue to implement the family
16 development and self-sufficiency grant program statewide
17 during FY 2004-2005.

18 b. For the diversion subaccount of the FIP account:
19 \$ 2,814,000

20 (1) Moneys allocated to the diversion subaccount shall be
21 used to implement FIP diversion statewide while continuing the
22 local flexibility in program design. A family that meets
23 income eligibility requirements for FIP may receive a one-time
24 payment to remedy an immediate need in order to permit the
25 family to maintain self-sufficiency without providing ongoing
26 cash assistance. A FIP participant family may receive
27 diversion assistance to overcome barriers to obtaining
28 employment and to assist in stabilizing employment in order to
29 increase the likelihood of the family leaving FIP more
30 quickly. The department shall assess and screen individuals
31 who would most likely benefit from the assistance. In
32 addition to the full-time equivalent positions authorized in
33 this division of this Act, 1.00 FTE is authorized for purposes
34 of diversion. The department may adopt additional eligibility
35 criteria as necessary for compliance with federal law and for

1 screening those families who would be most likely to become
2 eligible for FIP if diversion incentives would not be
3 provided.

4 (2) A portion of the moneys allocated for the subaccount
5 may be used for field operations salaries, data management
6 system development, and implementation costs and support
7 deemed necessary by the director of human services in order to
8 administer the FIP diversion program.

9 (3) Of the funds allocated in this lettered paragraph, not
10 more than \$250,000 shall be used to develop or continue
11 community-level parental obligation pilot projects. The
12 requirements established under 2001 Iowa Acts, chapter 191,
13 section 3, subsection 5, paragraph "c", subparagraph (3),
14 shall remain applicable to the parental obligation pilot
15 projects for fiscal year 2004-2005.

16 c. For the food stamp employment and training program:
17 \$ 64,278

18 5. Of the child support collections assigned under FIP, an
19 amount equal to the federal share of support collections shall
20 be credited to the child support recovery appropriation. Of
21 the remainder of the assigned child support collections
22 received by the child support recovery unit, a portion shall
23 be credited to the FIP account and a portion may be used to
24 increase recoveries.

25 6. The department may adopt emergency administrative rules
26 for the family investment, food stamp, and medical assistance
27 programs, if necessary, to comply with federal requirements.

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

1 Sec. 101. FAMILY INVESTMENT PROGRAM GENERAL FUND. There
2 is appropriated from the general fund of the state to the
3 department of human services for the fiscal year beginning
4 July 1, 2004, and ending June 30, 2005, the following amount,
5 or so much thereof as is necessary, to be used for the purpose
6 designated:

7 To be credited to the family investment program (FIP)
8 account and used for family investment program assistance
9 under chapter 239B:

10 \$ 39,045,438

11 1. The department of workforce development, in
12 consultation with the department of human services, shall
13 continue to utilize recruitment and employment practices to
14 include former and current FIP recipients.

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

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

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

1 Sec. 102. CHILD SUPPORT RECOVERY. There is appropriated
2 from the general fund of the state to the department of human
3 services for the fiscal year beginning July 1, 2004, and
4 ending June 30, 2005, the following amount, or so much thereof
5 as is necessary, to be used for the purposes designated:

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

9 \$ 5,715,656
10 FTEs 407.00

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

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

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

30 4. a. The director of human services may establish new
31 positions and add state employees to the child support
32 recovery unit or contract for delivery of services if the
33 director determines the employees are necessary to replace
34 county-funded positions eliminated due to termination,
35 reduction, or nonrenewal of a chapter 28E contract. However,

1 the director must also determine that the resulting increase
2 in the state share of child support recovery incentives
3 exceeds the cost of the positions or contract, the positions
4 or contract are necessary to ensure continued federal funding
5 of the program, or the new positions or contract can
6 reasonably be expected to recover at least twice the amount of
7 money necessary to pay the salaries and support for the new
8 positions or the contract will generate at least 200 percent
9 of the cost of the contract.

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

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

21 6. The department shall expend up to \$31,000, including
22 federal financial participation, for the fiscal year beginning
23 July 1, 2004, for a child support public awareness campaign.
24 The department and the office of the attorney general shall
25 cooperate in continuation of the campaign. The public
26 awareness campaign shall emphasize, through a variety of media
27 activities, the importance of maximum involvement of both
28 parents in the lives of their children as well as the
29 importance of payment of child support obligations.

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

35 Sec. 103. MEDICAL ASSISTANCE. There is appropriated from

1 the general fund of the state to the department of human
2 services for the fiscal year beginning July 1, 2004, and
3 ending June 30, 2005, the following amount, or so much thereof
4 as is necessary, to be used for the purpose designated:

5 For medical assistance reimbursement and associated costs
6 as specifically provided in the reimbursement methodologies in
7 effect on June 30, 2004, except as otherwise expressly
8 authorized by law, including reimbursement for abortion
9 services, which shall be available under the medical
10 assistance program only for those abortions which are
11 medically necessary:

12 \$352,794,101

13 1. Medically necessary abortions are those performed under
14 any of the following conditions:

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

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

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

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

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

31 2. Notwithstanding section 8.39, the department may
32 transfer funds appropriated in this section to a separate
33 account established in the department's case management unit
34 for expenditures required to provide case management services
35 for mental health, mental retardation, and developmental

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

8 3. a. The county of legal settlement shall be billed for
9 50 percent of the nonfederal share of the cost of case
10 management provided for adults, day treatment, and partial
11 hospitalization in accordance with sections 249A.26 and
12 249A.27, and 100 percent of the nonfederal share of the cost
13 of care for adults which is reimbursed under a federally
14 approved home and community-based services waiver that would
15 otherwise be approved for provision in an intermediate care
16 facility for persons with mental retardation (ICFMR), provided
17 under the medical assistance program. The state shall have
18 responsibility for the remaining 50 percent of the nonfederal
19 share of the cost of case management provided for adults, day
20 treatment, and partial hospitalization. For persons without a
21 county of legal settlement, the state shall have
22 responsibility for 100 percent of the nonfederal share of the
23 costs of case management provided for adults, day treatment,
24 partial hospitalization, and the home and community-based
25 services waiver. The case management services specified in
26 this subsection shall be billed to a county only if the
27 services are provided outside of a managed care contract.

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

33 c. Medical assistance funding for case management services
34 for eligible persons 17 years of age and younger shall also be
35 provided to persons residing in counties with child welfare

1 decategorization projects implemented in accordance with
2 section 232.188, provided these projects have included these
3 persons in their service plan and the decategorization project
4 county is willing to provide the nonfederal share of costs.

5 d. When paying the necessary and legal expenses of ICFMR
6 services, the cost payment requirements of section 222.60
7 shall be considered fulfilled when payment is made in
8 accordance with the medical assistance payment rates
9 established for ICFMRs by the department and the state or a
10 county of legal settlement is not obligated for any amount in
11 excess of the rates.

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

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

30 5. Of the funds appropriated to the Iowa department of
31 public health for addictive disorders, \$950,000 for the fiscal
32 year beginning July 1, 2004, shall be transferred to the
33 department of human services for an integrated substance abuse
34 managed care system.

35 6. In administering the medical assistance home and

1 community-based services waivers, the total number of openings
2 at any one time shall be limited to the number approved for a
3 waiver by the secretary of the United States department of
4 health and human services. The openings shall be available on
5 a first-come, first-served basis.

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

16 8. If the federal centers for Medicare and Medicaid
17 services approves a waiver request from the department, the
18 department shall provide a period of 12 months of guaranteed
19 eligibility for medical assistance family planning services
20 only, regardless of the change in circumstances of a woman who
21 was a medical assistance recipient when a pregnancy ended.
22 The department shall also provide this guaranteed eligibility
23 to women who are at least 13 years of age but less than 45
24 years of age with countable income at or below 200 percent of
25 the federal poverty level.

26 9. The department shall aggressively pursue options for
27 providing medical assistance or other assistance to
28 individuals with special needs who become ineligible to
29 continue receiving services under the early and periodic
30 screening, diagnosis, and treatment program under the medical
31 assistance program due to becoming 21 years of age, who have
32 been approved for additional assistance through the
33 department's exception to policy provisions, but who have
34 health care needs in excess of the funding available through
35 the exception to policy process.

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

7 11. The department of human services shall submit a
8 Medicaid state plan amendment to the centers for Medicare and
9 Medicaid services of the United States department of health
10 and human services to provide that for the fiscal year
11 beginning July 1, 2004, and ending June 30, 2005, the
12 department of human services shall adjust hospital payments to
13 state-owned acute-care hospitals with over 500 beds to offset
14 the high cost incurred by such facilities for providing
15 services to medical assistance patients. The amendment shall
16 provide that adjustments shall be made to the payments for
17 inpatient hospital services to which the hospital would
18 otherwise be entitled under the medical assistance program.
19 Additionally, the amendment shall provide that the adjustments
20 shall be established at the level intended to increase the
21 medical assistance payments to qualifying hospitals up to the
22 lesser of the categorical Medicare upper payment limit for
23 inpatient services, or the hospital-specific limit, as defined
24 under 42 C.F.R. 447.272, 42 C.F.R. 447.321, and 42 U.S.C. §
25 1396r-4(g), as applicable.

26 12. The department shall assist school districts in
27 applying for direct claiming under the medical assistance
28 program for funding of school district nursing services for
29 students.

30 Sec. 104. HEALTH INSURANCE PREMIUM PAYMENT PROGRAM. There
31 is appropriated from the general fund of the state to the
32 department of human services for the fiscal year beginning
33 July 1, 2004, and ending June 30, 2005, the following amount,
34 or so much thereof as is necessary, to be used for the purpose
35 designated:

1 For administration of the health insurance premium payment
2 program, including salaries, support, maintenance, and
3 miscellaneous purposes, and for not more than the following
4 full-time equivalent positions:

5	\$	606,429
6	FTEs	20.95

7 Sec. 105. MEDICAL CONTRACTS. There is appropriated from
8 the general fund of the state to the department of human
9 services for the fiscal year beginning July 1, 2004, and
10 ending June 30, 2005, the following amount, or so much thereof
11 as is necessary, to be used for the purpose designated:

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

15	\$	9,725,035
16	FTEs	1.00

17 1. In any managed care contract for mental health or
18 substance abuse services entered into or extended by the
19 department on or after July 1, 2004, the request for proposals
20 shall provide for coverage of dual diagnosis mental health and
21 substance abuse treatment provided at the state mental health
22 institute at Mount Pleasant. To the extent possible, the
23 department shall also amend any such contract existing on July
24 1, 2004, to provide for such coverage.

25 2. Up to \$665,000 of the moneys deposited in the
26 pharmaceutical settlement account created pursuant to section
27 249A.33 is appropriated to the department for the fiscal year
28 beginning July 1, 2004, and ending June 30, 2005, to be used
29 for the procurement of and transition to the new medical
30 assistance program fiscal agent vendors.

31 Sec. 106. MEDICAL ASSISTANCE PROGRAM -- REQUIREMENTS.

32 1. The department of human services shall do all of the
33 following:

34 a. Consistent with applicable state and federal law, issue
35 one or more requests for proposals to purchase certain durable

1 medical equipment or supplies if such a procurement strategy
2 will reduce the costs of these items to the medical assistance
3 program while maintaining appropriate access and quality
4 standards.

5 b. Expand the recipient lock-in program, surveillance and
6 utilization review activities, and program audit activities to
7 the greatest extent possible. Any savings realized from the
8 expansion may be used to the extent necessary to pay the costs
9 associated with implementation of this subsection. The
10 department shall report the amount of any savings realized and
11 the amount of any costs paid to the persons designated in this
12 Act to receive reports.

13 c. Implement a health insurance data match program with
14 insurance carriers to be used to match insureds against a
15 listing of medical assistance recipients. The information
16 submitted shall be used solely to identify third-party payors
17 for medical assistance recipients and shall be kept
18 confidential. The department, in consultation with insurance
19 carriers, shall adopt rules to implement this paragraph. The
20 rules shall be published as emergency rules to take effect no
21 later than June 30, 2004. Insurance carriers shall begin
22 providing the information required upon the adoption of the
23 rules.

24 d. Notwithstanding any provision of law to the contrary,
25 institute a process whereby home health agencies are required
26 to bill the Medicare program for appropriate home health
27 services. The process shall require that as a condition of
28 receiving payment under the medical assistance program, the
29 home health agency must attach a Medicare denial of benefits
30 form to the Medicaid program claim form.

* 31 e. Identify and initiate a process for reducing reliance
32 on intermediate care facilities for persons with mental
33 retardation level of care and substituting community-based
34 care.

* 35 f. Provide that under the Iowa preferred drug list

1 requirements, any newly released generic drug product shall
2 only be considered to be a preferred drug and therefore not
3 subject to prior authorization if the generic product's cost
4 to the medical assistance program is less than the brand name
5 product's cost to the medical assistance program. In
6 determining the medical assistance program cost of each drug
7 product, the drug product cost shall be the net amount derived
8 following inclusion of all medical assistance program drug
9 rebates and after the impact of all Iowa-specific supplemental
10 rebates are taken into account.

11 2. The department may adopt emergency rules and shall
12 apply for any federal waivers or plan amendments necessary to
13 implement the provisions of this section.

14 Sec. 107. STATE SUPPLEMENTARY ASSISTANCE.

15 1. There is appropriated from the general fund of the
16 state to the department of human services for the fiscal year
17 beginning July 1, 2004, and ending June 30, 2005, the
18 following amount, or so much thereof as is necessary, to be
19 used for the purposes designated:

20 For state supplementary assistance and the medical
21 assistance home and community-based services waiver rent
22 subsidy program:
23 \$ 19,273,135

24 2. The department shall increase the personal needs
25 allowance for residents of residential care facilities by the
26 same percentage and at the same time as federal supplemental
27 security income and federal social security benefits are
28 increased due to a recognized increase in the cost of living.
29 The department may adopt emergency rules to implement this
30 subsection.

31 3. If during the fiscal year beginning July 1, 2004, the
32 department projects that state supplementary assistance
33 expenditures for a calendar year will not meet the federal
34 pass-along requirement specified in Title XVI of the federal
35 Social Security Act, section 1618, as codified in 42 U.S.C. §

1 1382g, the department may take actions including but not
2 limited to increasing the personal needs allowance for
3 residential care facility residents and making programmatic
4 adjustments or upward adjustments of the residential care
5 facility or in-home health-related care reimbursement rates
6 prescribed in this division of this Act to ensure that federal
7 requirements are met. In addition, the department may make
8 other programmatic and rate adjustments necessary to remain
9 within the amount appropriated in this section while ensuring
10 compliance with federal requirements. The department may
11 adopt emergency rules to implement the provisions of this
12 subsection.

13 Sec. 108. CHILDREN'S HEALTH INSURANCE PROGRAM. There is
14 appropriated from the general fund of the state to the
15 department of human services for the fiscal year beginning
16 July 1, 2004, and ending June 30, 2005, the following amount,
17 or so much thereof as is necessary, to be used for the purpose
18 designated:

19 For maintenance of the healthy and well kids in Iowa (hawk-
20 i) program pursuant to chapter 514I for receipt of federal
21 financial participation under Title XXI of the federal Social
22 Security Act, which creates the state children's health
23 insurance program:

24 \$ 12,118,275

25 1. The department may transfer funds appropriated in this
26 section to be used for the purpose of expanding health care
27 coverage to children under the medical assistance program.
28 The department shall provide periodic updates to the general
29 assembly of expenditures of funds appropriated in this
30 section.

31 2. Moneys in the hawk-i trust fund are appropriated to the
32 department of human services and shall be used to offset any
33 program costs for the fiscal year beginning July 1, 2004, and
34 ending June 30, 2005.

35 Sec. 109. CHILD CARE ASSISTANCE. There is appropriated

1 from the general fund of the state to the department of human
2 services for the fiscal year beginning July 1, 2004, and
3 ending June 30, 2005, the following amount, or so much thereof
4 as is necessary, to be used for the purpose designated:

5 For child care programs:
6 \$ 5,050,752

7 1. a. Of the funds appropriated in this section,
8 \$4,525,228 shall be used for state child care assistance in
9 accordance with section 237A.13.

10 b. During the 2004-2005 fiscal year, the moneys deposited
11 in the child care credit fund created in section 237A.28 are
12 appropriated to the department to be used for state child care
13 assistance in accordance with section 237A.13, in addition to
14 the moneys allocated for that purpose in paragraph "a".

15 2. Nothing in this section shall be construed or is
16 intended as, or shall imply, a grant of entitlement for
17 services to persons who are eligible for assistance due to an
18 income level consistent with the waiting list requirements of
19 section 237A.13. Any state obligation to provide services
20 pursuant to this section is limited to the extent of the funds
21 appropriated in this section.

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

25 4. The department may use any of the funds appropriated in
26 this section as a match to obtain federal funds for use in
27 expanding child care assistance and related programs. For the
28 purpose of expenditures of state and federal child care
29 funding, funds shall be considered obligated at the time
30 expenditures are projected or are allocated to the
31 department's service areas. Projections shall be based on
32 current and projected caseload growth, current and projected
33 provider rates, staffing requirements for eligibility
34 determination and management of program requirements including
35 data systems management, staffing requirements for

1 administration of the program, contractual and grant
2 obligations and any transfers to other state agencies, and
3 obligations for decategorization or innovation projects.

4 5. A portion of the state match for the federal child care
5 and development block grant shall be provided through the
6 state general fund appropriation for child development grants
7 and other programs for at-risk children in section 279.51.

8 6. If the department receives additional funding from the
9 federal government designated for purposes of improving child
10 care quality, the funding shall be used for additional child
11 care consultant positions within the department's field
12 operations.

13 Sec. 110. CHILD CARE QUALITY RATING SYSTEM.

14 1. By December 15, 2004, the department of human services
15 shall submit to the governor and general assembly a plan for
16 implementation of a voluntary child care provider quality
17 rating system. In developing the implementation plan for the
18 quality rating system, the department of human services shall
19 partner with the community empowerment office in the
20 department of management and the state child care advisory
21 council. The department shall also coordinate with the state
22 agencies represented on the Iowa empowerment board, child care
23 resource and referral service grantees under section 237A.26,
24 and other agencies and organizations that focus on community-
25 based early childhood services.

26 2. The implementation plan shall detail the rating system
27 structure, including the number of quality levels, outline the
28 manner in which the system will be administered, identify the
29 statutory and rule changes needed, identify implementation
30 costs and funding strategies, include a communication plan
31 targeted to both providers and parents, and propose an
32 implementation timeline.

33 3. Each quality rating level in the proposed system may
34 address one or more of the following quality variables: staff
35 education, training, and credentials; director education and

1 training; an environmental rating scale or other means to
2 assess or evaluate the physical, health, and safety aspects of
3 a child care facility; parental involvement; staff-to-child
4 ratios; national accreditation; compliance history;
5 curriculum; business practices; staff retention; staff
6 compensation and benefits; provider membership in early
7 childhood professional organizations; and other appropriate
8 quality variables.

9 4. In providing support and recognition for providers who
10 seek to attain higher quality rating levels, the plan may
11 propose payment of a reimbursement differential under the
12 state child care assistance program. In addition, the plan
13 may provide for supplying provider quality ratings on the
14 department's internet site and in other consumer information
15 distributed pursuant to section 237A.25 and in information
16 supplied to parents by child care resource and referral
17 services.

18 Sec. 111. JUVENILE INSTITUTIONS. There is appropriated
19 from the general fund of the state to the department of human
20 services for the fiscal year beginning July 1, 2004, and
21 ending June 30, 2005, the following amounts, or so much
22 thereof as is necessary, to be used for the purposes
23 designated:

24 1. For operation of the Iowa juvenile home at Toledo and
25 for salaries, support, maintenance, and for not more than the
26 following full-time equivalent positions:

27	\$	6,061,266
28	FTEs	130.54

29 The department is requested to convene a group to review
30 the programs and services of the Iowa juvenile home and to
31 present the governor and general assembly with suggestions for
32 improvements. The group should review previous studies and
33 reports on the institution. The membership of the group
34 should include but is not limited to representatives of
35 departmental field staff, juvenile judges, juvenile court

1 officers, alumni of the institution, other departmental
2 institutions, community-based providers, and other interested
3 parties.

4 2. For operation of the state training school at Eldora
5 and for salaries, support, maintenance, and for not more than
6 the following full-time equivalent positions:

7 \$ 9,570,563
8 FTEs 218.53

9 3. During the fiscal year beginning July 1, 2004, the
10 population levels at the state juvenile institutions shall not
11 exceed the population guidelines established under 1990 Iowa
12 Acts, chapter 1239, section 21, as adjusted for subsequent
13 changes in capacity at the institutions.

14 4. A portion of the moneys appropriated in this section
15 shall be used by the state training school and by the Iowa
16 juvenile home for grants for adolescent pregnancy prevention
17 activities at the institutions in the fiscal year beginning
18 July 1, 2004.

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

22 Sec. 112. CHILD AND FAMILY SERVICES.

23 1. There is appropriated from the general fund of the
24 state to the department of human services for the fiscal year
25 beginning July 1, 2004, and ending June 30, 2005, the
26 following amount, or so much thereof as is necessary, to be
27 used for the purpose designated:

28 For child and family services:

29 \$ 96,935,253

30 In order to address a reduction of \$6,200,000 from the
31 amount allocated under this appropriation in prior years for
32 purposes of juvenile delinquent graduated sanction services,
33 up to \$6,200,000 of the amount of federal temporary assistance
34 for needy families block grant funding appropriated in this
35 division of this Act for child and family services, shall be

1 made available for purposes of juvenile delinquent graduated
2 sanction services.

3 2. The department may transfer funds appropriated in this
4 section as necessary to pay the nonfederal costs of services
5 reimbursed under medical assistance or the family investment
6 program which are provided to children who would otherwise
7 receive services paid under the appropriation in this section.
8 The department may transfer funds appropriated in this section
9 to the appropriations in this division of this Act for general
10 administration and for field operations for resources
11 necessary to implement and operate the services funded in this
12 section.

13 3. a. Of the funds appropriated in this section, up to
14 \$34,653,383 is allocated as the statewide expenditure target
15 under section 232.143 for group foster care maintenance and
16 services.

17 b. If at any time after September 30, 2004, annualization
18 of a service area's current expenditures indicates a service
19 area is at risk of exceeding its group foster care expenditure
20 target under section 232.143 by more than 5 percent, the
21 department and juvenile court services shall examine all group
22 foster care placements in that service area in order to
23 identify those which might be appropriate for termination. In
24 addition, any aftercare services believed to be needed for the
25 children whose placements may be terminated shall be
26 identified. The department and juvenile court services shall
27 initiate action to set dispositional review hearings for the
28 placements identified. In such a dispositional review
29 hearing, the juvenile court shall determine whether needed
30 aftercare services are available and whether termination of
31 the placement is in the best interest of the child and the
32 community.

33 c. Of the funds allocated in this subsection, \$1,398,403
34 is allocated as the state match funding for 50 highly
35 structured juvenile program beds. If the number of beds

1 provided for in this lettered paragraph is not utilized, the
2 remaining funds allocated may be used for group foster care.

3 d. For the fiscal year beginning July 1, 2004, the
4 requirements of section 232.143 applicable to the juvenile
5 court and to representatives of the juvenile court shall be
6 applicable instead to juvenile court services and to
7 representatives of juvenile court services. The
8 representatives appointed by the department of human services
9 and by juvenile court services to establish the plan to
10 contain expenditures for children placed in group foster care
11 ordered by the court within the budget target allocated to the
12 service area shall establish the plan in a manner so as to
13 ensure the moneys allocated to the service area under section
14 232.143 shall last the entire fiscal year. Funds for a child
15 placed in group foster care shall be considered encumbered for
16 the duration of the child's projected or actual length of
17 stay, whichever is applicable.

18 4. In accordance with the provisions of section 232.188,
19 the department shall continue the program to decategorize
20 child welfare services funding. Of the funds appropriated in
21 this section, \$1,000,000 is allocated specifically for
22 expenditure through the decategorization of child welfare
23 funding pools and governance boards established pursuant to
24 section 232.188. In addition, up to \$2,000,000 of the amount
25 of federal temporary assistance for needy families block grant
26 funding appropriated in this division of this Act for child
27 and family services shall be made available for purposes of
28 decategorization of child welfare services as provided in this
29 subsection. Notwithstanding section 8.33, moneys allocated in
30 this subsection that remain unencumbered or unobligated at the
31 close of the fiscal year shall not revert but shall remain
32 available for expenditure for the purposes designated until
33 the close of the succeeding fiscal year. It is the intent of
34 the general assembly that the department continue its practice
35 of providing strong support for Iowa's nationally recognized

1 initiative of decategorization of child welfare funding.

2 5. Of the funds appropriated in this section, up to
3 \$915,892 is allocated for additional funding of the family
4 preservation program.

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

9 7. A portion of the funding appropriated in this section
10 may be used for emergency family assistance to provide other
11 resources required for a family participating in a family
12 preservation or reunification project to stay together or to
13 be reunified.

14 8. Notwithstanding section 234.35, subsection 1, for the
15 fiscal year beginning July 1, 2004, state funding for shelter
16 care paid pursuant to section 234.35, subsection 1, paragraph
17 "h", shall be limited to \$6,926,718.

18 9. The department shall continue to make adoption
19 presubsidy and adoption subsidy payments to adoptive parents
20 at the beginning of the month for the current month.

21 10. Federal funds received by the state during the fiscal
22 year beginning July 1, 2004, as the result of the expenditure
23 of state funds appropriated during a previous state fiscal
24 year for a service or activity funded under this section, are
25 appropriated to the department to be used as additional
26 funding for services and purposes provided for under this
27 section. Notwithstanding section 8.33, moneys received in
28 accordance with this subsection that remain unencumbered or
29 unobligated at the close of the fiscal year shall not revert
30 to any fund but shall remain available for the purposes
31 designated until the close of the succeeding fiscal year.

32 11. Of the moneys appropriated in this section, not more
33 than \$442,100 is allocated to provide clinical assessment
34 services as necessary to continue funding of children's
35 rehabilitation services under medical assistance in accordance

1 with federal law and requirements. The funding allocated is
2 the amount projected to be necessary for providing the
3 clinical assessment services.

4 12. Of the funding appropriated in this section,
5 \$3,696,285 shall be used for protective child care assistance.

6 13. Of the moneys appropriated in this section, up to
7 \$2,859,851 is allocated for the payment of the expenses of
8 court-ordered services provided to juveniles which are a
9 charge upon the state pursuant to section 232.141, subsection

10 4. Of the amount allocated in this subsection, up to
11 \$1,431,597 shall be made available to provide school-based
12 supervision of children adjudicated under chapter 232, of
13 which not more than \$15,000 may be used for the purpose of
14 training. A portion of the cost of each school-based liaison
15 officer shall be paid by the school district or other funding
16 source as approved by the chief juvenile court officer.

17 a. Notwithstanding section 232.141 or any other provision
18 of law to the contrary, the amount allocated in this
19 subsection shall be distributed to the judicial districts as
20 determined by the state court administrator. The state court
21 administrator shall make the determination of the distribution
22 amounts on or before June 15, 2004.

23 b. Notwithstanding chapter 232 or any other provision of
24 law to the contrary, a district or juvenile court shall not
25 order any service which is a charge upon the state pursuant to
26 section 232.141 if there are insufficient court-ordered
27 services funds available in the district court distribution
28 amount to pay for the service. The chief juvenile court
29 officer shall encourage use of the funds allocated in this
30 subsection such that there are sufficient funds to pay for all
31 court-related services during the entire year. The chief
32 juvenile court officers shall attempt to anticipate potential
33 surpluses and shortfalls in the distribution amounts and shall
34 cooperatively request the state court administrator to
35 transfer funds between the districts' distribution amounts as

1 prudent.

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

7 d. Of the funding allocated in this subsection, not more
8 than \$100,000 may be used by the judicial branch for
9 administration of the requirements under this subsection and
10 for travel associated with court-ordered placements which are
11 a charge upon the state pursuant to section 232.141,
12 subsection 4.

* 13 14. The department shall maximize the capacity to draw
14 federal funding under Title IV-E of the federal Social
15 Security Act.

16 15. Notwithstanding section 234.39, subsection 5, and 2000
17 Iowa Acts, chapter 1228, section 43, the department may
18 operate a subsidized guardianship program if the United States
19 department of health and human services approves a waiver
20 under Title IV-E of the federal Social Security Act or the
21 federal Social Security Act is amended to allow Title IV-E
22 funding to be used for subsidized guardianship, and the
23 subsidized guardianship program can be operated without loss
24 of Title IV-E funds.

25 16. The department shall work with foster and adoptive
26 families, private child welfare agencies, and advocates to
27 identify savings alternatives in the adoption subsidy program.
28 The department may adopt emergency rules to implement this
29 subsection.

30 17. The department shall develop a plan for privatizing
31 the administration of the foster care and adoption programs.
32 The plan shall be submitted to the governor and the general
33 assembly on or before December 15, 2004.

34 18. Of the amount appropriated in this section, \$100,000
35 shall be transferred to the Iowa department of public health

1 to be used for the child protection center grant program in
2 accordance with section 135.118.

3 19. Of the amount appropriated in this section, \$148,000
4 shall be used for funding of one or more child welfare
5 diversion and mediation pilot projects as provided in House
6 File 2462.

7 Sec. 113. JUVENILE DETENTION HOME FUND. Moneys deposited
8 in the juvenile detention home fund created in section 232.142
9 during the fiscal year beginning July 1, 2004, and ending June
10 30, 2005, are appropriated to the department of human services
11 for the fiscal year beginning July 1, 2004, and ending June
12 30, 2005, for distribution as follows:

13 1. An amount equal to ten percent of the costs of the
14 establishment, improvement, operation, and maintenance of
15 county or multicounty juvenile detention homes in the fiscal
16 year beginning July 1, 2003. Moneys appropriated for
17 distribution in accordance with this subsection shall be
18 allocated among eligible detention homes, prorated on the
19 basis of an eligible detention home's proportion of the costs
20 of all eligible detention homes in the fiscal year beginning
21 July 1, 2003. Notwithstanding section 232.142, subsection 3,
22 the financial aid payable by the state under that provision
23 for the fiscal year beginning July 1, 2004, shall be limited
24 to the amount appropriated for the purposes of this
25 subsection.

26 2. For renewal of a grant to a county with a population
27 between 189,000 and 196,000 for implementation of the county's
28 runaway treatment plan under section 232.195:

29 \$ 80,000

30 3. For continuation and expansion of the community
31 partnership for child protection sites:

32 \$ 318,000

33 4. For grants to counties implementing a runaway treatment
34 plan under section 232.195.

35 5. The remainder for additional allocations to county or

1 multicounty juvenile detention homes, in accordance with the
2 distribution requirements of subsection 1.

3 Sec. 114. FAMILY SUPPORT SUBSIDY PROGRAM. There is
4 appropriated from the general fund of the state to the
5 department of human services for the fiscal year beginning
6 July 1, 2004, and ending June 30, 2005, the following amount,
7 or so much thereof as is necessary, to be used for the purpose
8 designated:

9 For the family support subsidy program:

10 \$ 1,936,434

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

15 2. Notwithstanding section 225C.38, subsection 1, the
16 monthly family support payment amount for the fiscal year
17 beginning July 1, 2004, shall remain the same as the payment
18 amount in effect on June 30, 2004.

19 Sec. 115. CONNER DECREE. There is appropriated from the
20 general fund of the state to the department of human services
21 for the fiscal year beginning July 1, 2004, and ending June
22 30, 2005, the following amount, or so much thereof as is
23 necessary, to be used for the purpose designated:

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

28 \$ 42,623

29 Sec. 116. MENTAL HEALTH INSTITUTES. There is appropriated
30 from the general fund of the state to the department of human
31 services for the fiscal year beginning July 1, 2004, and
32 ending June 30, 2005, the following amounts, or so much
33 thereof as is necessary, to be used for the purposes
34 designated:

35 1. For the state mental health institute at Cherokee for

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

4 \$ 12,927,556
5 FTEs 227.65

6 2. For the state mental health institute at Clarinda for
7 salaries, support, maintenance, and miscellaneous purposes and
8 for not more than the following full-time equivalent
9 positions:

10 \$ 7,410,346
11 FTEs 113.15

12 3. For the state mental health institute at Independence
13 for salaries, support, maintenance, and miscellaneous purposes
14 and for not more than the following full-time equivalent
15 positions:

16 \$ 17,239,768
17 FTEs 317.80

18 The state mental health institute at Independence shall
19 continue the 30 psychiatric medical institution for children
20 (PMIC) beds authorized in section 135H.6, in a manner which
21 results in no net state expenditure amount in excess of the
22 amount appropriated in this subsection. Counties are not
23 responsible for the costs of PMIC services described in this
24 subsection. Subject to the approval of the department, with
25 the exception of revenues required under section 249A.11 to be
26 credited to the appropriation in this division of this Act for
27 medical assistance, revenues attributable to the PMIC beds
28 described in this subsection for the fiscal year beginning
29 July 1, 2004, and ending June 30, 2005, shall be deposited in
30 the institute's account, including but not limited to any of
31 the following revenues:

- 32 a. The federal share of medical assistance revenue
- 33 received under chapter 249A.
- 34 b. Moneys received through client participation.
- 35 c. Any other revenues directly attributable to the PMIC

1 beds.

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

6 \$ 6,109,205

7 FTEs 100.44

8 a. Funding is provided in this subsection for the state
9 mental health institute at Mount Pleasant to continue the dual
10 diagnosis mental health and substance abuse program on a net
11 budgeting basis in which 50 percent of the actual per diem and
12 ancillary services costs are chargeable to the patient's
13 county of legal settlement or as a state case, as appropriate.
14 Subject to the approval of the department, revenues
15 attributable to the dual diagnosis program for the fiscal year
16 beginning July 1, 2004, and ending June 30, 2005, shall be
17 deposited in the institute's account, including but not
18 limited to all of the following revenues:

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

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

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

25 (4) Moneys received through client participation.

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

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

30 (1) A county may split the charges between the county's
31 mental health, mental retardation, and developmental
32 disabilities services fund and the county's budget for
33 substance abuse expenditures.

34 (2) If an individual is committed to the custody of the
35 department of corrections at the time the individual is

1 referred for dual diagnosis treatment, the department of
2 corrections shall be charged for the costs of treatment.

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

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

11 (5) Notwithstanding section 8.33, state mental health
12 institute revenues related to the dual diagnosis program that
13 remain unencumbered or unobligated at the close of the fiscal
14 year shall not revert but shall remain available up to the
15 amount which would allow the state mental health institute to
16 meet credit obligations owed to counties as a result of year-
17 end per diem adjustments for the dual diagnosis program.

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

21 6. As part of the discharge planning process at the state
22 mental health institutes, the department shall provide
23 assistance in obtaining eligibility for federal supplemental
24 security income (SSI) to those individuals whose care at a
25 state mental health institute is the financial responsibility
26 of the state or a county.

27 Sec. 117. STATE RESOURCE CENTERS. There is appropriated
28 from the general fund of the state to the department of human
29 services for the fiscal year beginning July 1, 2004, and
30 ending June 30, 2005, the following amounts, or so much
31 thereof as is necessary, to be used for the purposes
32 designated:

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

35 \$ 8,550,280

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

3 \$ 4,520,459

4 3. a. The department shall continue operating the state
5 resource centers at Glenwood and Woodward with a net general
6 fund appropriation. The amounts allocated in this section are
7 the net amounts of state moneys projected to be needed for the
8 state resource centers. The purposes of operating with a net
9 general fund appropriation are to encourage the state resource
10 centers to operate with increased self-sufficiency, to improve
11 quality and efficiency, and to support collaborative efforts
12 between the state resource centers and counties and other
13 funders of services available from the state resource centers.
14 The state resource centers shall not be operated under the net
15 appropriation in a manner which results in a cost increase to
16 the state or cost shifting between the state, the medical
17 assistance program, counties, or other sources of funding for
18 the state resource centers. Moneys appropriated in this
19 section may be used throughout the fiscal year in the manner
20 necessary for purposes of cash flow management, and for
21 purposes of cash flow management the state resource centers
22 may temporarily draw more than the amounts appropriated,
23 provided the amounts appropriated are not exceeded at the
24 close of the fiscal year.

25 b. Subject to the approval of the department, except for
26 revenues under section 249A.11, revenues attributable to the
27 state resource centers for the fiscal year beginning July 1,
28 2004, shall be deposited into each state resource center's
29 account, including but not limited to all of the following:

- 30 (1) Moneys received by the state from billings to counties
31 under section 222.73.
- 32 (2) The federal share of medical assistance revenue
33 received under chapter 249A.
- 34 (3) Federal Medicare program payments.
- 35 (4) Moneys received from client financial participation.

1 (5) Other revenues generated from current, new, or
2 expanded services which the state resource center is
3 authorized to provide.

4 c. For the purposes of allocating the salary adjustment
5 fund moneys appropriated in another division of this Act or
6 another Act, the state resource centers shall be considered to
7 be funded entirely with state moneys.

8 d. Notwithstanding section 8.33, up to \$500,000 of a state
9 resource center's revenues that remain unencumbered or
10 unobligated at the close of the fiscal year shall not revert
11 but shall remain available to be used in the succeeding fiscal
12 year.

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

16 5. The department may continue to bill for state resource
17 center services utilizing a scope of services approach used
18 for private providers of ICFMR services, in a manner which
19 does not shift costs between the medical assistance program,
20 counties, or other sources of funding for the state resource
21 centers.

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

24 7. If the department's administration and the department
25 of management concur with a finding by a state resource
26 center's superintendent that projected revenues can reasonably
27 be expected to pay the salary and support costs for a new
28 employee position, or that such costs for adding a particular
29 number of new positions for the fiscal year would be less than
30 the overtime costs if new positions would not be added, the
31 superintendent may add the new position or positions. If the
32 vacant positions available to a resource center do not include
33 the position classification desired to be filled, the state
34 resource center's superintendent may reclassify any vacant
35 position as necessary to fill the desired position. The

1 superintendents of the state resource centers may, by mutual
2 agreement, pool vacant positions and position classifications
3 during the course of the fiscal year in order to assist one
4 another in filling necessary positions.

5 8. If existing capacity limitations are reached in
6 operating units, a waiting list is in effect for a service or
7 a special need for which a payment source or other funding is
8 available for the service or to address the special need, and
9 facilities for the service or to address the special need can
10 be provided within the available payment source or other
11 funding, the superintendent of a state resource center may
12 authorize opening not more than two units or other facilities
13 and to begin implementing the service or addressing the
14 special need during fiscal year 2004-2005.

15 Sec. 118. MI/MR/DD STATE CASES. There is appropriated
16 from the general fund of the state to the department of human
17 services for the fiscal year beginning July 1, 2004, and
18 ending June 30, 2005, the following amount, or so much thereof
19 as is necessary, to be used for the purpose designated:

20 For purchase of local services for persons with mental
21 illness, mental retardation, and developmental disabilities
22 where the client has no established county of legal
23 settlement:
24 \$ 11,014,619

25 The general assembly encourages the department to continue
26 discussions with the Iowa state association of counties and
27 administrators of county central point of coordination offices
28 regarding proposals for moving state cases to county budgets.

29 Sec. 119. MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES --
30 COMMUNITY SERVICES FUND. There is appropriated from the
31 general fund of the state to the mental health and
32 developmental disabilities community services fund created in
33 section 225C.7 for the fiscal year beginning July 1, 2004, and
34 ending June 30, 2005, the following amount, or so much thereof
35 as is necessary, to be used for the purpose designated:

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

3 \$ 17,757,890

4 1. Of the funds appropriated in this section, \$17,727,890
5 shall be allocated to counties for funding of community-based
6 mental health and developmental disabilities services. The
7 moneys shall be allocated to a county as follows:

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

12 b. Fifty percent based upon the county's proportion of the
13 state's general population.

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

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

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

27 4. a. Funding appropriated for purposes of the federal
28 social services block grant is allocated for distribution to
29 counties for local purchase of services for persons with
30 mental illness or mental retardation or other developmental
31 disability.

32 b. The funds allocated in this subsection shall be
33 expended by counties in accordance with the county's approved
34 county management plan. A county without an approved county
35 management plan shall not receive allocated funds until the

1 county's management plan is approved.

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

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

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

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

14 Sec. 120. PERSONAL ASSISTANCE. There is appropriated from
15 the general fund of the state to the department of human
16 services for the fiscal year beginning July 1, 2004, and
17 ending June 30, 2005, the following amount, or so much thereof
18 as is necessary, to be used for the purpose designated:

19 For continuation of a pilot project for the personal
20 assistance services program in accordance with this section:
21 \$ 205,748

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

30 2. In accordance with 2001 Iowa Acts, chapter 191, section
31 25, subsection 2, new applicants shall not be accepted into
32 the pilot project. An individual receiving services under the
33 pilot project as of June 30, 2004, shall continue receiving
34 services until the individual voluntarily leaves the project
35 or until another program with similar services exists.

1 Sec. 121. SEXUALLY VIOLENT PREDATORS.

2 1. There is appropriated from the general fund of the
3 state to the department of human services for the fiscal year
4 beginning July 1, 2004, and ending June 30, 2005, the
5 following amount, or so much thereof as is necessary, to be
6 used for the purpose designated:

7 For costs associated with the commitment and treatment of
8 sexually violent predators in the unit located at the state
9 mental health institute at Cherokee, including costs of legal
10 services and other associated costs, including salaries,
11 support, maintenance, and miscellaneous purposes and for not
12 more than the following full-time equivalent positions:

13	\$	2,833,646
14	FTEs	50.00

15 2. Unless specifically prohibited by law, if the amount
16 charged provides for recoupment of at least the entire amount
17 of direct and indirect costs, the department of human services
18 may contract with other states to provide care and treatment
19 of persons placed by the other states at the unit for sexually
20 violent predators at Cherokee. The moneys received under such
21 a contract shall be considered to be repayment receipts and
22 used for the purposes of the appropriation made in this
23 section.

24 Sec. 122. FIELD OPERATIONS. There is appropriated from
25 the general fund of the state to the department of human
26 services for the fiscal year beginning July 1, 2004, and
27 ending June 30, 2005, the following amount, or so much thereof
28 as is necessary, to be used for the purposes designated:

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

32	\$	<u>53,097,364</u>
33	FTEs	1,844.49

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

1 2. In operating the service area system established
2 pursuant to 2001 Iowa Acts, Second Extraordinary Session,
3 chapter 4, for the fiscal year beginning July 1, 2004, and
4 ending June 30, 2005, the department shall utilize the service
5 areas and service area administrators in lieu of regions and
6 regional administrators, notwithstanding the references to
7 department regions or regional administrators in sections
8 232.2, 232.52, 232.68, 232.72, 232.102, 232.117, 232.127,
9 232.143, 232.188, and 234.35, or other provision in law. The
10 department shall submit proposed legislation under section
11 2.16 for consideration by the Eighty-first General Assembly,
12 2005 Session, to correct the references in the necessary Code
13 sections.

14 Sec. 123. GENERAL ADMINISTRATION. There is appropriated
15 from the general fund of the state to the department of human
16 services for the fiscal year beginning July 1, 2004, and
17 ending June 30, 2005, the following amount, or so much thereof
18 as is necessary, to be used for the purpose designated:

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

22	\$	<u>11,089,434</u>
23	FTEs	292.00

24 Of the funds appropriated in this section, \$57,000 is
25 allocated for the prevention of disabilities policy council
26 established in section 225B.3.

27 Sec. 124. VOLUNTEERS. There is appropriated from the
28 general fund of the state to the department of human services
29 for the fiscal year beginning July 1, 2004, and ending June
30 30, 2005, the following amount, or so much thereof as is
31 necessary, to be used for the purpose designated:

32 For development and coordination of volunteer services:

33	\$	109,568
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34 Sec. 125. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY
35 ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE

1 DEPARTMENT OF HUMAN SERVICES.

2 1. a. (1) For the fiscal year beginning July 1, 2004,
3 nursing facilities shall be reimbursed at 100 percent of the
4 modified price-based case-mix reimbursement rate. Nursing
5 facilities reimbursed under the medical assistance program
6 shall submit annual cost reports and additional documentation
7 as required by rules adopted by the department.

8 (2) For the fiscal year beginning July 1, 2004, the total
9 state funding amount for the nursing facility budget shall not
10 exceed \$156,013,248. For the fiscal year beginning July 1,
11 2004, and ending June 30, 2005, nursing facilities reimbursed
12 under the case-mix reimbursement system shall have their
13 allowable cost calculations adjusted by applying the most
14 recently published HCFA/SNF index. For the purpose of this
15 subparagraph, the HCFA/SNF index means the HCFA total skilled
16 nursing facility market basket index published by data
17 resources, inc. The department, in cooperation with nursing
18 facility representatives, shall review projections for state
19 funding expenditures for reimbursement of nursing facilities
20 on a quarterly basis and the department shall determine if an
21 adjustment to the medical assistance reimbursement rate is
22 necessary in order to provide reimbursement within the state
23 funding amount. Any temporary enhanced federal financial
24 participation that may become available to the Iowa medical
25 assistance program during the fiscal year shall not be used in
26 projecting the nursing facility budget. Notwithstanding 2001
27 Iowa Acts, chapter 192, section 4, subsection 2, paragraph
28 "c", and subsection 3, paragraph "a", subparagraph (2), if the
29 state funding expenditures for the nursing facility budget for
30 the fiscal year beginning July 1, 2004, is projected to exceed
31 the amount specified in this subparagraph, the department
32 shall adjust the inflation factor of the reimbursement rate
33 calculation for only the nursing facilities reimbursed under
34 the case-mix reimbursement system to maintain expenditures of
35 the nursing facility budget within the specified amount.

1 b. For the fiscal year beginning July 1, 2004, the
2 department shall reimburse pharmacy dispensing fees using a
3 single rate of \$4.26 per prescription, or the pharmacy's usual
4 and customary fee, whichever is lower.

5 c. For the fiscal year beginning July 1, 2004,
6 reimbursement rates for inpatient and outpatient hospital
7 services shall remain at the rates in effect on June 30, 2004.
8 The department shall continue the outpatient hospital
9 reimbursement system based upon ambulatory patient groups
10 implemented pursuant to 1994 Iowa Acts, chapter 1186, section
11 25, subsection 1, paragraph "f". In addition, the department
12 shall continue the revised medical assistance payment policy
13 implemented pursuant to that paragraph to provide
14 reimbursement for costs of screening and treatment provided in
15 the hospital emergency room if made pursuant to the
16 prospective payment methodology developed by the department
17 for the payment of outpatient services provided under the
18 medical assistance program. Any rebasing of hospital
19 inpatient or outpatient rates shall not increase total
20 payments for inpatient and outpatient services.

21 d. For the fiscal year beginning July 1, 2004,
22 reimbursement rates for rural health clinics, hospices,
23 independent laboratories, and acute mental hospitals shall be
24 increased in accordance with increases under the federal
25 Medicare program or as supported by their Medicare audited
26 costs.

27 e. (1) For the fiscal year beginning July 1, 2004,
28 reimbursement rates for home health agencies shall remain at
29 the rates in effect on June 30, 2004.

30 (2) Notwithstanding 2003 Iowa Acts, chapter 112, section
31 7, subsection 7, the department shall establish a fixed-fee
32 reimbursement schedule for home health agencies under the
33 medical assistance program beginning July 1, 2005. The
34 department shall submit a status report regarding the
35 development of the fixed-fee schedule to the fiscal committee

1 of the legislative council no later than September 1, 2004.

2 f. For the fiscal year beginning July 1, 2004, federally
3 qualified health centers shall receive cost-based
4 reimbursement for 100 percent of the reasonable costs for the
5 provision of services to recipients of medical assistance.

6 g. Beginning July 1, 2004, the reimbursement rates for
7 dental services shall remain at the rates in effect on June
8 30, 2004.

9 h. Beginning July 1, 2004, the reimbursement rates for
10 community mental health centers shall remain at the rates in
11 effect on June 30, 2004.

12 i. For the fiscal year beginning July 1, 2004, the maximum
13 reimbursement rate for psychiatric medical institutions for
14 children shall remain at the rate in effect on June 30, 2004,
15 based on per day rates for actual costs.

16 j. For the fiscal year beginning July 1, 2004, unless
17 otherwise specified in this Act, all noninstitutional medical
18 assistance provider reimbursement rates shall remain at the
19 rates in effect on June 30, 2004, except for area education
20 agencies, local education agencies, infant and toddler
21 services providers, and those providers whose rates are
22 required to be determined pursuant to section 249A.20.

23 k. Notwithstanding section 249A.20, the average
24 reimbursement rates for health care providers eligible for use
25 of the federal Medicare resource-based relative value scale
26 reimbursement methodology under that section shall remain at
27 the rate in effect on June 30, 2004; however, this rate shall
28 not exceed the maximum level authorized by the federal
29 government.

30 2. For the fiscal year beginning July 1, 2004, the
31 reimbursement rate for residential care facilities shall not
32 be less than the minimum payment level as established by the
33 federal government to meet the federally mandated maintenance
34 of effort requirement. The flat reimbursement rate for
35 facilities electing not to file semiannual cost reports shall

1 not be less than the minimum payment level as established by
2 the federal government to meet the federally mandated
3 maintenance of effort requirement.

4 3. For the fiscal year beginning July 1, 2004, the
5 reimbursement rate for providers reimbursed under the in-home-
6 related care program shall not be less than the minimum
7 payment level as established by the federal government to meet
8 the federally mandated maintenance of effort requirement.

9 4. Unless otherwise directed in this section, when the
10 department's reimbursement methodology for any provider
11 reimbursed in accordance with this section includes an
12 inflation factor, this factor shall not exceed the amount by
13 which the consumer price index for all urban consumers
14 increased during the calendar year ending December 31, 2002.

15 5. Notwithstanding section 234.38, in the fiscal year
16 beginning July 1, 2004, the foster family basic daily
17 maintenance rate and the maximum adoption subsidy rate for
18 children ages 0 through 5 years shall be \$14.28, the rate for
19 children ages 6 through 11 years shall be \$15.07, the rate for
20 children ages 12 through 15 years shall be \$16.83, and the
21 rate for children ages 16 and older shall be \$16.83.

22 6. For the fiscal year beginning July 1, 2004, the maximum
23 reimbursement rates for social service providers shall remain
24 at the rates in effect on June 30, 2004. However, the rates
25 may be adjusted under any of the following circumstances:

26 a. If a new service was added after June 30, 2004, the
27 initial reimbursement rate for the service shall be based upon
28 actual and allowable costs.

29 b. If a social service provider loses a source of income
30 used to determine the reimbursement rate for the provider, the
31 provider's reimbursement rate may be adjusted to reflect the
32 loss of income, provided that the lost income was used to
33 support actual and allowable costs of a service purchased
34 under a purchase of service contract.

35 7. The group foster care reimbursement rates paid for

1 placement of children out of state shall be calculated
2 according to the same rate-setting principles as those used
3 for in-state providers unless the director of human services
4 or the director's designee determines that appropriate care
5 cannot be provided within the state. The payment of the daily
6 rate shall be based on the number of days in the calendar
7 month in which service is provided.

8 8. For the fiscal year beginning July 1, 2004, the
9 reimbursement rates for rehabilitative treatment and support
10 services providers shall remain at the rates in effect on June
11 30, 2004.

12 9. For the fiscal year beginning July 1, 2004, the
13 combined service and maintenance components of the
14 reimbursement rate paid for shelter care services purchased
15 under a contract shall be based on the financial and
16 statistical report submitted to the department. The maximum
17 reimbursement rate shall be \$83.69 per day. The department
18 shall reimburse a shelter care provider at the provider's
19 actual and allowable unit cost, plus inflation, not to exceed
20 the maximum reimbursement rate.

21 10. For the fiscal year beginning July 1, 2004, the
22 department shall calculate reimbursement rates for
23 intermediate care facilities for persons with mental
24 retardation at the 80th percentile.

25 11. For the fiscal year beginning July 1, 2004, for child
26 care providers, the department shall set provider
27 reimbursement rates based on the rate reimbursement survey
28 completed in December 1998. The department shall set rates in
29 a manner so as to provide incentives for a nonregistered
30 provider to become registered.

31 12. For the fiscal year beginning July 1, 2004,
32 reimbursements for providers reimbursed by the department of
33 human services may be modified if appropriated funding is
34 allocated for that purpose from the senior living trust fund
35 created in section 249H.4, or as specified in appropriations

1 from the healthy Iowans tobacco trust created in section
2 12.65.

3 13. The department may adopt emergency rules to implement
4 this section.

5 Sec. 126. TRANSFER AUTHORITY. Subject to the provisions
6 of section 8.39, for the fiscal year beginning July 1, 2004,
7 if necessary to meet federal maintenance of effort
8 requirements or to transfer federal temporary assistance for
9 needy families block grant funding to be used for purposes of
10 the federal social services block grant or to meet cash flow
11 needs resulting from delays in receiving federal funding or to
12 implement, in accordance with this division of this Act,
13 targeted case management for child protection and for
14 activities currently funded with juvenile court services,
15 county, or community moneys and state moneys used in
16 combination with such moneys, the department of human services
17 may transfer within or between any of the appropriations made
18 in this division of this Act and appropriations in law for the
19 federal social services block grant to the department for the
20 following purposes, provided that the combined amount of state
21 and federal temporary assistance for needy families block
22 grant funding for each appropriation remains the same before
23 and after the transfer:

- 24 1. For the family investment program.
 - 25 2. For child care assistance.
 - 26 3. For child and family services.
 - 27 4. For field operations.
 - 28 5. For general administration.
 - 29 6. MH/MR/DD/BI community services (local purchase).
- 30 This section shall not be construed to prohibit existing
31 state transfer authority for other purposes.

32 Sec. 127. FRAUD AND RECOUPMENT ACTIVITIES. During the
33 fiscal year beginning July 1, 2004, notwithstanding the
34 restrictions in section 239B.14, recovered moneys generated
35 through fraud and recoupment activities are appropriated to

1 the department of human services to be used for additional
2 fraud and recoupment activities performed by the department of
3 human services or the department of inspections and appeals,
4 and the department of human services may add not more than
5 five full-time equivalent positions, in addition to those
6 funded in this division of this Act, subject to both of the
7 following conditions:

8 1. The director of human services determines that the
9 investment can reasonably be expected to increase recovery of
10 assistance paid in error, due to fraudulent or nonfraudulent
11 actions, in excess of the amount recovered in the fiscal year
12 beginning July 1, 1997.

13 2. The amount expended for the additional fraud and
14 recoupment activities shall not exceed the amount of the
15 projected increase in assistance recovered.

16 Sec. 128. MEDICAL ASSISTANCE PROGRAM -- NONREVERSION FOR
17 FY 2003-2004. Notwithstanding section 8.33, if moneys
18 appropriated in 2003 Iowa Acts, chapter 175, for the medical
19 assistance program from the general fund of the state, the
20 senior living trust fund, or the hospital trust fund, or in
21 2003 Iowa Acts, chapter 183, from the healthy Iowans tobacco
22 trust are in excess of actual expenditures for the medical
23 assistance program and remain unencumbered or unobligated at
24 the close of the fiscal year, the excess moneys shall not
25 revert, and notwithstanding any provision of law to the
26 contrary, shall not be transferred to any other appropriation
27 but shall remain available for expenditure for the purpose
28 designated until the close of the succeeding fiscal year. Of
29 the amount remaining available, the department of human
30 services may use up to \$2,300,000 to draw down the maximum
31 amount of disproportionate share hospital reimbursement under
32 the medical assistance program as provided in the federal,
33 Prescription Drug and Medicare Improvement Act of 2003. Any
34 amounts received shall be distributed in accordance with the
35 regular disproportionate share hospital program paid out of

1 the graduate medical education and disproportionate share
2 fund.

3 Sec. 129. EMERGENCY RULES. If specifically authorized by
4 a provision of this division of this Act, the department of
5 human services or the mental health and developmental
6 disabilities commission may adopt administrative rules under
7 section 17A.4, subsection 2, and section 17A.5, subsection 2,
8 paragraph "b", to implement the provisions and the rules shall
9 become effective immediately upon filing or on a later
10 effective date specified in the rules, unless the effective
11 date is delayed by the administrative rules review committee.
12 Any rules adopted in accordance with this section shall not
13 take effect before the rules are reviewed by the
14 administrative rules review committee. The delay authority
15 provided to the administrative rules review committee under
16 section 17A.4, subsection 5, and section 17A.8, subsection 9,
17 shall be applicable to a delay imposed under this section,
18 notwithstanding a provision in those sections making them
19 inapplicable to section 17A.5, subsection 2, paragraph "b".
20 Any rules adopted in accordance with the provisions of this
21 section shall also be published as notice of intended action
22 as provided in section 17A.4.

23 Sec. 130. REPORTS.

24 1. Any reports or information required to be compiled and
25 submitted under this division of this Act shall be submitted
26 to the chairpersons and ranking members of the joint
27 appropriations subcommittee on health and human services, the
28 legislative services agency, and the legislative caucus staffs
29 on or before the dates specified for submission of the reports
30 or information.

31 2. In order to reduce mailing and paper processing costs,
32 the department shall provide, to the extent feasible, reports,
33 notices, minutes, and other documents by electronic means to
34 those persons who have the capacity to access the documents in
35 that manner.

1 Sec. 131. LAW INAPPLICABLE FOR FISCAL YEAR 2004-2005.

2 1. The following provisions in Code or rule shall be
3 suspended for the period beginning July 1, 2004, and ending
4 June 30, 2005:

5 a. The requirements of section 239B.2A, relating to school
6 attendance by children participating in the family investment
7 program.

8 b. For a case permanency plan, as defined in section
9 232.2, the requirement for a six-month case permanency plan
10 review for an intact family.

11 2. The department may adopt emergency rules to implement
12 the provisions of this section.

13 Sec. 132. NEW SECTION. 217.14 REFUGEE SERVICES
14 FOUNDATION.

15 1. The department of human services shall cause a refugee
16 services foundation to be created for the sole purpose of
17 engaging in refugee resettlement activities to promote the
18 welfare and self-sufficiency of refugees who live in Iowa and
19 who are not citizens of the United States. The foundation may
20 establish an endowment fund to assist in the financing of its
21 activities. The foundation shall be incorporated under
22 chapter 504A.

23 2. The foundation shall be created in a manner so that
24 donations and bequests to the foundation qualify as tax
25 deductible under federal and state income tax laws. The
26 foundation is not a state agency and shall not exercise
27 sovereign power of the state. The state is not liable for any
28 debts of the foundation.

29 3. The refugee services foundation shall have a board of
30 directors of five members. One member shall be appointed by
31 the governor and four members shall be appointed by the
32 director of human services. Members of the board shall serve
33 three-year terms beginning on July 1, and ending on June 30.
34 A vacancy on the board shall be filled in the same manner as
35 the original appointment for the remainder of the term. Not

1 more than two members appointed by the director of human
2 services shall be of the same gender or of the same political
3 party.

4 4. The refugee services foundation may accept and
5 administer trusts deemed by the board to be beneficial.
6 Notwithstanding section 633.63, the foundation may act as
7 trustee of such a trust.

8 Sec. 133. NEW SECTION. 217.45 FAITH-BASED AND COMMUNITY-
9 BASED ORGANIZATIONS NETWORK.

10 1. A statewide, nonprofit agency that receives a subgrant
11 to assist faith-based and community-based organizations to
12 develop coalitions and partnerships shall be designated as the
13 central office for faith-based and community-based
14 initiatives.

15 2. The department shall designate one department employee
16 in each of the service areas to act as a liaison to faith-
17 based and community-based organizations in the service area.

18 3. The primary functions of a liaison for a service area
19 under this section are as follows:

20 a. To communicate with faith-based and community-based
21 organizations regarding the need for private community
22 services to benefit persons in need of assistance who would
23 otherwise require financial or other assistance under public
24 programs administered by state or local government.

25 b. To promote the involvement of faith-based and
26 community-based organizations in working to meet community
27 needs for assistance.

28 c. To coordinate efforts to promote involvement of faith-
29 based and community-based organizations in providing community
30 services with efforts similar to those of state agencies.

31 d. To promote cooperation and coordination among public
32 agencies and faith-based and community-based organizations.

33 e. To provide technical assistance to faith-based and
34 community-based organizations in writing grant applications,
35 training, mentoring, financial management, and obtaining not-

1 for-profit designations.

2 4. The department shall submit a report annually by
3 January 15 to the governor and the general assembly regarding
4 the activities of the faith-based and community-based
5 organizations network provided for in this section.

6 Sec. 134. NEW SECTION. 249A.34 MEDICAL ASSISTANCE MENTAL
7 HEALTH QUALITY OF CARE IMPROVEMENT COMMITTEE.

8 1. The department shall establish a medical assistance
9 mental health quality of care improvement committee to improve
10 medical assistance patient access to appropriate mental health
11 care and to make recommendations for cost saving mechanisms
12 for the delivery of mental health services under the medical
13 assistance program. The committee membership shall include
14 members of the public representing mental health advocates,
15 mental health care consumers, and mental health care
16 providers, including providers in private psychiatric
17 practice, as well as geriatric psychiatry, institutional
18 psychiatry, and child psychiatry disciplines. The membership
19 shall also include a designee of each of the following: the
20 medical assistance pharmaceutical and therapeutics committee
21 created pursuant to section 249A.20A, the university of Iowa
22 hospitals and clinics department of psychiatry, the Iowa
23 medical assistance drug utilization review commission created
24 in section 249A.24, the director of public health, and the
25 director of human services.

26 2. The medical assistance mental health quality of care
27 improvement committee shall advise the department in the
28 implementation of all of the following:

29 a. Clinical treatment algorithms for schizophrenia, major
30 depressive disorder, and bipolar disorder. The algorithms
31 shall be utilized in lieu of policies restricting access to
32 care and medication and shall not be subject to prior
33 authorization requirements or medication preferences.

34 b. A mental health polypharmacy review process, including
35 but not limited to data collection and analysis and medical

1 service provider education.

2 3. The medical assistance mental health quality of care
3 improvement committee shall, on an ongoing basis, review and
4 recommend other mechanisms to promote medical assistance
5 patient access to improved quality of care and the use of
6 other cost saving mechanisms, including but not limited to
7 implementing disease management programs for mental health
8 disorders, expanding assertive community treatment programs,
9 improving methods for gathering and analyzing data regarding
10 the delivery of mental health care, and implementing other
11 effective treatment programs.

12 4. This section is repealed July 1, 2007.

13 Sec. 135. NEW SECTION. 505.25 INFORMATION PROVIDED TO
14 MEDICAL ASSISTANCE PROGRAM.

15 A carrier, as defined in section 514C.13, shall enter into
16 a health insurance data match program with the department of
17 human services for the sole purpose of comparing the names of
18 the carrier's insureds with the names of recipients of the
19 medical assistance program.

20 Sec. 136. 2001 Iowa Acts, chapter 192, section 4,
21 subsection 3, paragraphs e and f, are amended to read as
22 follows:

23 e. The department shall calculate the rate ceiling for the
24 direct-care cost component at 120 percent of the median of
25 case-mix adjusted costs. Nursing facilities with case-mix
26 adjusted costs at 95 percent of the median or greater, shall
27 receive an amount equal to their costs not to exceed 120
28 percent of the median. Nursing facilities with case-mix
29 adjusted costs below 95 percent of the median shall receive an
30 excess payment allowance by having their payment rate for the
31 direct-care cost component calculated as their case-mix
32 adjusted cost plus 100 percent of the difference between 95
33 percent of the median and their case-mix adjusted cost, not to
34 exceed 10 percent of the median of case-mix adjusted costs.
35 Beginning July 1, 2004, nursing facilities with case-mix

1 adjusted costs below 95 percent of the median shall receive an
2 excess payment allowance by having their payment rate for the
3 direct-care cost component calculated as their case-mix
4 adjusted cost plus 50 percent of the difference between 95
5 percent of the median and their case-mix adjusted cost, not to
6 exceed 10 percent of the median of case-mix adjusted costs.

7 Any excess payment allowance realized from the direct care
8 cost component of the modified price-based case-mix
9 reimbursement shall be expended to increase the compensation
10 of direct care workers or to increase the ratio of direct care
11 workers to residents. The department of human services shall
12 implement a new monitoring and reporting system to assess
13 compliance with the provisions of this paragraph.

14 f. The department shall calculate the rate ceiling for the
15 nondirect care cost component at 110 percent of the median of
16 non-case-mix adjusted costs. Nursing facilities with non-
17 case-mix adjusted costs at 96 percent of the median or greater
18 shall receive an amount equal to their costs not to exceed 110
19 percent of the median. Nursing facilities with non-case-mix
20 adjusted costs below 96 percent of the median shall receive an
21 excess payment allowance that is their costs plus 65 percent
22 of the difference between 96 percent of the median and their
23 non-case-mix adjusted costs, not to exceed 8 percent of the
24 median of non-case-mix adjusted costs. Beginning July 1,
25 2004, nursing facilities with non-case-mix adjusted costs
26 below 96 percent of the median shall receive an excess payment
27 allowance that is their costs plus 32.5 percent of the
28 difference between 96 percent of the median and their non-
29 case-mix adjusted costs, not to exceed 8 percent of the median
30 of non-case-mix adjusted costs. Any excess payment allowance
31 realized from the nondirect care cost component of the
32 modified price-based case-mix reimbursement shall be used to
33 fund quality of life improvements. The department of human
34 services shall implement a new monitoring and reporting system
35 to assess compliance with the provisions of this paragraph.

1 Sec. 137. 2002 Iowa Acts, chapter 1174, section 4,
2 unnumbered paragraph 3, as amended by 2002 Iowa Acts, Second
3 Extraordinary Session, chapter 1003, section 244, is amended
4 to read as follows:

5 Notwithstanding section 8.33, moneys appropriated under
6 this section that are unobligated or unencumbered at the end
7 of the fiscal year beginning July 1, 2002, and ending June 30,
8 2003, shall not revert, but shall remain available for the
9 specific purposes designated in this section until June 30,
10 2004 2005.

11 Sec. 138. 2003 Iowa Acts, chapter 175, section 13,
12 subsection 2, as amended by 2003 Iowa Acts, 1st Extraordinary
13 Session, chapter 2, section 6, is amended to read as follows:

14 2. The department may either continue or reprocur the
15 contract existing on June 30, 2003, with the department's
16 fiscal agent. If the department initiates reprocurement of
17 the contract, of the amount appropriated in this Act for the
18 medical assistance program, up to \$500,000 may be used to
19 begin the implementation process.

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

26 Sec. 139. 2003 Iowa Acts, chapter 175, section 9, is
27 amended by adding the following new subsection:

28 NEW SUBSECTION. 5. Notwithstanding section 8.33, moneys
29 appropriated in this section that were allocated by the
30 department for the purpose of meeting federal food stamp
31 electronic benefit transfer requirements that remain
32 unencumbered or unobligated at the close of the fiscal year
33 shall not revert but shall remain available for expenditure
34 for the purpose designated until the close of the succeeding
35 fiscal year.

1 Sec. 140. 2003 Iowa Acts, chapter 175, section 18,
2 subsection 9, is amended to read as follows:

3 9. Notwithstanding section 234.35, subsection 1, for the
4 fiscal year beginning July 1, 2003, state funding for shelter
5 care paid pursuant to section 234.35, subsection 1, paragraph
6 "h", shall be limited to ~~\$6,922,509~~ \$10,122,509.

7 Sec. 141. 2003 Iowa Acts, chapter 175, section 56,
8 subsection 2, paragraph g, is amended to read as follows:

9 g. Notwithstanding section 8.33, up to ~~\$500,000~~ \$1,000,000
10 of the Iowa veterans home revenues that remain unencumbered or
11 unobligated at the close of the fiscal year shall not revert
12 but shall remain available to be used in the succeeding fiscal
13 year.

14 Sec. 142. 2003 Iowa Acts, chapter 178, section 45, is
15 amended by adding the following new unnumbered paragraph:

16 NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33,
17 moneys appropriated in this section that remain unencumbered
18 or unobligated at the close of the fiscal year shall not
19 revert but shall remain available for expenditure for the
20 child and family services until the close of the succeeding
21 fiscal year.

22 Sec. 143. 2003 Iowa Acts, chapter 179, section 2,
23 subsection 2, paragraph b, is amended to read as follows:

24 ~~b. For-deposit-in-the-risk-pool-created-in-the-property~~
25 ~~tax-relief-fund-and-for-distribution-in-accordance-with~~
26 ~~section-426B-57-subsection-2~~ For medical assistance
27 reimbursement, in addition to other appropriations made for
28 purposes of the medical assistance program for the fiscal year
29 beginning July 1, 2004, and ending June 30, 2005:

30 \$ 2,000,000

31 Sec. 144. EFFECTIVE DATES. The following provisions of
32 this division of this Act, being deemed of immediate
33 importance, take effect upon enactment:

34 1. The provision under the appropriation for child and
35 family services, relating to requirements of section 232.143

1 for representatives of the department of human services and
2 juvenile court services to establish a plan for continuing
3 group foster care expenditures for the 2004-2005 fiscal year.

4 2. The provision under the appropriation for child and
5 family services, relating to the state court administrator
6 determining allocation of court-ordered services funding by
7 June 15, 2004.

8 3. The provision relating to nonreversion and prohibited
9 transfer of the appropriations for the medical assistance
10 program for the fiscal year beginning July 1, 2003, and ending
11 June 30, 2004.

12 4. The provisions in this division of this Act relating to
13 insurance carriers providing listings of insureds to the
14 department of human services including the provision creating
15 section 505.25.

16 5. The provision amending 2002 Iowa Acts, chapter 1174,
17 section 4, unnumbered paragraph 3, as amended by 2002 Iowa
18 Acts, Second Extraordinary Session, chapter 1003, section 244.

19 6. The provision amending 2003 Iowa Acts, chapter 175,
20 section 13, subsection 2, as amended by 2003 Iowa Acts, First
21 Extraordinary Session, chapter 2, section 6.

22 7. The provisions amending 2003 Iowa Acts, chapter 175,
23 section 9, section 18, subsection 9, and section 56.

24 8. The provision amending 2003 Iowa Acts, chapter 178,
25 section 45.

26 9. The provision amending 2003 Iowa Acts, chapter 179,
27 section 2, subsection 2, paragraph "b".

28 DIVISION VI

29 SENIOR LIVING AND HOSPITAL TRUST FUNDS

30 Sec. 145. DEPARTMENT OF ELDER AFFAIRS. There is
31 appropriated from the senior living trust fund created in
32 section 249H.4 to the department of elder affairs for the
33 fiscal year beginning July 1, 2004, and ending June 30, 2005,
34 the following amount, or so much thereof as is necessary, to
35 be used for the purpose designated:

1 For the development and implementation of a comprehensive
2 senior living program, including program administration and
3 costs associated with implementation, salaries, support,
4 maintenance, and miscellaneous purposes and for not more than
5 the following full-time equivalent positions:

6 \$ 8,222,118
7 FTEs 2.00

8 1. It is the intent of the general assembly that the
9 department not transfer moneys appropriated to the department
10 for purposes of the assisted living program and adult day care
11 for the fiscal year beginning July 1, 2004.

12 2. Notwithstanding section 249H.7, the department of elder
13 affairs shall distribute up to \$300,000 of the funds
14 appropriated in this section in a manner that will supplement
15 and maximize federal funds under the federal Older Americans
16 Act and shall not use the amount distributed for any
17 administrative purposes of either the department of elder
18 affairs or the area agencies on aging.

19 3. Of the moneys appropriated in this section, \$60,000
20 shall be used for the provision of training to resident
21 advocate committees for elder group homes, as defined in
22 section 231B.1, and licensed health care facilities as defined
23 in section 135C.1.

24 4. Of the moneys appropriated in this section, \$140,000
25 shall be used to provide two additional state long-term care
26 resident advocates.

27 5. Of the moneys appropriated in this section, \$500,000
28 shall be used to provide case management services to elders
29 who are not eligible for the medical assistance program.

30 Sec. 146. DEPARTMENT OF INSPECTIONS AND APPEALS. There is
31 appropriated from the senior living trust fund created in
32 section 249H.4 to the department of inspections and appeals
33 for the fiscal year beginning July 1, 2004, and ending June
34 30, 2005, the following amount, or so much thereof as is
35 necessary, to be used for the purpose designated:

1 For the inspection and certification of assisted living
2 facilities and adult day care services, including program
3 administration and costs associated with implementation,
4 salaries, support, maintenance, and miscellaneous purposes and
5 for not more than the following full-time equivalent
6 positions:

7 \$ 800,000
8 FTEs 6.00

9 Sec. 147. DEPARTMENT OF HUMAN SERVICES. There is
10 appropriated from the senior living trust fund created in
11 section 249H.4 to the department of human services for the
12 fiscal year beginning July 1, 2004, and ending June 30, 2005,
13 the following amounts, or so much thereof as is necessary, to
14 be used for the purposes designated:

15 1. To provide grants to nursing facilities for conversion
16 to assisted living programs or to provide long-term care
17 alternatives, to provide grants to intermediate care
18 facilities for persons with mental retardation for conversion
19 to assisted living programs or home and community-based
20 services, to provide grants to long-term care providers for
21 development of long-term care alternatives, to develop less
22 restrictive community-based services for placement of persons
23 currently residing in state resource centers, and for other
24 purposes specified in this subsection:

25 \$ 20,000,000

26 a. Up to 25 percent of the amount appropriated in this
27 subsection may be used for development of less restrictive
28 community-based services, including community residential
29 living alternatives, with a significant focus on reducing the
30 numbers of persons served in state resource centers and other
31 intermediate care facilities for persons with mental
32 retardation as well as for activities designed to facilitate
33 the planning for or placement of such services and persons.
34 Services provided under this paragraph are not intended to
35 require the closure of nursing facilities.

1 b. Up to \$2,000,000 of the moneys allocated in paragraph
2 "a" may, at the discretion of the director of human services,
3 be transferred to the Iowa finance authority for the purpose
4 of utilizing low-income housing tax credits for the
5 development of service-enriched housing for persons served in
6 the state resource centers and to assist in the development of
7 assisted living facilities that focus on addressing the needs
8 of persons with low income.

9 c. Two million dollars of the moneys appropriated in this
10 subsection shall be transferred to the appropriation in this
11 Act from the general fund of the state for the medical
12 assistance program to be used to implement nursing facility
13 provider reimbursements as provided in 2001 Iowa Acts, chapter
14 192, section 4, subsection 2, paragraph "c".

15 2. To supplement the medical assistance appropriation,
16 including program administration and costs associated with
17 implementation, salaries, support, maintenance, and
18 miscellaneous purposes, and for not more than the following
19 full-time equivalent positions:

20 \$101,600,000
21 FTEs 5.00

22 3. To provide reimbursement for health care services and
23 rent expenses to eligible persons through the home and
24 community-based services waiver and the state supplementary
25 assistance program, including program administration and data
26 system costs associated with implementation, salaries,
27 support, maintenance, and miscellaneous purposes:

28 \$ 1,733,406

29 Participation in the rent subsidy program shall be limited
30 to only those persons who are at risk for nursing facility
31 care.

32 4. To implement nursing facility provider reimbursements
33 as provided in 2001 Iowa Acts, chapter 192, section 4,
34 subsection 2, paragraph "c":

35 \$ 29,950,000

1 In order to carry out the purposes of this section, the
2 department shall transfer funds appropriated in this section
3 to supplement other appropriations made to the department of
4 human services.

5 5. Notwithstanding sections 249H.4 and 249H.5, the
6 department of human services may use moneys from the senior
7 living trust fund for cash flow purposes to make payments
8 under the nursing facility or hospital upper payment limit
9 methodology. The amount of any moneys so used shall be
10 refunded to the senior living trust fund within the same
11 fiscal year and in a prompt manner.

12 6. Notwithstanding section 8.33, moneys committed to
13 grantees under contract to provide for conversion to assisted
14 living programs or for development of long-term care
15 alternatives that remain unexpended at the close of the fiscal
16 year shall not revert to any fund but shall remain available
17 for expenditure for purposes of the contract.

18 Sec. 148. INSURANCE DIVISION OF THE DEPARTMENT OF
19 COMMERCE. There is appropriated from the senior living trust
20 fund created in section 249H.4 to the insurance division of
21 the department of commerce for the fiscal year beginning July
22 1, 2004, and ending June 30, 2005, the following amount, or so
23 much thereof as is necessary, to be used for the purpose
24 designated:

25 For administration of the long-term care insurance
26 partnership program including program administration and costs
27 associated with implementation, salaries, support,
28 maintenance, and miscellaneous purposes, and for not more than
29 the following full-time equivalent positions:

30	\$	265,000
31	FTEs	4.00

32 Sec. 149. CONVERSION GRANT PROJECTS -- RULES.

33 1. For the fiscal year beginning July 1, 2004, and ending
34 June 30, 2005, the department of human services shall continue
35 to give greater weight in the scoring methodology to nursing

1 facility conversion projects that are primarily for the
2 renovation and remodeling of the existing nursing facility
3 structure and give less weight to conversion projects that are
4 primarily for new construction. The department of human
5 services shall encourage cooperative efforts between the
6 department of inspections and appeals, the state fire marshal,
7 and the grant applicant to promote the acceptance of nursing
8 facility conversion projects that are primarily renovation and
9 remodeling of the existing nursing facility structure.

10 2. For the fiscal year beginning July 1, 2004, and ending
11 June 30, 2005, the department of inspections and appeals shall
12 certify all assisted living programs established through
13 nursing facility conversion grants. The department of
14 inspections and appeals shall consult with conversion grant
15 applicants and recipients to establish and monitor occupancy
16 agreements and assisted living program residents shall be
17 allowed access to third-party payors.

18 Sec. 150. HOSPITAL TRUST FUND. There is appropriated from
19 the hospital trust fund created in section 249I.4 to the
20 department of human services for the fiscal year beginning
21 July 1, 2004, and ending June 30, 2005, the following amount,
22 or so much thereof as is necessary, to be used for the purpose
23 designated:

24 To supplement the appropriations made for the medical
25 assistance program for that fiscal year:

26 \$ 37,500,000

27 Sec. 151. MEDICAL ASSISTANCE PROGRAM -- REVERSION TO
28 SENIOR LIVING TRUST FUND FOR FY 2004-2005. Notwithstanding
29 section 8.33, if moneys appropriated in this Act for purposes
30 of the medical assistance program for the fiscal year
31 beginning July 1, 2004, and ending June 30, 2005, from the
32 general fund of the state, the senior living trust fund, the
33 hospital trust fund, or the healthy Iowans tobacco trust fund
34 are in excess of actual expenditures for the medical
35 assistance program and remain unencumbered or unobligated at

1 the close of the fiscal year, the excess moneys shall not
2 revert but shall be transferred to the senior living trust
3 fund created in section 249H.4.

4 DIVISION VII
5 MENTAL HEALTH, MENTAL RETARDATION,
6 DEVELOPMENTAL DISABILITIES,
7 AND BRAIN INJURY SERVICES

8 Sec. 152. COUNTY HOSPITALS. There is appropriated from
9 the general fund of the state to the department of human
10 services for the fiscal year beginning July 1, 2004, and
11 ending June 30, 2005, the following amount, or so much thereof
12 as is necessary, for the purpose designated:

13 For support of mental health care services provided to
14 persons who are elderly or poor by county hospitals in
15 counties having a population of two hundred twenty-five
16 thousand or more:

17 \$ 200,000

18 Sec. 153. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND
19 DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR ALLOCATIONS
20 -- FISCAL YEAR 2005-2006.

21 1. There is appropriated from the general fund of the
22 state to the department of human services for the fiscal year
23 beginning July 1, 2005, and ending June 30, 2006, the
24 following amount, or so much thereof as is necessary, to be
25 used for the purpose designated:

26 For distribution to counties of the county mental health,
27 mental retardation, and developmental disabilities allowed
28 growth factor adjustment, as provided in this section in lieu
29 of the provisions of section 331.438, subsection 2, and
30 section 331.439, subsection 3, and chapter 426B:

31 \$ 28,507,362

32 2. The funding appropriated in this section is the allowed
33 growth factor adjustment for fiscal year 2005-2006, and is
34 allocated as follows:

35 a. For distribution to counties for fiscal year 2005-2006

1 in accordance with the formula in section 331.438, subsection
2 2, paragraph "b":

3 \$ 12,000,000

4 b. For deposit in the per capita expenditure target pool
5 created in the property tax relief fund and for distribution
6 in accordance with section 426B.5, subsection 1:

7 \$ 14,507,362

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

11 \$ 2,000,000

12 Sec. 154. 2003 Iowa Acts, chapter 179, section 2, is
13 amended by adding the following new subsections:

14 NEW SUBSECTION. 3. The following formula amounts shall be
15 utilized only to calculate preliminary distribution amounts
16 for fiscal year 2004-2005 under this section by applying the
17 indicated formula provisions to the formula amounts and
18 producing a preliminary distribution total for each county:

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

22 \$ 12,000,000

23 b. For calculation of a distribution amount for eligible
24 counties from the per capita expenditure target pool created
25 in the property tax relief fund in accordance with the
26 requirements in section 426B.5, subsection 1:

27 \$ 19,157,111

28 c. For calculation of a distribution amount for counties
29 from the mental health and developmental disabilities (MH/DD)
30 community services fund in accordance with the formula
31 provided in the appropriation made for the MH/DD community
32 services fund for the fiscal year beginning July 1, 2003:

33 \$ 17,727,890

34 NEW SUBSECTION. 4. After applying the applicable
35 statutory distribution formulas to the amounts indicated in

1 subsection 3 for purposes of producing preliminary
2 distribution totals, the department of human services shall
3 apply a withholding factor to adjust an eligible individual
4 county's preliminary distribution total. An ending balance
5 percentage for each county shall be determined by expressing
6 the county's ending balance on a modified accrual basis under
7 generally accepted accounting principles for the fiscal year
8 beginning July 1, 2003, in the county's mental health, mental
9 retardation, and developmental disabilities services fund
10 created under section 331.424A, as a percentage of the
11 county's gross expenditures from that fund for that fiscal
12 year. The withholding factor for a county shall be the
13 following applicable percent:

14 a. For an ending balance percentage of less than 10
15 percent, a withholding factor of 0 percent. In addition to
16 the county's adjusted distribution total, a county that is
17 subject to this paragraph "a" shall receive an inflation
18 adjustment equal to 2.6 percent of the gross expenditures
19 reported for the county's services fund for that fiscal year.

20 b. For an ending balance percentage of 10 through 24
21 percent, a withholding factor of 25 percent. However, the
22 amount withheld shall be limited to the amount by which the
23 county's ending balance was in excess of the ending balance
24 percentage of 10 percent.

25 c. For an ending balance percentage of 25 percent or more,
26 a withholding factor of 100 percent.

27 NEW SUBSECTION. 5. The total withholding amounts applied
28 pursuant to subsection 4 shall be equal to a withholding
29 target amount of \$9,418,362. If the department of human
30 services determines that the amount to be withheld in
31 accordance with subsection 4 is not equal to the target
32 withholding amount, the department shall adjust the
33 withholding factors listed in subsection 4 as necessary to
34 achieve the withholding target amount. However, in making
35 such adjustments to the withholding factors, the department

1 shall strive to minimize changes to the withholding factors
2 for those ending balance percentage ranges that are lower than
3 others and shall not adjust the zero withholding factor or the
4 inflation adjustment percentage specified in subsection 4,
5 paragraph "a".

* 6

DIVISION VIII

7

JUDICIAL BRANCH

8 Sec. 155. JUDICIAL BRANCH. There is appropriated from the
9 general fund of the state to the judicial branch for the
10 fiscal year beginning July 1, 2004, and ending June 30, 2005,
11 the following amount, or so much thereof as is necessary, to
12 be used for the purposes designated:

13 For salaries of supreme court justices, appellate court
14 judges, district court judges, district associate judges,
15 judicial magistrates and staff, state court administrator,
16 clerk of the supreme court, district court administrators,
17 clerks of the district court, juvenile court officers, board
18 of law examiners and board of examiners of shorthand reporters
19 and judicial qualifications commission, receipt and
20 disbursement of child support payments, reimbursement of the
21 auditor of state for expenses incurred in completing audits of
22 the offices of the clerks of the district court during the
23 fiscal year beginning July 1, 2004, and maintenance,
24 equipment, and miscellaneous purposes:

25 \$117,837,862

26 1. The judicial branch, except for purposes of internal
27 processing, shall use the current state budget system, the
28 state payroll system, and the Iowa finance and accounting
29 system in administration of programs and payments for
30 services, and shall not duplicate the state payroll,
31 accounting, and budgeting systems.

32 2. The judicial branch shall submit monthly financial
33 statements to the legislative services agency and the
34 department of management containing all appropriated accounts
35 in the same manner as provided in the monthly financial status

1 reports and personal services usage reports of the department
2 of administrative services. The monthly financial statements
3 shall include a comparison of the dollars and percentage spent
4 of budgeted versus actual revenues and expenditures on a
5 cumulative basis for full-time equivalent positions and
6 dollars.

7 3. The judicial branch shall focus efforts upon the
8 collection of delinquent fines, penalties, court costs, fees,
9 surcharges, or similar amounts.

10 4. It is the intent of the general assembly that the
11 offices of the clerks of the district court operate in all
12 ninety-nine counties and be accessible to the public as much
13 as is reasonably possible in order to address the relative
14 needs of the citizens of each county.

15 5. The judicial branch shall study the best practices and
16 efficiencies of each judicial district. In identifying the
17 most efficient judicial districts and the districts using best
18 practices, the judicial branch shall consider the average cost
19 to the judicial branch for processing each classification of
20 criminal offense or civil action and the overall number of
21 cases filed. The judicial branch shall file a report
22 regarding the study made and actions taken pursuant to this
23 subsection with the cochairpersons and ranking members of the
24 joint appropriations subcommittee on the justice system and to
25 the legislative services agency by December 15, 2004.

26 6. In addition to the requirements for transfers under
27 section 8.39, the judicial branch shall not change the
28 appropriations from the amounts appropriated to the judicial
29 branch in this division of this Act, unless notice of the
30 revisions is given prior to their effective date to the
31 legislative services agency. The notice shall include
32 information on the branch's rationale for making the changes
33 and details concerning the work load and performance measures
34 upon which the changes are based.

35 7. The judicial branch shall submit a semiannual update to

1 the legislative services agency specifying the amounts of
2 fines, surcharges, and court costs collected using the Iowa
3 court information system since the last report. The judicial
4 branch shall continue to facilitate the sharing of vital
5 sentencing and other information with other state departments
6 and governmental agencies involved in the criminal justice
7 system through the Iowa court information system.

8 8. The judicial branch shall provide a report to the
9 general assembly by January 1, 2005, concerning the amounts
10 received and expended from the enhanced court collections fund
11 created in section 602.1304 and the court technology and
12 modernization fund created in section 602.8108, subsection 5,
13 during the fiscal year beginning July 1, 2003, and ending June
14 30, 2004, and the plans for expenditures from each fund during
15 the fiscal year beginning July 1, 2004, and ending June 30,
16 2005. A copy of the report shall be provided to the
17 legislative services agency.

18 Sec. 156. JUDICIAL RETIREMENT FUND. There is appropriated
19 from the general fund of the state to the judicial retirement
20 fund for the fiscal year beginning July 1, 2004, and ending
21 June 30, 2005, the following amount, or so much thereof as is
22 necessary, to be used for the purpose designated:

23 Notwithstanding section 602.9104, for the state's
24 contribution to the judicial retirement fund in the amount of
25 9.71 percent of the basic salaries of the judges covered under
26 chapter 602, article 9:
27 \$ 2,039,664

28 Sec. 157. APPOINTMENT OF CLERK OF COURT. The appointment
29 of a clerk of the district court shall not occur unless the
30 state court administrator approves the appointment.

31 Sec. 158. POSTING OF REPORTS IN ELECTRONIC FORMAT --
32 LEGISLATIVE SERVICES AGENCY. All reports or copies of reports
33 required to be provided by the judicial branch for fiscal year
34 2004-2005 to the legislative services agency shall be provided
35 in an electronic format. The legislative services agency

1 shall post the reports on its internet site and shall notify
2 by electronic means all the members of the joint
3 appropriations subcommittee on the justice system when a
4 report is posted. Upon request, copies of the reports may be
5 mailed to members of the joint appropriations subcommittee on
6 the justice system.

7 DIVISION IX
8 JUSTICE SYSTEM

9 Sec. 159. DEPARTMENT OF JUSTICE.

10 1. There is appropriated from the general fund of the
11 state to the department of justice for the fiscal year
12 beginning July 1, 2004, and ending June 30, 2005, the
13 following amounts, or so much thereof as is necessary, to be
14 used for the purposes designated:

15 a. For the general office of attorney general for
16 salaries, support, maintenance, miscellaneous purposes
17 including the prosecuting attorneys training program, victim
18 assistance grants, office of drug control policy (ODCP)
19 prosecuting attorney program, legal services for persons in
20 poverty grants as provided in section 13.34, odometer fraud
21 enforcement, and for not more than the following full-time
22 equivalent positions:

23	\$	7,565,245
24	FTEs	208.50

25 It is the intent of the general assembly that as a
26 condition of receiving the appropriation provided in this
27 lettered paragraph, the department of justice shall maintain a
28 record of the estimated time incurred representing each agency
29 or department.

30 b. For victim assistance grants:

31	\$	5,000
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32 The funds appropriated in this lettered paragraph shall be
33 used to provide grants to care providers providing services to
34 crime victims of domestic abuse or to crime victims of rape
35 and sexual assault.

1 2. In addition to the funds appropriated in subsection 1,
2 there is appropriated from the general fund of the state to
3 the department of justice for the fiscal year beginning July
4 1, 2004, and ending June 30, 2005, an amount not exceeding
5 \$200,000 to be used for the enforcement of the Iowa
6 competition law. The funds appropriated in this subsection
7 are contingent upon receipt by the general fund of the state
8 of an amount at least equal to the expenditure amount from
9 either damages awarded to the state or a political subdivision
10 of the state by a civil judgment under chapter 553, if the
11 judgment authorizes the use of the award for enforcement
12 purposes or costs or attorneys fees awarded the state in state
13 or federal antitrust actions. However, if the amounts
14 received as a result of these judgments are in excess of
15 \$200,000, the excess amounts shall not be appropriated to the
16 department of justice pursuant to this subsection. The
17 department of justice shall report the department's actual
18 costs and an estimate of the time incurred enforcing the
19 competition law, to the cochairpersons and ranking members of
20 the joint appropriations subcommittee on the justice system,
21 and to the legislative services agency by November 15, 2004.

22 3. In addition to the funds appropriated in subsection 1,
23 there is appropriated from the general fund of the state to
24 the department of justice for the fiscal year beginning July
25 1, 2004, and ending June 30, 2005, an amount not exceeding
26 \$1,125,000 to be used for public education relating to
27 consumer fraud and for enforcement of section 714.16, and an
28 amount not exceeding \$75,000 for investigation, prosecution,
29 and consumer education relating to consumer and criminal fraud
30 against older Iowans. The funds appropriated in this
31 subsection are contingent upon receipt by the general fund of
32 the state of an amount at least equal to the expenditure
33 amount from damages awarded to the state or a political
34 subdivision of the state by a civil consumer fraud judgment or
35 settlement, if the judgment or settlement authorizes the use

1 of the award for public education on consumer fraud. However,
2 if the funds received as a result of these judgments and
3 settlements are in excess of \$1,200,000, the excess funds
4 shall not be appropriated to the department of justice
5 pursuant to this subsection. The department of justice shall
6 report to the cochairpersons and ranking members of the joint
7 appropriations subcommittee on the justice system, and to the
8 legislative services agency by November 15, 2004, the
9 department's actual costs and an estimate of the time incurred
10 in providing education pursuant to and enforcing this
11 subsection.

12 4. The balance of the victim compensation fund established
13 in section 915.94 may be used to provide salary and support of
14 not more than 20.00 FTEs and to provide maintenance for the
15 victim compensation functions of the department of justice.

16 5. a. The department of justice, in submitting budget
17 estimates for the fiscal year commencing July 1, 2005,
18 pursuant to section 8.23, shall include a report of funding
19 from sources other than amounts appropriated directly from the
20 general fund of the state to the department of justice or to
21 the office of consumer advocate. These funding sources shall
22 include, but are not limited to, reimbursements from other
23 state agencies, commissions, boards, or similar entities, and
24 reimbursements from special funds or internal accounts within
25 the department of justice. The department of justice shall
26 report actual reimbursements for the fiscal year commencing
27 July 1, 2003, and actual and expected reimbursements for the
28 fiscal year commencing July 1, 2004.

29 b. The department of justice shall include the report
30 required under paragraph "a", as well as information regarding
31 any revisions occurring as a result of reimbursements actually
32 received or expected at a later date, in a report to the
33 cochairpersons and ranking members of the joint appropriations
34 subcommittee on the justice system and the legislative
35 services agency. The department of justice shall submit the

1 report on or before January 15, 2005.

2 Sec. 160. DEPARTMENT OF JUSTICE -- ENVIRONMENTAL CRIMES
3 INVESTIGATION AND PROSECUTION -- FUNDING. There is
4 appropriated from the environmental crime fund of the
5 department of justice, consisting of court-ordered fines and
6 penalties awarded to the department arising out of the
7 prosecution of environmental crimes, to the department of
8 justice for the fiscal year beginning July 1, 2004, and ending
9 June 30, 2005, an amount not exceeding \$20,000 to be used by
10 the department, at the discretion of the attorney general, for
11 the investigation and prosecution of environmental crimes,
12 including the reimbursement of expenses incurred by county,
13 municipal, and other local governmental agencies cooperating
14 with the department in the investigation and prosecution of
15 environmental crimes.

16 The funds appropriated in this section are contingent upon
17 receipt by the environmental crime fund of the department of
18 justice of an amount at least equal to the appropriations made
19 in this section and received from contributions, court-ordered
20 restitution as part of judgments in criminal cases, and
21 consent decrees entered into as part of civil or regulatory
22 enforcement actions. However, if the funds received during
23 the fiscal year are in excess of \$20,000, the excess funds
24 shall be deposited in the general fund of the state.

25 Notwithstanding section 8.33, moneys appropriated in this
26 section that remain unencumbered or unobligated at the close
27 of the fiscal year shall not revert but shall remain available
28 for expenditure for the purpose designated until the close of
29 the succeeding fiscal year.

30 Sec. 161. OFFICE OF CONSUMER ADVOCATE. There is
31 appropriated from the general fund of the state to the office
32 of consumer advocate of the department of justice for the
33 fiscal year beginning July 1, 2004, and ending June 30, 2005,
34 the following amount, or so much thereof as is necessary, to
35 be used for the purposes designated:

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

4 \$ 2,803,862
5 FTEs 27.00

6 Sec. 162. DEPARTMENT OF CORRECTIONS -- FACILITIES.

7 1. There is appropriated from the general fund of the
8 state to the department of corrections for the fiscal year
9 beginning July 1, 2004, and ending June 30, 2005, the
10 following amounts, or so much thereof as is necessary, to be
11 used for the purposes designated:

12 For the operation of adult correctional institutions,
13 reimbursement of counties for certain confinement costs, and
14 federal prison reimbursement, to be allocated as follows:

15 a. For the operation of the Fort Madison correctional
16 facility, including salaries, support, maintenance, and
17 miscellaneous purposes:

18 \$ 38,009,504

19 b. For the operation of the Anamosa correctional facility,
20 including salaries, support, maintenance, and miscellaneous
21 purposes:

22 \$ 26,913,551

23 Moneys are provided within this appropriation for one full-
24 time substance abuse counselor for the Luster Heights
25 facility, for the purpose of certification of a substance
26 abuse program at that facility.

27 c. For the operation of the Oakdale correctional facility,
28 including salaries, support, maintenance, and miscellaneous
29 purposes:

30 \$ 23,536,936

31 d. For the operation of the Newton correctional facility,
32 including salaries, support, maintenance, and miscellaneous
33 purposes:

34 \$ 24,533,794

35 e. For the operation of the Mt. Pleasant correctional

1 facility, including salaries, support, maintenance, and
2 miscellaneous purposes:
3 \$ 22,464,361

4 f. For the operation of the Rockwell City correctional
5 facility, including salaries, support, maintenance, and
6 miscellaneous purposes:
7 \$ 7,772,369

8 g. For the operation of the Clarinda correctional
9 facility, including salaries, support, maintenance, and
10 miscellaneous purposes:
11 \$ 22,518,204

12 Moneys received by the department of corrections as
13 reimbursement for services provided to the Clarinda youth
14 corporation are appropriated to the department and shall be
15 used for the purpose of operating the Clarinda correctional
16 facility.

17 h. For the operation of the Mitchellville correctional
18 facility, including salaries, support, maintenance, and
19 miscellaneous purposes:
20 \$ 13,190,260

21 i. For the operation of the Fort Dodge correctional
22 facility, including salaries, support, maintenance, and
23 miscellaneous purposes:
24 \$ 25,880,530

25 j. For reimbursement of counties for temporary confinement
26 of work release and parole violators, as provided in sections
27 901.7, 904.908, and 906.17 and for offenders confined pursuant
28 to section 904.513:
29 \$ 674,954

30 k. For federal prison reimbursement, reimbursements for
31 out-of-state placements, and miscellaneous contracts:
32 \$ 241,293

33 The department of corrections shall use funds appropriated
34 in this subsection to continue to contract for the services of
35 a Muslim imam.

1 Sec. 163. DEPARTMENT OF CORRECTIONS -- ADMINISTRATION.

2 1. There is appropriated from the general fund of the
3 state to the department of corrections for the fiscal year
4 beginning July 1, 2004, and ending June 30, 2005, the
5 following amounts, or so much thereof as is necessary, to be
6 used for the purposes designated:

7 a. For general administration, including salaries,
8 support, maintenance, employment of an education director to
9 administer a centralized education program for the
10 correctional system, and miscellaneous purposes:

11 \$ 2,784,393

12 (1) It is the intent of the general assembly that as a
13 condition of receiving the appropriation provided in this
14 lettered paragraph, the department of corrections shall not,
15 except as otherwise provided in subparagraph (3), enter into a
16 new contract, unless the contract is a renewal of an existing
17 contract, for the expenditure of moneys in excess of \$100,000
18 during the fiscal year beginning July 1, 2004, for the
19 privatization of services performed by the department using
20 state employees as of July 1, 2004, or for the privatization
21 of new services by the department, without prior consultation
22 with any applicable state employee organization affected by
23 the proposed new contract and prior notification of the
24 cochairpersons and ranking members of the joint appropriations
25 subcommittee on the justice system.

26 (2) It is the intent of the general assembly that each
27 lease negotiated by the department of corrections with a
28 private corporation for the purpose of providing private
29 industry employment of inmates in a correctional institution
30 shall prohibit the private corporation from utilizing inmate
31 labor for partisan political purposes for any person seeking
32 election to public office in this state and that a violation
33 of this requirement shall result in a termination of the lease
34 agreement.

35 (3) It is the intent of the general assembly that as a

1 condition of receiving the appropriation provided in this
2 lettered paragraph, the department of corrections shall not
3 enter into a lease or contractual agreement pursuant to
4 section 904.809 with a private corporation for the use of
5 building space for the purpose of providing inmate employment
6 without providing that the terms of the lease or contract
7 establish safeguards to restrict, to the greatest extent
8 feasible, access by inmates working for the private
9 corporation to personal identifying information of citizens.

10 b. For educational programs for inmates at state penal
11 institutions:

12 \$ 1,008,358

13 It is the intent of the general assembly that moneys
14 appropriated in this lettered paragraph shall be used solely
15 for the purpose indicated and that the moneys shall not be
16 transferred for any other purpose. In addition, it is the
17 intent of the general assembly that the department shall
18 consult with the community colleges in the areas in which the
19 institutions are located to utilize moneys appropriated in
20 this lettered paragraph to fund the high school completion,
21 high school equivalency diploma, adult literacy, and adult
22 basic education programs in a manner so as to maintain these
23 programs at the institutions.

24 To maximize the funding for educational programs, the
25 department shall establish guidelines and procedures to
26 prioritize the availability of educational and vocational
27 training for inmates based upon the goal of facilitating an
28 inmate's successful release from the correctional institution.

29 The director of the department of corrections may transfer
30 moneys from Iowa prison industries for use in educational
31 programs for inmates.

32 Notwithstanding section 8.33, moneys appropriated in this
33 lettered paragraph that remain unobligated or unexpended at
34 the close of the fiscal year shall not revert but shall remain
35 available for expenditure only for the purpose designated in

1 this lettered paragraph until the close of the succeeding
2 fiscal year.

3 c. For the development of the Iowa corrections offender
4 network (ICON) data system:

5 \$ 427,700

6 2. It is the intent of the general assembly that the
7 department of corrections shall continue to operate the
8 correctional farms under the control of the department at the
9 same or greater level of participation and involvement as
10 existed as of January 1, 2004, shall not enter into any rental
11 agreement or contract concerning any farmland under the
12 control of the department that is not subject to a rental
13 agreement or contract as of January 1, 2004, without prior
14 legislative approval, and shall further attempt to provide job
15 opportunities at the farms for inmates. The department shall
16 attempt to provide job opportunities at the farms for inmates
17 by encouraging labor-intensive farming or gardening where
18 appropriate, using inmates to grow produce and meat for
19 institutional consumption, researching the possibility of
20 instituting food canning and cook-and-chill operations, and
21 exploring opportunities for organic farming and gardening,
22 livestock ventures, horticulture, and specialized crops.

23 3. The department shall work to increase produce gardening
24 by inmates under the control of the correctional institutions,
25 and, if appropriate, may use the central distribution network
26 at the Woodward state resource center. The department shall
27 file a report with the cochairpersons and ranking members of
28 the joint appropriations subcommittee on the justice system by
29 December 1, 2004, regarding the feasibility of expanding the
30 number of acres devoted to organic gardening and to the
31 growing of organic produce for sale.

32 4. The department of corrections shall submit a report to
33 the general assembly by January 1, 2005, concerning moneys
34 recouped from inmate earnings for the reimbursement of
35 operational expenses of the applicable facility during the

1 fiscal year beginning July 1, 2003, for each correctional
2 institution and judicial district department of correctional
3 services. In addition, each correctional institution and
4 judicial district department of correctional services shall
5 continue to submit a report to the legislative services agency
6 on a monthly basis concerning moneys recouped from inmate
7 earnings pursuant to sections 904.702, 904.809, and 905.14.

8 5. The department of corrections, in consultation with the
9 board of parole, shall study the feasibility of establishing a
10 mentoring program using unpaid volunteers to mentor persons
11 who are on probation or parole. The department of corrections
12 shall file a report regarding the study with the
13 cochairpersons and ranking members of the joint appropriations
14 subcommittee on the justice system, and the legislative
15 services agency by December 15, 2004. The report shall detail
16 the feasibility of establishing such a mentoring program.

17 Sec. 164. JUDICIAL DISTRICT DEPARTMENTS OF CORRECTIONAL
18 SERVICES.

19 1. There is appropriated from the general fund of the
20 state to the department of corrections for the fiscal year
21 beginning July 1, 2004, and ending June 30, 2005, the
22 following amounts, or so much thereof as is necessary, to be
23 allocated as follows:

24 a. For the first judicial district department of
25 correctional services, including the treatment and supervision
26 of probation and parole violators who have been released from
27 the department of corrections violator program, the following
28 amount, or so much thereof as is necessary:

29 \$ 10,090,207

30 b. For the second judicial district department of
31 correctional services, including the treatment and supervision
32 of probation and parole violators who have been released from
33 the department of corrections violator program, the following
34 amount, or so much thereof as is necessary:

35 \$ 7,755,402

1 c. For the third judicial district department of
2 correctional services, including the treatment and supervision
3 of probation and parole violators who have been released from
4 the department of corrections violator program, the following
5 amount, or so much thereof as is necessary:

6 \$ 4,631,423

7 d. For the fourth judicial district department of
8 correctional services, including the treatment and supervision
9 of probation and parole violators who have been released from
10 the department of corrections violator program, the following
11 amount, or so much thereof as is necessary:

12 \$ 4,248,965

13 e. For the fifth judicial district department of
14 correctional services, including the treatment and supervision
15 of probation and parole violators who have been released from
16 the department of corrections violator program, the following
17 amount, or so much thereof as is necessary:

18 \$ 12,982,837

19 f. For the sixth judicial district department of
20 correctional services, including the treatment and supervision
21 of probation and parole violators who have been released from
22 the department of corrections violator program, the following
23 amount, or so much thereof as is necessary:

24 \$ 10,064,717

25 g. For the seventh judicial district department of
26 correctional services, including the treatment and supervision
27 of probation and parole violators who have been released from
28 the department of corrections violator program, the following
29 amount, or so much thereof as is necessary:

30 \$ 5,677,314

31 h. For the eighth judicial district department of
32 correctional services, including the treatment and supervision
33 of probation and parole violators who have been released from
34 the department of corrections violator program, the following
35 amount, or so much thereof as is necessary:

1 \$ 5,574,865

2 i. For the fifth judicial district department of
3 correctional services for a grant as provided in this
4 paragraph:

5 \$ 75,000

6 The amount appropriated in this paragraph shall be
7 distributed as a grant to a private nonprofit organization for
8 expansion of a program operated by the organization in
9 collaboration with the judicial district department and the
10 county attorney's office of the largest county in the judicial
11 district. The purpose of the program is to rehabilitate young
12 convicted felons as an alternative to incarceration.

13 2. Each judicial district department of correctional
14 services, within the funding available, shall continue
15 programs and plans established within that district to provide
16 for intensive supervision, sex offender treatment, diversion
17 of low-risk offenders to the least restrictive sanction
18 available, job development, and expanded use of intermediate
19 criminal sanctions.

20 3. Each judicial district department of correctional
21 services shall provide alternatives to prison consistent with
22 chapter 901B. The alternatives to prison shall ensure public
23 safety while providing maximum rehabilitation to the offender.
24 A judicial district department may also establish a day
25 program.

26 4. The governor's office of drug control policy shall
27 consider federal grants made to the department of corrections
28 for the benefit of each of the eight judicial district
29 departments of correctional services as local government
30 grants, as defined pursuant to federal regulations.

31 Sec. 165. INTENT -- REPORTS.

32 1. The department of corrections shall submit a report on
33 inmate labor to the general assembly, to the cochairpersons
34 and the ranking members of the joint appropriations
35 subcommittee on the justice system, and to the legislative

1 services agency by January 15, 2005. The report shall
2 specifically address the progress the department has made in
3 implementing the requirements of section 904.701, inmate labor
4 on capital improvement projects, community work crews, inmate
5 produce gardening, and private-sector employment.

6 2. The department in cooperation with townships, the Iowa
7 cemetery associations, and other nonprofit or governmental
8 entities may use inmate labor to restore or preserve rural
9 cemeteries and historical landmarks. The department in
10 cooperation with the counties may also use inmate labor to
11 clean up roads, major water sources, and other water sources
12 around the state. Any governmental entity or nonprofit agency
13 using inmate labor pursuant to this subsection shall be immune
14 from civil or employer liability.

15 3. The department shall provide a report that details the
16 inmate capacity for each county jail, detention facility, or
17 municipal jail. The report shall also include population data
18 of the jails and detention facilities, and options for
19 integrating jails and detention facilities into the department
20 of corrections. The department shall file the report with the
21 cochairpersons and ranking members of the joint appropriations
22 subcommittee on the justice system and the legislative
23 services agency by December 15 of each year. The department
24 shall also coordinate and provide information to the counties
25 regarding available inmate bed space in each county jail,
26 detention facility, or municipal jail.

27 4. Each month the department shall provide a status report
28 regarding private-sector employment to the legislative
29 services agency beginning on July 1, 2004. The report shall
30 include the number of offenders employed in the private
31 sector, the combined number of hours worked by the offenders,
32 and the total amount of allowances, and the distribution of
33 allowances pursuant to section 904.702, including any moneys
34 deposited in the general fund of the state.

35 Sec. 166. STATE AGENCY PURCHASES FROM PRISON INDUSTRIES.

1 1. As used in this section, unless the context otherwise
2 requires, "state agency" means the government of the state of
3 Iowa, including but not limited to all executive branch
4 departments, agencies, boards, bureaus, and commissions, the
5 judicial branch, the general assembly and all legislative
6 agencies, institutions within the purview of the state board
7 of regents, and any corporation whose primary function is to
8 act as an instrumentality of the state.

9 2. State agencies are hereby encouraged to purchase
10 products from Iowa state industries, as defined in section
11 904.802, when purchases are required and the products are
12 available from Iowa state industries. State agencies shall
13 obtain bids from Iowa state industries for purchases of office
14 furniture exceeding \$5,000 or in accordance with applicable
15 administrative rules related to purchases for the agency.

16 Sec. 167. STATE PUBLIC DEFENDER. There is appropriated
17 from the general fund of the state to the office of the state
18 public defender of the department of inspections and appeals
19 for the fiscal year beginning July 1, 2004, and ending June
20 30, 2005, the following amounts, or so much thereof as is
21 necessary, to be allocated as follows for the purposes
22 designated:

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

26 \$ 16,663,446
27 FTEs 202.00

28 2. For the fees of court-appointed attorneys for indigent
29 adults and juveniles, in accordance with section 232.141 and
30 chapter 815:

31 \$ 19,355,297

32 Sec. 168. IOWA LAW ENFORCEMENT ACADEMY.

33 1. There is appropriated from the general fund of the
34 state to the Iowa law enforcement academy for the fiscal year
35 beginning July 1, 2004, and ending June 30, 2005, the

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

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

6	\$	1,066,890
7	FTEs	30.05

8 It is the intent of the general assembly that the Iowa law
9 enforcement academy may provide training of state and local
10 law enforcement personnel concerning the recognition of and
11 response to persons with Alzheimer's disease.

12 2. The Iowa law enforcement academy may select at least
13 five automobiles of the department of public safety, division
14 of the Iowa state patrol, prior to turning over the
15 automobiles to the department of administrative services to be
16 disposed of by public auction and the Iowa law enforcement
17 academy may exchange any automobile owned by the academy for
18 each automobile selected if the selected automobile is used in
19 training law enforcement officers at the academy. However,
20 any automobile exchanged by the academy shall be substituted
21 for the selected vehicle of the department of public safety
22 and sold by public auction with the receipts being deposited
23 in the depreciation fund to the credit of the department of
24 public safety, division of the Iowa state patrol.

25 Sec. 169. BOARD OF PAROLE. There is appropriated from the
26 general fund of the state to the board of parole for the
27 fiscal year beginning July 1, 2004, and ending June 30, 2005,
28 the following amount, or so much thereof as is necessary, to
29 be used for the purposes designated:

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

33	\$	1,067,910
34	FTEs	16.50

35 Sec. 170. DEPARTMENT OF PUBLIC DEFENSE. There is

1 appropriated from the general fund of the state to the
2 department of public defense for the fiscal year beginning
3 July 1, 2004, and ending June 30, 2005, the following amounts,
4 or so much thereof as is necessary, to be used for the
5 purposes designated:

6 1. MILITARY DIVISION

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

10	\$	5,084,143
11	FTEs	310.80

12 If there is a surplus in the general fund of the state for
13 the fiscal year ending June 30, 2005, within 60 days after the
14 close of the fiscal year, the military division may incur up
15 to an additional \$500,000 in expenditures from the surplus
16 prior to transfer of the surplus pursuant to section 8.57.

17 2. HOMELAND SECURITY AND EMERGENCY MANAGEMENT DIVISION

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

21	\$	1,123,400
22	FTEs	25.25

23 Sec. 171. DEPARTMENT OF PUBLIC SAFETY. There is
24 appropriated from the general fund of the state to the
25 department of public safety for the fiscal year beginning July
26 1, 2004, and ending June 30, 2005, the following amounts, or
27 so much thereof as is necessary, to be used for the purposes
28 designated:

29 1. For the department's administrative functions,
30 including the criminal justice information system, and for not
31 more than the following full-time equivalent positions:

32	\$	2,654,732
33	FTEs	37.00

34 2. For the division of criminal investigation and bureau
35 of identification, including the state's contribution to the

1 peace officers' retirement, accident, and disability system
2 provided in chapter 97A in the amount of 17 percent of the
3 salaries for which the funds are appropriated, to meet federal
4 fund matching requirements, and for not more than the
5 following full-time equivalent positions:

6	\$ 14,058,510
7	FTEs 221.50

8 The department of public safety, with the approval of the
9 department of management, may employ no more than two special
10 agents and four gaming enforcement officers for each
11 additional riverboat regulated after July 1, 2004, and one
12 special agent for each racing facility which becomes
13 operational during the fiscal year which begins July 1, 2004.
14 One additional gaming enforcement officer, up to a total of
15 four per riverboat, may be employed for each riverboat that
16 has extended operations to 24 hours and has not previously
17 operated with a 24-hour schedule. Positions authorized in
18 this paragraph are in addition to the full-time equivalent
19 positions otherwise authorized in this subsection.

20 3. a. For the division of narcotics enforcement,
21 including the state's contribution to the peace officers'
22 retirement, accident, and disability system provided in
23 chapter 97A in the amount of 17 percent of the salaries for
24 which the funds are appropriated, to meet federal fund
25 matching requirements, and for not more than the following
26 full-time equivalent positions:

27	\$ 3,930,089
28	FTEs 59.00

29 b. For the division of narcotics enforcement for
30 undercover purchases:

31	\$ 123,343
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32 4. a. For the state fire marshal's office, including the
33 state's contribution to the peace officers' retirement,
34 accident, and disability system provided in chapter 97A in the
35 amount of 17 percent of the salaries for which the funds are

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

3 \$ 2,181,998
4 FTEs 39.00

5 b. For the state fire marshal's office, for fire
6 protection services as provided through the state fire service
7 and emergency response council as created in the department,
8 and for not more than the following full-time equivalent
9 positions:

10 \$ 638,021
11 FTEs 12.00

12 5. For the division of the Iowa state patrol of the
13 department of public safety, for salaries, support,
14 maintenance, workers' compensation costs, and miscellaneous
15 purposes, including the state's contribution to the peace
16 officers' retirement, accident, and disability system provided
17 in chapter 97A in the amount of 17 percent of the salaries for
18 which the funds are appropriated, and for not more than the
19 following full-time equivalent positions:

20 \$ 42,517,133
21 FTEs 536.00

22 It is the intent of the general assembly that members of
23 the Iowa state patrol be assigned to patrol the highways and
24 roads in lieu of assignments for inspecting school buses for
25 the school districts.

26 It is the intent of the general assembly that approximately
27 one-half of the members of the Iowa state patrol assigned to
28 District 16 be reassigned to patrol duties on the highways and
29 roads, and that candidates from the department of public
30 safety's training school fill vacant positions at District 16
31 due to the reassignment.

32 6. For deposit in the public safety law enforcement sick
33 leave benefits fund established under section 80.42, for all
34 departmental employees eligible to receive benefits for
35 accrued sick leave under the collective bargaining agreement:

1 \$ 316,179

2 An employee of the department of public safety who retires
3 after July 1, 2004, but prior to June 30, 2005, is eligible
4 for payment of life or health insurance premiums as provided
5 for in the collective bargaining agreement covering the public
6 safety bargaining unit at the time of retirement if that
7 employee previously served in a position which would have been
8 covered by the agreement. The employee shall be given credit
9 for the service in that prior position as though it were
10 covered by that agreement. The provisions of this subsection
11 shall not operate to reduce any retirement benefits an
12 employee may have earned under other collective bargaining
13 agreements or retirement programs.

14 7. For costs associated with the training and equipment
15 needs of volunteer fire fighters and for not more than the
16 following full-time equivalent position:

17 \$ 559,587
18 FTEs 1.00

19 Notwithstanding section 8.33, moneys appropriated in this
20 subsection that remain unobligated or unexpended at the close
21 of the fiscal year shall not revert but shall remain available
22 for expenditure only for the purpose designated in this
23 subsection until the close of the succeeding fiscal year.

24 Sec. 172. CIVIL RIGHTS COMMISSION. There is appropriated
25 from the general fund of the state to the Iowa state civil
26 rights commission for the fiscal year beginning July 1, 2004,
27 and ending June 30, 2005, the following amount, or so much
28 thereof as is necessary, to be used for the purposes
29 designated:

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

33 \$ 825,752
34 FTEs 28.00

35 The Iowa state civil rights commission may enter into a

1 contract with a nonprofit organization to provide legal
2 assistance to resolve civil rights complaints.

3 Sec. 173. Section 13B.4, subsection 1, Code Supplement
4 2003, is amended to read as follows:

5 1. The state public defender, subject to the provisions of
6 section 13B.4A, shall coordinate the provision of legal
7 representation of all indigents under arrest or charged with a
8 crime, seeking postconviction relief, against whom a contempt
9 action is pending, in proceedings under chapter 229A, in
10 juvenile proceedings, on appeal in criminal cases, on appeal
11 in proceedings to obtain postconviction relief when ordered to
12 do so by the district court in which the judgment or order was
13 issued, and on a reopening of a sentence proceeding, and may
14 provide for the representation of indigents in proceedings
15 instituted pursuant to section 908.11. The state public
16 defender shall not engage in the private practice of law.

*17 Sec. 174. Section 13B.4, subsection 2, Code Supplement
18 2003, as amended by 2004 Iowa Acts, House File 2138, section
19 1, if enacted, is amended to read as follows:

20 2. The state public defender shall file a notice with the
21 clerk of the district court in each county served by a public
22 defender designating which public defender office shall
23 receive notice of appointment of cases. The state public
24 defender may also designate a nonprofit organization which
25 contracts has a contract with the state public defender to
26 provide legal services to eligible indigent persons prior to
27 the effective date of this Act. Except as otherwise provided,
28 in each county in which the state public defender files a
29 designation, the state public defender's designee shall be
30 appointed by the court to represent all eligible indigents, in
31 all of the cases and proceedings specified in the designation.
32 The appointment shall not be made if the state public defender
33 notifies the court that the public defender designee will not
34 provide legal representation in certain cases as identified in
35 the designation by the state public defender.

1 Sec. 175. NEW SECTION. 13B.4A JUDICIAL DISTRICTS --
2 COORDINATION WITH PUBLIC DEFENDER.

3 A judicial district by a majority vote of the district
4 judges may adopt rules and policies concerning the necessity
5 for expanding a local public defender office within or into
6 the judicial district. The rules and policies shall promote
7 cost containment and efficiencies related to court-appointed
8 attorney fees and shall consider the willingness of the local
9 private bar to represent indigents within the judicial
10 district.

11 Sec. 176. Section 13B.8, subsection 1, unnumbered
12 paragraph 1, Code 2003, is amended to read as follows:

13 The state public defender, subject to the provisions of
14 section 13B.4A, may establish or abolish local public defender
15 offices. In determining whether to establish or abolish a
16 local public defender office, the state public defender shall
17 consider the following:

18 Sec. 177. Section 85.66, Code 2003, is amended to read as
19 follows:

20 85.66 SECOND INJURY FUND -- CREATION -- CUSTODIAN.

21 The "Second Injury Fund" is hereby established under the
22 custody of the treasurer of state and shall consist of
23 payments to the fund as provided by this division and any
24 accumulated interest and earnings on moneys in the second
25 injury fund. The treasurer of state is charged with the
26 conservation of the assets of the second injury fund. Moneys
27 collected in the "Second Injury Fund" shall be disbursed only
28 for the purposes stated in this division, and shall not at any
29 time be appropriated or diverted to any other use or purpose.
30 The treasurer of state shall invest any surplus moneys of the
31 fund in securities which constitute legal investments for
32 state funds under the laws of this state, and may sell any of
33 the securities in which the fund is invested, if necessary,
34 for the proper administration or in the best interests of the
35 fund. Disbursements from the fund shall be paid by the

1 treasurer of state only upon the written order of the workers'
2 compensation commissioner. The attorney general shall be
3 reimbursed up to fifty thousand dollars annually from the fund
4 for services provided related to the fund. The treasurer of
5 state shall quarterly prepare a statement of the fund, setting
6 forth the balance of moneys in the fund, the income of the
7 fund, specifying the source of all income, the payments out of
8 the fund, specifying the various items of payments, and
9 setting forth the balance of the fund remaining to its credit.
10 The statement shall be open to public inspection in the office
11 of the treasurer of state.

12 Sec. 178. Section 85.67, Code 2003, is amended to read as
13 follows:

14 85.67 ADMINISTRATION OF FUND -- SPECIAL COUNSEL -- PAYMENT
15 OF AWARD.

16 The attorney general shall appoint a staff member to
17 represent the treasurer of state and the fund in all
18 proceedings and matters arising under this division. The
19 attorney general shall be reimbursed up to fifty thousand
20 dollars annually from the fund for services provided related
21 to the fund. The commissioner of insurance shall consider the
22 reimbursement to the attorney general as an outstanding
23 liability when making a determination of funding availability
24 under section 85.65A, subsection 2. In making an award under
25 this division, the workers' compensation commissioner shall
26 specifically find the amount the injured employee shall be
27 paid weekly, the number of weeks of compensation which shall
28 be paid by the employer, the date upon which payments out of
29 the fund shall begin, and, if possible, the length of time the
30 payments shall continue.

31 Sec. 179. Section 602.8107, subsection 4, unnumbered
32 paragraph 1, Code Supplement 2003, is amended to read as
33 follows:

34 All fines, penalties, court costs, fees, surcharges, and
35 restitution for court-appointed attorney fees or for expenses

1 of a public defender which are deemed delinquent by the clerk
2 pursuant to subsection 3 may be collected by the county
3 attorney or the county attorney's designee. Thirty-five
4 percent of the amounts collected by the county attorney or the
5 person procured or designated by the county attorney shall be
6 deposited in the general fund of the county if the county
7 attorney has filed the notice required in section 331.756,
8 subsection 5, unless the county attorney has discontinued
9 collection efforts on a particular delinquent amount. The Up
10 to one million two hundred thousand dollars of the remainder
11 shall be paid each fiscal year to the clerk clerks for
12 distribution under section 602.8108. If the threshold amount
13 of one million two hundred thousand dollars has been
14 distributed under section 602.8108, the remainder shall be
15 distributed as provided in subsection 4A. The state court
16 administrator shall notify the clerks that the threshold
17 amount has been distributed under section 602.8108, and that
18 the distribution of any additional moneys collected by the
19 county attorney shall be as provided in subsection 4A.

20 Sec. 180. Section 602.8107, Code Supplement 2003, is
21 amended by adding the following new subsection:

22 NEW SUBSECTION. 4A. After the threshold amount has been
23 distributed under section 602.8108 as provided in subsection
24 4, thirty-five percent of any additional moneys collected by
25 the county attorney or the person procured or designated by
26 the county attorney shall be deposited in the general fund of
27 the county, and thirty-three percent of any additional moneys
28 collected by the county attorney or the person procured or
29 designated by the county attorney shall be deposited with the
30 office of the county attorney. The remainder shall be paid to
31 the clerk for distribution under section 602.8108.

32 Sec. 181. Section 815.9, subsection 1, paragraphs a and b,
33 Code 2003, are amended to read as follows:

34 a. A person is entitled to an attorney appointed by the
35 court to represent the person if the person has an income

1 level at or below one hundred ~~twenty-five~~ percent of the
2 United States poverty level as defined by the most recently
3 revised poverty income guidelines published by the United
4 States department of health and human services, unless the
5 court determines that the person is able to pay for the cost
6 of an attorney to represent the person on the pending case.
7 In making the determination of a person's ability to pay for
8 the cost of an attorney, the court shall consider not only the
9 person's income, but also the availability of any assets
10 subject to execution, including but not limited to cash,
11 stocks, bonds, and any other property which may be applied to
12 the satisfaction of judgments, and the seriousness of the
13 charge or nature of the case.

14 b. A person with an income level greater than one hundred
15 ~~twenty-five-percent, but at or below two-hundred~~ percent, of
16 the most recently revised poverty income guidelines published
17 by the United States department of health and human services
18 shall not be entitled to an attorney appointed by the court,
19 unless the court makes a written finding that not appointing
20 counsel on the pending case would cause the person substantial
21 hardship. In determining whether substantial hardship would
22 result, the court shall consider not only the person's income,
23 but also the availability of any assets subject to execution,
24 including but not limited to cash, stocks, bonds, and any
25 other property which may be applied to the satisfaction of
26 judgments, and the seriousness of the charge or nature of the
27 case.

28 Sec. 182. Section 815.10, subsection 1, Code 2003, is
29 amended to read as follows:

30 1. The court, for cause and upon its own motion or upon
31 application by an indigent person or a public defender, shall
32 appoint, subject to the provisions of section 13B.4A, the
33 state public defender's designee pursuant to section 13B.4, to
34 represent an indigent person at any stage of the criminal,
35 postconviction, contempt, commitment under chapter 229A, or

1 juvenile proceedings or on appeal of any criminal,
2 postconviction, contempt, commitment under chapter 229A, or
3 juvenile action in which the indigent person is entitled to
4 legal assistance at public expense. However, in juvenile
5 cases, the court may directly appoint an existing nonprofit
6 corporation established for and engaged in the provision of
7 legal services for juveniles. An appointment shall not be
8 made unless the person is determined to be indigent under
9 section 815.9. Only one attorney shall be appointed in all
10 cases, except that in class "A" felony cases the court may
11 appoint two attorneys.

*12 Sec. 183. NEW SECTION. 904.118 IOWA CORRECTIONS OFFENDER
13 NETWORK -- FUND.

14 An Iowa corrections offender network fund is established
15 under the control of the department. All sales, gifts, and
16 donations related to the Iowa offender network data system
17 shall be credited to the fund and the moneys in the fund are
18 appropriated to the department to be used for further
19 development and general maintenance of the Iowa corrections
20 offender network data system. Notwithstanding section 8.33,
21 moneys credited to the fund shall not revert to any other
22 fund. Notwithstanding section 12C.7, subsection 2, interest
23 or earnings on moneys deposited in the fund shall be credited
24 to the fund.

25 Sec. 184. Section 904.809, subsection 5, paragraph c, Code
26 2003, is amended by adding the following new subparagraph:

27 NEW SUBPARAGRAPH. (2A) The department may retain up to
28 fifty percent of any remaining balance after deductions made
29 under subparagraphs (1) and (2) if the remaining balance is
30 from an inmate employed in a new job created on or after July
31 1, 2004. The funds shall be used to staff supervision costs
32 of private sector employment of inmates at correctional
33 institutions. Funds retained pursuant to this subparagraph
34 shall not be used for administrative costs of the Iowa state
35 industries.

1 Sec. 185. Section 904.809, subsection 5, paragraph c,
2 subparagraph (3), Code 2003, is amended to read as follows:

3 (3) Any balance remaining after the deductions made under
4 subparagraphs (1), and (2), and (2A) shall represent the costs
5 of the inmate's incarceration and shall be deposited
6 ~~effective July 17, 2000~~, in the general fund of the state.

7 Sec. 186. Section 907.9, subsections 1, 2, and 4, Code
8 Supplement 2003, are amended to read as follows:

9 1. At any time that the court determines that the purposes
10 of probation have been fulfilled and the any fees imposed
11 under ~~section~~ sections 815.9 and 905.14 have been paid ~~or on~~
12 ~~condition that unpaid supervision fees be paid~~, the court may
13 order the discharge of a person from probation.

14 2. At any time that a probation officer determines that
15 the purposes of probation have been fulfilled and the any fees
16 imposed under ~~section~~ sections 815.9 and 905.14 have been paid
17 ~~or on condition that unpaid supervision fees be paid~~, the
18 officer may order the discharge of a person from probation
19 after approval of the district director and notification of
20 the sentencing court and the county attorney who prosecuted
21 the case.

22 4. At the expiration of the period of probation and if the
23 fees imposed under ~~section~~ sections 815.9 and 905.14 have been
24 paid or on condition that unpaid supervision fees be paid, the
25 court shall order the discharge of the person from probation,
26 and the court shall forward to the governor a recommendation
27 for or against restoration of citizenship rights to that
28 person. A person who has been discharged from probation shall
29 no longer be held to answer for the person's offense. Upon
30 discharge from probation, if judgment has been deferred under
31 section 907.3, the court's criminal record with reference to
32 the deferred judgment shall be expunged. The record
33 maintained by the state court administrator as required by
34 section 907.4 shall not be expunged. The court's record shall
35 not be expunged in any other circumstances.

1 Sec. 187. 1998 Iowa Acts, chapter 1101, section 15,
2 subsection 2, as amended by 1999 Iowa Acts, chapter 202,
3 section 25, as amended by 2000 Iowa Acts, chapter 1229,
4 section 25, as amended by 2001 Iowa Acts, chapter 186, section
5 21, as amended by 2002 Iowa Acts, Second Extraordinary
6 Session, chapter 1003, section 170, and as amended by 2003
7 Iowa Acts, chapter 174, section 17, is amended to read as
8 follows:

9 2. a. There is appropriated from surcharge moneys
10 received by the E911 administrator and deposited into the
11 wireless E911 emergency communications fund, for each fiscal
12 year in the fiscal period beginning July 1, 1998, and ending
13 June 30, ~~2004~~ 2005, an amount not to exceed two hundred
14 thousand dollars to be used for the implementation, support,
15 and maintenance of the functions of the E911 administrator.
16 The amount appropriated in this paragraph includes any amounts
17 necessary to reimburse the division of emergency management of
18 the department of public defense pursuant to paragraph "b".

19 b. Notwithstanding the distribution formula in section
20 34A.7A, as enacted in this Act, and prior to any such
21 distribution, of the initial surcharge moneys received by the
22 E911 administrator and deposited into the wireless E911
23 emergency communications fund, for each fiscal year in the
24 fiscal period beginning July 1, 1998, and ending June 30, ~~2004~~
25 2005, an amount is appropriated to the division of emergency
26 management of the department of public defense as necessary to
27 reimburse the division for amounts expended for the
28 implementation, support, and maintenance of the E911
29 administrator, including the E911 administrator's salary.

30 Sec. 188. IOWA LAW ENFORCEMENT ACADEMY -- FEES.
31 Notwithstanding section 80B.11B, the Iowa law enforcement
32 academy may charge more than one-half the cost of providing
33 the basic training course if a majority of the Iowa law
34 enforcement academy council authorizes charging more than one-
35 half of the cost of providing basic training. This section is

1 repealed on June 30, 2005.

2 Sec. 189. STATE PUBLIC DEFENDER STUDY. The state public
3 defender in consultation with the indigent defense advisory
4 commission, the supreme court, the Iowa state bar association,
5 the Iowa association of criminal defense lawyers, and other
6 interested organizations, shall study cost saving methods that
7 can be implemented to deliver legal representation to indigent
8 defendants in a more efficient manner. The state public
9 defender, in cooperation with the entities consulted with,
10 shall file a report with the general assembly by December 15,
11 2004. The report shall include recommendations for achieving
12 efficiencies in the delivery of indigent defense services
13 including but not limited to the advisability of the state
14 public defender entering into indigent defense contracts for a
15 predetermined fee in specific types of cases.

16 Sec. 190. EFFECTIVE DATE. The provisions of this division
17 of this Act amending sections 13B.4, subsection 2, 85.66,
18 85.67, and 904.118, and 1998 Iowa Acts, chapter 1101, being
19 deemed of immediate importance, take effect upon enactment.

20 Sec. 191. RETROACTIVE APPLICABILITY DATE. The sections of
21 this division of this Act amending sections 13B.4, subsection
22 1, 13B.8, and 815.10, and enacting 13B.4A, being deemed of
23 immediate importance, take effect upon enactment and apply
24 retroactively to January 1, 2004.

25 DIVISION X

26 STANDING APPROPRIATIONS, SALARIES,
27 AND MISCELLANEOUS PROVISIONS

28 Sec. 192. GENERAL ASSEMBLY. The appropriations made
29 pursuant to section 2.12 for the expenses of the general
30 assembly and legislative agencies for the fiscal year
31 beginning July 1, 2004, and ending June 30, 2005, are reduced
32 by the following amount:

33 \$ 2,000,000

34 Sec. 193. Notwithstanding the standing appropriations in
35 the following designated sections for the fiscal year

1 beginning July 1, 2004, and ending June 30, 2005, the amounts
2 appropriated from the general fund of the state pursuant to
3 those sections for the following designated purposes shall not
4 exceed the following amounts:

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

8 \$ 421,639

9 2. For payment for nonpublic school transportation under
10 section 285.2:

11 \$ 7,955,541

12 If total approved claims for reimbursement for nonpublic
13 school pupil transportation claims exceed the amount
14 appropriated in this section, the department of education
15 shall prorate the amount of each claim.

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

17 \$ 107,304

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

20 \$ 2,745,784

21 5. For payment of livestock production credit refunds
22 under section 422.121:

23 \$ 1,770,342

24 6. For instructional support state aid under section
25 257.20:

26 \$ 14,428,271

27 7. For at-risk children programs under section 279.51,
28 subsection 1:

29 \$ 11,271,000

30 The amount of any reduction in this subsection shall be
31 prorated among the programs specified in section 279.51,
32 subsection 1, paragraphs "a", "b", and "c".

33 8. For paying claims against the state under section 25.2:

34 \$ 4,387,500

35 9. For administration expenses of the state unemployment

1 compensation law under chapter 96:

2 \$ 538,750

3 10. For payment of certain interest costs due the federal
4 government under the federal Cash Management and Improvement
5 Act under section 421.31:

6 \$ 436,250

7 11. For funding the state's deferred compensation program
8 established for state employees under section 509A.12:

9 \$ 55,088

10 12. For the educational excellence program under section
11 294A.25, subsection 1:

12 \$ 55,469,053

13 Sec. 194. HELP US STOP HUNGER. There is appropriated from
14 the general fund of the state of the department of natural
15 resources for the fiscal year beginning July 1, 2004, and
16 ending June 30, 2005, the following amount, or so much thereof
17 as is necessary, to be used as follows:

18 To expand the help us stop hunger pilot project:

19 \$ 17,000

20 Sec. 195. Section 8.55, subsection 2, paragraph d, Code
21 Supplement 2003, is amended to read as follows:

22 d. Notwithstanding paragraph "a", any moneys in excess of
23 the maximum balance in the economic emergency fund after the
24 distribution of the surplus in the general fund of the state
25 at the conclusion of each fiscal year and after the
26 appropriate amounts have been transferred pursuant to
27 paragraphs "b" and "c" shall not be transferred to the general
28 fund of the state but shall be transferred to the endowment
29 for Iowa's health account of the tobacco settlement trust
30 fund. The total amount transferred, in the aggregate, under
31 this paragraph for all fiscal years shall not exceed the
32 difference between one hundred one thirty-one million seven
33 five hundred fifty-one thirty-six thousand dollars and the
34 amounts transferred to the endowment for Iowa's health account
35 to repay the amounts transferred or appropriated from the

1 endowment for Iowa's health account in 2002 Iowa Acts, chapter
2 1165, 2002 Iowa Acts, chapter 1166, 2002 Iowa Acts, chapter
3 1167, 2002 Iowa Acts, Second Extraordinary Session, chapter
4 1003, and 2003 Iowa Acts, chapter 183, and 2004 Iowa Acts,
5 Senate File 2298.

6 Sec. 196. Section 10C.5, Code 2003, is amended to read as
7 follows:

8 10C.5 REPEAL.

9 Sections 10C.1 through 10C.4 and this section are repealed
10 July 1, ~~2004~~ 2008.

11 Sec. 197. Section 10C.6, subsection 1, paragraph a,
12 unnumbered paragraph 1, Code 2003, is amended to read as
13 follows:

14 A life science enterprise may acquire or hold agricultural
15 land, notwithstanding section 10C.5 as that section exists in
16 the ~~2003~~ 2005 Code or-~~2003-Code-Supplement~~, if all of the
17 following apply:

18 Sec. 198. Section 10C.6, subsection 1, paragraph a,
19 subparagraphs (1) and (2), Code 2003, are amended to read as
20 follows:

21 (1) The life science enterprise acquires the agricultural
22 land on or before June 30, ~~2004~~ 2008.

23 (2) The enterprise acquires or holds the agricultural land
24 pursuant to chapter 10C as that chapter exists in the ~~2003~~
25 2005 Code or-~~2003-Code-Supplement~~.

26 Sec. 199. Section 28.3, subsection 2, Code 2003, is
27 amended to read as follows:

28 2. The Iowa board shall consist of ~~seventeen~~ eighteen
29 voting members with thirteen citizen members and ~~four~~ five
30 state agency members. The ~~four~~ five state agency members
31 shall be the directors of the following departments: economic
32 development, education, human rights, human services, and
33 public health. The thirteen citizen members shall be
34 appointed by the governor, subject to confirmation by the
35 senate. The governor's appointments of citizen members shall

1 be made in a manner so that each of the state's congressional
2 districts is represented by two citizen members and so that
3 all the appointments as a whole reflect the ethnic, cultural,
4 social, and economic diversity of the state. The governor's
5 appointees shall be selected from individuals nominated by
6 community empowerment area boards. The nominations shall
7 reflect the range of interests represented on the community
8 boards so that the governor is able to appoint one or more
9 members each for education, health, human services, business,
10 faith, and public interests. At least one of the citizen
11 members shall be a service consumer or the parent of a service
12 consumer. Terms of office of all citizen members are three
13 years. A vacancy on the board shall be filled in the same
14 manner as the original appointment for the balance of the
15 unexpired term.

16 Sec. 200. Section 35A.3, Code 2003, is amended by adding
17 the following new subsection:

18 NEW SUBSECTION. 14. To establish and operate a state
19 veterans cemetery and to make application to the government of
20 the United States or any subdivision, agency, or
21 instrumentality thereof, for funds for the purpose of
22 establishing such a cemetery. The state may enter into
23 agreements with any subdivision of the state for assistance in
24 operating the cemetery. The state shall own the land on which
25 the cemetery is located. The commission shall have the
26 authority to accept federal grant funds, funding from state
27 subdivisions, donations from private sources, and federal
28 "plot allowance" payments. All such funds shall be deposited
29 into an account dedicated to the establishment, operation, and
30 maintenance of a veterans cemetery and these funds shall be
31 expended only for those purposes. The commission through the
32 executive director shall have the authority to accept suitable
33 cemetery land, in accordance with federal veterans cemetery
34 grant guidelines, from the federal government, state
35 government, state subdivisions, private sources, and any other

1 source wishing to transfer land for use as a veterans
2 cemetery.

3 Sec. 201. Section 85.36, Code 2003, is amended by adding
4 the following new subsection:

5 NEW SUBSECTION. 5A. In the case of a school district
6 employee who is employed pursuant to a contract for a specific
7 period of time, and whose earnings are paid pursuant to a
8 contract for a different period of time than the period of
9 time during which the services are performed, the employee's
10 weekly earnings shall be based on the period of time for which
11 the earnings are paid rather than on the period of time during
12 which the services are performed.

13 Sec. 202. Section 208.16, subsection 2, Code 2003, is
14 amended to read as follows:

15 2. The division may establish procedures for transferring
16 the responsibility for reclamation of a mine site to a state
17 agency or political subdivision, or to a private entity, which
18 intends to use the site for other purposes. The division,
19 with agreement from the receiving agency or subdivision, or
20 from a private entity, to complete adequate reclamation, may
21 approve the transfer of responsibility, release the bond or
22 security, and terminate or amend the operator's authorization
23 to conduct mining on the site.

24 Sec. 203. Section 256.7, Code Supplement 2003, is amended
25 by adding the following new subsection:

26 NEW SUBSECTION. 26. Adopt rules directing the school
27 districts and area education agencies to submit annually data
28 from the most recent school year detailing contract settlement
29 increases for salaries and group health insurance plans
30 provided under collective bargaining agreements negotiated
31 pursuant to chapter 20. The department shall compile the data
32 in a report to be submitted by January 15 of each year to the
33 chairpersons and ranking members of the house and senate
34 standing committees on education and appropriations and of the
35 joint appropriations subcommittee on education.

1 Sec. 204. Section 256D.4, subsection 2, Code Supplement
2 2003, is amended to read as follows:

3 2. Moneys appropriated pursuant to section 256D.5,
4 subsection 3 4, shall be allocated to school districts as
5 follows:

6 a. Allocation of the sum of twenty nineteen million five
7 hundred thousand dollars shall be based upon the proportion
8 that the kindergarten through grade three enrollment of a
9 district bears to the sum of the kindergarten through grade
10 three enrollments of all school districts in the state as
11 reported for the base year.

12 b. Allocation of the sum of ten nine million seven hundred
13 fifty thousand dollars shall be based upon the proportion that
14 the number of children who are eligible for free or reduced
15 price meals under the federal National School Lunch Act and
16 the federal Child Nutrition Act of 1966, 42 U.S.C. § 1751-
17 1785, in grades one through three of a school district bears
18 to the sum of the number of children who are eligible for free
19 or reduced price meals under the federal National School Lunch
20 Act and the federal Child Nutrition Act of 1966, 42 U.S.C. §
21 1751-1785, in grades one through three in all school districts
22 in the state for the base year.

23 Sec. 205. Section 256D.5, Code Supplement 2003, is amended
24 by adding the following new subsection:

25 NEW SUBSECTION. 4. For the fiscal year beginning July 1,
26 2004, and ending June 30, 2005, the sum of twenty-nine million
27 two hundred fifty thousand dollars.

28 Sec. 206. Section 256D.9, Code Supplement 2003, is amended
29 to read as follows:

30 256D.9 FUTURE REPEAL.

31 This chapter is repealed effective July 1, ~~2004~~ 2005.

32 Sec. 207. Section 257.8, subsection 1, Code Supplement
33 2003, is amended to read as follows:

34 1. STATE PERCENT OF GROWTH. ~~The-state-percent-of-growth~~
35 ~~for-the-budget-year-beginning-July-1,-2003,-is-two-percent.~~

1 The state percent of growth for the budget year beginning July
2 1, 2004, is two percent. The state percent of growth for the
3 budget year beginning July 1, 2005, and each subsequent budget
4 year shall be established by statute which shall be enacted
5 within thirty days of the submission in ~~the-year-preceding~~ the
6 base year of the governor's budget under section 8.21. The
7 establishment of the state percent of growth for a budget year
8 shall be the only subject matter of the bill which enacts the
9 state percent of growth for a budget year.

10 Sec. 208. Section 257.14, subsection 3, unnumbered
11 paragraph 1, Code 2003, is amended to read as follows:

12 For the budget year commencing July 1, 2004, and succeeding
13 budget years, ~~if-the-department-of-management-determines-that~~
14 ~~the-regular-program-district-cost-of-a-school-district-for-a~~
15 ~~budget-year-is-less-than-one-hundred-one-percent-of-the~~
16 ~~regular-program-district-cost-for-the-base-year-for-that~~
17 ~~school-district,~~ a district shall be eligible for a budget
18 adjustment corresponding to the following schedule:

19 Sec. 209. Section 257.16, Code 2003, is amended by adding
20 the following new subsection:

21 NEW SUBSECTION. 5. a. Notwithstanding subsection 1, the
22 amount appropriated from the general fund of the state for
23 state foundation and supplementary aid for the fiscal year
24 beginning July 1, 2004, and ending June 30, 2005, shall be the
25 sum of one billion eight hundred eighty-one million six
26 hundred eighty-eight thousand six hundred twenty-eight
27 dollars.

28 b. If the amount appropriated in this subsection is less
29 than the amount otherwise required pursuant to subsection 1,
30 the difference shall be deducted from the payments that
31 otherwise would have been required to be made to each school
32 district in the same ratio that the budget enrollment of the
33 school district for the budget year bears to the total budget
34 enrollment in the state for that budget year.

35 Sec. 210. Section 257.18, subsection 2, Code 2003, is

1 amended by adding the following new unnumbered paragraph:

2 NEW UNNUMBERED PARAGRAPH. Notwithstanding anything to the
3 contrary in this section, if the board adopts a resolution,
4 not later than April 15, 2004, to participate in the
5 instructional support program and a petition is not filed or
6 if the question is submitted to the registered voters of the
7 school district and the question is approved, the
8 authorization to participate shall be effective on the date
9 specified in the resolution.

10 Sec. 211. Section 257.35, Code Supplement 2003, is amended
11 by adding the following new subsections:

12 NEW SUBSECTION. 4. Notwithstanding subsection 1, and in
13 addition to the reduction applicable pursuant to subsection 2,
14 the state aid for area education agencies and the portion of
15 the combined district cost calculated for these agencies for
16 the fiscal year beginning July 1, 2004, shall be reduced by
17 the department of management by eleven million seven hundred
18 ninety-eight thousand seven hundred three dollars. The
19 reduction for each area education agency shall be equal to the
20 reduction that the agency received in the fiscal year
21 beginning July 1, 2003.

22 NEW SUBSECTION. 5. Notwithstanding section 257.37, an
23 area education agency may use the funds determined to be
24 available under this section in a manner which the area
25 education agency determines is appropriate to best maintain
26 the level of required area education agency special education
27 services. An area education agency may also use unreserved
28 fund balances for media services or education services in a
29 manner which the area education agency determines is
30 appropriate to best maintain the level of required area
31 education agency special education services.

32 Sec. 212. Section 261.9, subsection 1, unnumbered
33 paragraph 1, Code Supplement 2003, is amended to read as
34 follows:

35 "Accredited private institution" means an institution of

1 higher learning located in Iowa which is operated privately
2 and not controlled or administered by any state agency or any
3 subdivision of the state, except for ~~county-hospitals~~ colleges
4 as provided in paragraph "c" of this subsection, and which
5 meets ~~at-least-one-of~~ the criteria in paragraphs "a" through
6 "e" and "b" and all of the criteria in paragraphs "d" through
7 "g", except for colleges described in paragraph "c" of this
8 subsection:

9 Sec. 213. Section 261.9, subsection 1, paragraphs a
10 through c, Code Supplement 2003, are amended by striking the
11 paragraphs and inserting in lieu thereof the following:

12 a. Is accredited by the north central association of
13 colleges and secondary schools accrediting agency based on
14 their requirements and is exempt from taxation under section
15 501(c)(3) of the Internal Revenue Code.

16 b. Annually provide a matching aggregate amount of
17 institutional financial aid equal to at least seventy-five
18 percent of the amount received in a fiscal year by the
19 institution's students for Iowa tuition grant assistance under
20 this chapter. Commencing with the fiscal year beginning July
21 1, 2005, the matching aggregate amount of institutional
22 financial aid shall increase by the percentage of increase
23 each fiscal year of funds appropriated for Iowa tuition grants
24 under section 261.25, subsection 1, to a maximum match of one
25 hundred percent. The institution shall file annual reports
26 with the commission prior to receipt of tuition grant moneys
27 under this chapter.

28 c. Is a specialized college that is accredited by the
29 north central association of colleges and secondary schools
30 accrediting agency, and which offers health professional
31 programs that are affiliated with health care systems located
32 in Iowa.

33 Sec. 214. Section 273.3, Code 2003, is amended by adding
34 the following new subsection:

35 NEW SUBSECTION. 23. Submit annually data from the most

1 recent school year to the department of education detailing
2 contract settlement increases for salaries and group health
3 insurance plans provided under collective bargaining
4 agreements negotiated pursuant to chapter 20.

5 Sec. 215. Section 279.12, unnumbered paragraph 1, Code
6 Supplement 2003, is amended to read as follows:

7 The board shall carry into effect any instruction from the
8 regular election upon matters within the control of the
9 voters, and shall elect all teachers and make all contracts
10 necessary or proper for exercising the powers granted and
11 performing the duties required by law, and may establish and
12 pay all or any part thereof from school district funds the
13 cost of group health insurance plans, nonprofit group hospital
14 service plans, nonprofit group medical service plans and group
15 life insurance plans adopted by the board for the benefit of
16 employees of the school district, but the board may authorize
17 any subdirector to employ teachers for the school in the
18 subdirector's subdistrict; but no such employment by a
19 subdirector shall authorize a contract, the entire period of
20 which is wholly beyond the subdirector's term of office. The
21 board shall submit annually data from the most recent school
22 year to the department of education detailing contract
23 settlement increases for salaries and group health insurance
24 plans provided under collective bargaining agreements
25 negotiated pursuant to chapter 20.

26 Sec. 216. Section 280.14, Code Supplement 2003, is amended
27 by adding the following new subsection:

28 NEW SUBSECTION. 3. The board of directors of each school
29 district shall annually review school district expenditures
30 and identify and examine potential cost savings that can be
31 achieved in the delivery of administrative services and other
32 costs involved in the operation of the school district,
33 including but not limited to health insurance, maintenance of
34 facilities and buses, the acquisition of and distribution of
35 materials and supplies used by the school district, and the

1 delivery of transportation, human resource and financial
2 services, computer support services, and data management. The
3 school district shall consider cost saving partnership
4 opportunities with other school districts, area education
5 agencies, community colleges, libraries, cities, counties, or
6 other public or private entities. The results of the study
7 shall be presented to the public at a regularly scheduled
8 board meeting. The school district shall annually report the
9 cost savings to the department of education in a manner
10 prescribed by the department. The department shall annually
11 compile the information submitted by the school districts in a
12 report which the department shall submit to the general
13 assembly by December 31.

14 Sec. 217. Section 346.27, subsection 10, unnumbered
15 paragraph 1, Code Supplement 2003, is amended to read as
16 follows:

17 After the incorporation of an authority, and before the
18 sale of any issue of revenue bonds, except refunding bonds,
19 the authority shall call an election to decide the question of
20 whether the authority shall issue and sell revenue bonds. The
21 ballot shall state the amount of the bonds and the purposes
22 for which the authority is incorporated. ~~Registered-voters-of~~
23 ~~the-city-and-the-unincorporated-area~~ All registered voters of
24 the county shall be entitled to vote on the question. The
25 question may be submitted at a general election or at a
26 special election. An affirmative vote of a majority of the
27 votes cast on the question is required to authorize the
28 issuance and sale of revenue bonds.

29 Sec. 218. Section 346.27, subsection 25, unnumbered
30 paragraph 2, Code Supplement 2003, is amended to read as
31 follows:

32 The question of whether a conveyance shall be made shall be
33 submitted to the registered voters of the ~~city-and-the~~
34 ~~unincorporated-area-of-the~~ county. An affirmative vote equal
35 to at least a majority of the total votes cast on the question

1 shall be required to authorize the conveyance. If the
2 question does not carry, the authority shall continue to
3 operate, maintain, and manage the building under a lease
4 arrangement with the incorporating units.

5 Sec. 219. Section 372.13, subsection 10, Code 2003, is
6 amended to read as follows:

7 10. A council member, during the term for which that
8 member is elected, is not precluded from holding the office of
9 chief of the volunteer fire department if the fire department
10 serves an area with a population of not more than two
11 thousand, ~~and if no other candidate who is not a city council~~
12 ~~member is available to hold the office of chief of the~~
13 ~~volunteer fire department.~~ A person holding the office of
14 chief of such a volunteer fire department at the time of the
15 person's election to the city council may continue to hold the
16 office of chief of the fire department during the city council
17 term for which that person was elected.

18 Sec. 220. Section 404A.2, unnumbered paragraph 1, Code
19 2003, is amended to read as follows:

20 The amount of the credit equals twenty-five percent of the
21 qualified rehabilitation costs made to eligible property. In
22 the case of commercial property, rehabilitation costs must
23 equal at least fifty percent of the assessed value of the
24 property, excluding the land, prior to the rehabilitation. In
25 the case of residential property or barns, the rehabilitation
26 costs must equal at least twenty-five thousand dollars or
27 twenty-five percent of the fair market value, excluding the
28 land, prior to the rehabilitation, whichever is less. In
29 computing the tax credit for eligible property that is
30 classified as residential or as commercial with multifamily
31 residential units, the rehabilitation costs used shall not
32 exceed one hundred thousand dollars per residential unit. In
33 computing the tax credit, the only costs which may be included
34 are the rehabilitation costs incurred between the period
35 ending on the project completion date and beginning on the

1 ~~later-of-either-the-date-of-issuance-of-the-approval-of-the~~
2 ~~project-as-provided-in-section-404A.3-or~~ date two years prior
3 to the project completion date, provided that any qualified
4 rehabilitation costs incurred prior to the date of approval of
5 the project as provided in section 404A.3 must be qualified
6 rehabilitation expenditures under the federal rehabilitation
7 credit in section 47 of the Internal Revenue Code.

8 Sec. 221. Section 422E.1, subsection 2, Code Supplement
9 2003, is amended to read as follows:

10 2. The maximum rate of tax shall be one percent. The tax
11 shall be imposed without regard to any other local sales and
12 services tax authorized in chapter 422B, and is repealed at
13 the expiration of a period of ten years of imposition or a
14 shorter period as provided in the ballot proposition. However,
15 all local option sales and services taxes for school
16 infrastructure purposes are repealed December 31, 2022. The
17 term of bonds issued pursuant to section 422E.4 shall not
18 exceed ten years, except in the case of bonds issued by a
19 school district located in a county that approved the
20 imposition of the tax at an election held on June 17, 2003.

21 Sec. 222. Section 422E.2, subsection 4, paragraph a, Code
22 Supplement 2003, is amended to read as follows:

23 a. Each school district located within the county may
24 submit a revenue purpose statement to the county commissioner
25 of elections no later than sixty days prior to the election
26 indicating the specific purpose or purposes for which the
27 local sales and services tax for school infrastructure revenue
28 and supplemental school infrastructure amount revenue will be
29 expended. The revenues received pursuant to this chapter
30 shall be expended for the purposes indicated in the revenue
31 purpose statement. The revenue purpose statement may include
32 information regarding the school district's use of the
33 revenues to provide for property tax relief or debt reduction.
34 A copy of the revenue purpose statement shall be made
35 available for public inspection in accordance with chapter 22,

1 shall be posted at the appropriate polling places of each
2 school district during the hours that the polls are open, and
3 be published in a newspaper of general circulation in the
4 school district no sooner than twenty days and no later than
5 ten days prior to the election. Notwithstanding the
6 requirements for a revenue purpose statement in this
7 paragraph, for elections occurring after April 1, 2003, but
8 before August 1, 2003, a revenue purpose statement submitted
9 not later than April 1, 2004, shall be considered to have met
10 the requirements of this paragraph.

11 Sec. 223. Section 422E.3A, subsection 2, paragraph b,
12 subparagraph (4), Code Supplement 2003, is amended by striking
13 the subparagraph.

14 Sec. 224. Section 422E.4, unnumbered paragraph 1, Code
15 Supplement 2003, is amended to read as follows:

16 The board of directors of a school district shall be
17 authorized to issue negotiable, interest-bearing school bonds,
18 without election, and utilize tax receipts derived from the
19 sales and services tax for school infrastructure purposes and
20 the supplemental school infrastructure amount distributed
21 pursuant to section 422E.3A, subsection 2, paragraph "b", for
22 principal and interest repayment. Proceeds of the bonds
23 issued pursuant to this section shall be utilized solely for
24 school infrastructure needs as school infrastructure is
25 defined in section 422E.1, subsection 3. ~~Issuance of bonds~~
26 ~~pursuant to this section shall be permitted only in a district~~
27 ~~which has imposed a local sales and services tax for school~~
28 ~~infrastructure purposes pursuant to section 422E.2. The~~
29 ~~provisions of sections 298.22 through 298.24 shall apply~~
30 ~~regarding the form, rate of interest, registration,~~
31 ~~redemption, and recording of bond issues pursuant to this~~
32 ~~section, with the exception that the maximum period during~~
33 ~~which principal on the bonds is payable shall not exceed the~~
34 ~~date of repeal stated on the ballot proposition.~~ Bonds issued
35 under this section may be sold at public or private sale as

1 provided in chapter 75 without notice and hearing as provided
2 in section 73A.12. Bonds may bear dates, bear interest at
3 rates not exceeding that permitted by chapter 74A, mature in
4 one or more installments, be in registered form, carry
5 registration and conversion privileges, be payable as to
6 principal and interest at times and places, be subject to
7 terms of redemption prior to maturity with or without premium,
8 and be in one or more denominations, all as provided by the
9 resolution of the board of directors authorizing their
10 issuance. The resolution may also prescribe additional
11 provisions, terms, conditions, and covenants which the board
12 of directors deems advisable, including provisions for
13 creating and maintaining reserve funds, the issuance of
14 additional bonds ranking on a parity with such bonds and
15 additional bonds junior and subordinate to such bonds, and
16 that such bonds shall rank on a parity with or be junior and
17 subordinate to any bonds which may be then outstanding. Bonds
18 may be issued to refund outstanding and previously issued
19 bonds under this section. Local option sales and services tax
20 revenue bonds are a contract between the school district and
21 holders, and the resolution issuing the bonds and pledging
22 local option sales and services tax revenues to the payment of
23 principal and interest on the bonds is a part of the contract.
24 Bonds issued pursuant to this section shall not constitute
25 indebtedness within the meaning of any constitutional or
26 statutory debt limitation or restriction, and shall not be
27 subject to any other law relating to the authorization,
28 issuance, or sale of bonds.

29 Sec. 225. PAYMENTS IN LIEU OF GENERAL FUND REIMBURSEMENT.
30 Notwithstanding the amount of the standing appropriation from
31 the general fund of the state in the following designated
32 sections and notwithstanding any conflicting provisions or
33 voting requirements of section 8.56, there is appropriated
34 from the cash reserve fund in lieu of the appropriations in
35 the following designated sections for the fiscal year

- 1 beginning July 1, 2004, and ending June 30, 2005, the
2 following amounts for the following designated purposes:
3 1. For reimbursement for the homestead property tax credit
4 under section 425.1:
5 \$102,945,379
6 2. For reimbursement for the agricultural land and family
7 farm tax credits under sections 425A.1 and 426.1:
8 \$ 34,610,183
9 3. For reimbursement for the military service tax credit
10 under section 426A.1A:
11 \$ 2,568,402
12 4. For implementing the elderly and disabled credit and
13 reimbursement pursuant to sections 425.16 through 425.40:
14 \$ 19,540,000

15 If the sum of the amount of claims for credit for property
16 taxes due plus the amount of claims for reimbursement for rent
17 constituting property tax paid which are to be paid during the
18 fiscal year beginning July 1, 2004, exceeds the amount
19 appropriated in this subsection, the director of revenue shall
20 prorate the payments for the property tax credit and for
21 reimbursement for rent constituting property tax paid. In
22 order for the director to carry out the requirements of this
23 subsection, notwithstanding any provision to the contrary in
24 chapter 425, claims for reimbursement for rent constituting
25 property taxes paid filed before May 1, 2005, shall be
26 eligible to be paid during the fiscal year ending June 30,
27 2005, and those claims filed on or after May 1, 2005, shall be
28 eligible to be paid during the fiscal year beginning July 1,
29 2005, and the director is not required to make payments to
30 counties for the property tax credit before June 15, 2005.

31 Sec. 226. Section 455B.174, subsection 4, Code 2003, is
32 amended by adding the following new paragraph:

33 NEW PARAGRAPH. e. If a public water supply has a
34 groundwater source that contains petroleum, a fraction of
35 crude oil, or their degradation products, or is located in an

1 area deemed by the department as likely to be contaminated by
2 such materials, the department may require the public water
3 supply to replace that groundwater source in order to receive
4 a permit to operate. The requirement to replace the source
5 shall only be made by the department if the public water
6 supply is fully compensated for any additional design,
7 construction, operation, and monitoring costs from the Iowa
8 comprehensive petroleum underground storage tank fund created
9 by chapter 455G or from any other funds that are made
10 available. The department cannot require a public water
11 supply to replace its water source with a less reliable water
12 source or with a source that does not meet federal primary,
13 secondary, or other health-based standards unless treatment is
14 provided to ensure that the drinking water meets these
15 standards. The department may designate whether the public
16 water supply will replace the groundwater source or obtain its
17 drinking water from another public water supply.

18 Sec. 227. Section 455B.310, Code 2003, is amended by
19 adding the following new subsection:

20 NEW SUBSECTION. 10. Nonmetallic material processed by an
21 industrial shredder, and commonly referred to as shredder
22 fluff, which is disposed of as solid waste or otherwise used
23 by a sanitary landfill is exempt from the imposition of the
24 tonnage fee under this section.

25 Sec. 228. Section 535.8, subsection 2, paragraph b,
26 unnumbered paragraph 2, Code 2003, as amended by 2004 Iowa
27 Acts, House File 2484, if enacted, is amended to read as
28 follows:

29 The lender shall not charge the borrower for the cost of
30 revenue stamps or real estate commissions which are paid by
31 the seller.

32 The collection of any costs other than as expressly
33 permitted by this paragraph "b" is prohibited. However,
34 additional costs incurred in connection with a loan under this
35 paragraph "b", if bona fide and reasonable, may be collected

1 by a state-chartered financial institution licensed under
2 chapter 524, 533, or 534, to the extent permitted under
3 applicable federal law as determined by the office of the
4 comptroller of the currency of the United States department of
5 treasury, the national credit union association
6 administration, or the office of thrift supervision of the
7 United States department of treasury. Such costs shall apply
8 only to the same type of state-chartered state-chartered
9 entity as the federally chartered entity affected and to an
10 insurer organized under chapter 508 or 515, or otherwise
11 authorized to conduct the business of insurance in this state.

12 Sec. 229. Section 668B.2, subsection 1, if enacted by 2004
13 Iowa Acts, House File 2440, section 2, is amended to read as
14 follows:

15 1. "Health care provider" means a physician as defined in
16 section 135.1, a licensed physician assistant as defined in
17 section 148C.1, a nurse, including an advanced registered
18 nurse practitioner, licensed pursuant to chapter 152, a
19 hospital as defined in section 135B.1, and a health care
20 facility as defined in section 135C.1, and a federally
21 licensed, regulated, or registered nonprofit blood bank, blood
22 center, or plasma center that is collecting, processing, or
23 distributing whole human blood, blood components, plasma,
24 blood fractions, or blood derivatives for use by a licensed
25 health care provider.

26 Sec. 230. COLLECTIVE BARGAINING AGREEMENTS FUNDED --
27 GENERAL FUND. The various state departments, boards,
28 commissions, councils, and agencies, including the state board
29 of regents, for the fiscal year beginning July 1, 2004, and
30 ending June 30, 2005, shall provide from available sources pay
31 adjustments, expense reimbursements, and related benefits to
32 fully fund the following:

33 1. The collective bargaining agreement negotiated pursuant
34 to chapter 20 for employees in the blue collar bargaining
35 unit.

- 1 2. The collective bargaining agreement negotiated pursuant
2 to chapter 20 for employees in the public safety bargaining
3 unit.
- 4 3. The collective bargaining agreement negotiated pursuant
5 to chapter 20 for employees in the security bargaining unit.
- 6 4. The collective bargaining agreement negotiated pursuant
7 to chapter 20 for employees in the technical bargaining unit.
- 8 5. The collective bargaining agreement negotiated pursuant
9 to chapter 20 for employees in the professional fiscal and
10 staff bargaining unit.
- 11 6. The collective bargaining agreement negotiated pursuant
12 to chapter 20 for employees in the clerical bargaining unit.
- 13 7. The collective bargaining agreement negotiated pursuant
14 to chapter 20 for employees in the professional social
15 services bargaining unit.
- 16 8. The collective bargaining agreement negotiated pursuant
17 to chapter 20 for employees in the community-based corrections
18 bargaining unit.
- 19 9. The collective bargaining agreements negotiated
20 pursuant to chapter 20 for employees in the judicial branch of
21 government bargaining units.
- 22 10. The collective bargaining agreement negotiated
23 pursuant to chapter 20 for employees in the patient care
24 bargaining unit.
- 25 11. The collective bargaining agreement negotiated
26 pursuant to chapter 20 for employees in the science bargaining
27 unit.
- 28 12. The collective bargaining agreement negotiated
29 pursuant to chapter 20 for employees in the university of
30 northern Iowa faculty bargaining unit.
- 31 13. The collective bargaining agreement negotiated
32 pursuant to chapter 20 for employees in the state university
33 of Iowa graduate student bargaining unit.
- 34 14. The collective bargaining agreement negotiated
35 pursuant to chapter 20 for employees in the state university

1 of Iowa hospital and clinics tertiary health care bargaining
2 unit.

3 15. The annual pay adjustments, related benefits, and
4 expense reimbursements referred to in section 230 of this
5 division of this Act for employees not covered by a collective
6 bargaining agreement.

7 Sec. 231. NONCONTRACT STATE EMPLOYEES -- GENERAL.

8 1. a. For the fiscal year beginning July 1, 2004, the
9 maximum salary levels of all pay plans provided for in section
10 8A.413, subsection 2, as they exist for the fiscal year ending
11 June 30, 2004, shall be increased by 2 percent for the pay
12 period beginning December 31, 2004, and any additional changes
13 in the pay plans shall be approved by the governor.

14 b. For the fiscal year beginning July 1, 2004, employees
15 may receive a step increase or the equivalent of a step
16 increase.

17 2. The pay plans for state employees who are exempt from
18 chapter 8A, Article 4, and who are included in the department
19 of administrative service's centralized payroll system shall
20 be increased in the same manner as provided in subsection 1,
21 and any additional changes in any executive branch pay plans
22 shall be approved by the governor.

23 3. This section does not apply to members of the general
24 assembly, board members, commission members, salaries of
25 persons set by the general assembly pursuant to this division
26 of this Act or set by the governor, employees designated under
27 section 8A.412, subsection 5, and employees covered by 11 IAC
28 53.6(3).

29 4. The pay plans for the bargaining eligible employees of
30 the state other than the employees of the state board of
31 regents shall be increased in the same manner as provided in
32 subsection 1, and any additional changes in such executive
33 branch pay plans shall be approved by the governor. As used
34 in this section, "bargaining eligible employee" means an
35 employee who is eligible to organize under chapter 20, but has

1 not done so.

2 5. The policies for implementation of this section shall
3 be approved by the governor.

4 Sec. 232. APPROPRIATIONS FROM ROAD FUNDS.

5 1. There is appropriated from the road use tax fund to the
6 salary adjustment fund for the fiscal year beginning July 1,
7 2004, and ending June 30, 2005, the following amount, or so
8 much thereof as may be necessary, to be used for the purpose
9 designated:

10 To supplement other funds appropriated by the general
11 assembly:

12 \$ 3,000,000

13 2. There is appropriated from the primary road fund to the
14 salary adjustment fund, for the fiscal year beginning July 1,
15 2004, and ending June 30, 2005, the following amount, or so
16 much thereof as may be necessary, to be used for the purpose
17 designated:

18 To supplement other funds appropriated by the general
19 assembly:

20 \$ 12,000,000

21 3. Except as otherwise provided in this division of this
22 Act, the amounts appropriated in subsections 1 and 2 shall be
23 used to fund the annual pay adjustments, expense
24 reimbursements, and related benefits for public employees as
25 provided in this division of this Act.

26 Sec. 233. SPECIAL FUNDS -- AUTHORIZATION. To departmental
27 revolving, trust, or special funds, except for the primary
28 road fund or the road use tax fund, for which the general
29 assembly has established an operating budget, a supplemental
30 expenditure authorization is provided, unless otherwise
31 provided, in an amount necessary to fund salary adjustments as
32 otherwise provided in this division of this Act.

33 Sec. 234. FEDERAL FUNDS APPROPRIATED. All federal grants
34 to and the federal receipts of the agencies affected by this
35 division of this Act which are received and may be expended

1 for purposes of pay adjustments and related benefits as
2 covered in this division of this Act are appropriated for
3 those purposes and as set forth in the federal grants or
4 receipts.

5 Sec. 235. STATE TROOPER MEAL ALLOWANCE. The sworn peace
6 officers in the department of public safety who are not
7 covered by a collective bargaining agreement negotiated
8 pursuant to chapter 20 shall receive the same per diem meal
9 allowance as the sworn peace officers in the department of
10 public safety who are covered by a collective bargaining
11 agreement negotiated pursuant to chapter 20.

12 Sec. 236. 2001 Iowa Acts, chapter 174, section 1,
13 subsection 2, as amended by 2002 Iowa Acts, chapter 1174,
14 section 8, and 2003 Iowa Acts, chapter 179, section 38, is
15 amended to read as follows:

16 2. There is appropriated from the general fund of the
17 state to the endowment for Iowa's health account of the
18 tobacco settlement trust fund created in section 12E.12, for
19 the designated fiscal years, the following amounts, to be used
20 for the purposes specified in section 12E.12 for the endowment
21 for Iowa's health account:

22	FY 2001-2002	\$ 7,248,000
23	FY 2003-2004	\$ 0
24	FY 2004-2005	\$ 29,785,000
25		<u>0</u>
26	FY 2005-2006	\$ 29,562,000
27	FY 2006-2007	\$ 17,773,000

28 Sec. 237. 2003 Iowa Acts, chapter 179, section 21,
29 unnumbered paragraph 5, is amended to read as follows:

30 Notwithstanding section 8.33, unencumbered or unobligated
31 funds remaining on June 30, 2003, from the appropriation made
32 in this section shall not revert but shall remain available to
33 be used for the purposes designated ~~in the following fiscal~~
34 year until the end of the fiscal year beginning July 1, 2004.

35 Sec. 238. STATE BOARD OF REGENTS BONDING.

1 1. FINDINGS. The general assembly finds that:

2 a. Pursuant to section 262A.3, the state board of regents
3 prepared and within seven days after the convening of the
4 Eightieth General Assembly of the State of Iowa, Second
5 Session, submitted to the Eightieth General Assembly, Second
6 Session, for approval the proposed five-year building program
7 for each institution of higher learning under the jurisdiction
8 of the board, containing a list of the buildings and
9 facilities which the board deems necessary to further the
10 educational objectives of the institutions, together with an
11 estimate of the cost of each of the buildings and facilities
12 and an estimate of the maximum amount of revenue bonds which
13 the board expects to issue under chapter 262A to finance the
14 costs of the projects.

15 b. The projects contained in the capital improvement
16 program are deemed necessary for the proper performance of the
17 instructional, research, and service functions of the
18 institutions.

19 c. Section 262A.4 provides that the state board of
20 regents, after authorization by a constitutional majority of
21 each house of the general assembly and approval by the
22 governor, may undertake and carry out at the institutions of
23 higher learning under the jurisdiction of the board any
24 project as defined in chapter 262A.

25 d. Chapter 262A authorizes the state board of regents to
26 borrow moneys and to issue and sell negotiable revenue bonds
27 to pay all or any part of the cost of carrying out projects at
28 any institution payable solely from and secured by an
29 irrevocable pledge of a sufficient portion of the student fees
30 and charges and institutional income received by the
31 particular institution.

32 e. To further the educational objectives of the
33 institutions, the state board of regents requests
34 authorization to undertake and carry out certain projects at
35 this time and to finance their costs by borrowing moneys and

1 issuing negotiable bonds under chapter 262A in a total amount
2 as provided in this section, with the remaining costs of the
3 projects to be financed by appropriations or by federal or
4 other funds lawfully available.

5 2. APPROVAL -- LIMITS.

6 a. The proposed five-year building program submitted by
7 the state board of regents for each institution of higher
8 learning under its jurisdiction is approved and no commitment
9 is implied or intended by approval to fund any portion of the
10 proposed five-year building program submitted by the state
11 board of regents beyond the portion that is financed and
12 approved by the Eightieth General Assembly, Second Session,
13 and the governor.

14 b. The maximum amount of bonds which the state board of
15 regents expects to issue under chapter 262A, unless additional
16 bonding is authorized, is set forth in this section, and this
17 plan of financing is approved.

18 3. PROJECTS. The state board of regents is authorized to
19 undertake, plan, construct, improve, repair, remodel, furnish,
20 and equip, and otherwise carry out the following projects at
21 the institutions of higher learning under the jurisdiction of
22 the board, and the general assembly authorizes the state board
23 of regents to borrow moneys and to issue and sell negotiable
24 revenue bonds in the amount of \$120,000,000 in the manner
25 provided in sections 262A.5 and 262A.6 in order to pay all or
26 any part of the costs of carrying out the projects at the
27 institutions as follows:

- 28 a. Iowa state university of science and technology
- 29 For the veterinary teaching hospital -- diagnostic lab,
- 30 Coover hall -- information science, and for fire safety costs:
- 31 \$ 48,000,000
- 32 b. State university of Iowa
- 33 For the chemistry building renovation, phase II of the art
- 34 building renovation, and for fire safety costs:
- 35 \$ 50,000,000

1 c. University of northern Iowa

2 For the science buildings renovation project and for the
3 Russell hall renovation:

4 \$ 22,000,000

5 Total \$120,000,000

6 4. Notwithstanding the limitation established in
7 subsection 3, the amount of bonds issued as authorized in
8 subsection 3 may be exceeded by the amount the state board of
9 regents determines to be necessary to capitalize bond
10 reserves, interest during construction, and issuance costs.

11 Sec. 239. COMMERCIAL VEHICLE REGISTRATION FEES -- REFUND.
12 Notwithstanding the provisions relating to the registration of
13 commercial vehicles, as defined in section 321.1, the
14 requirement of the return of the registration plate and
15 registration receipt to the state department of
16 transportation, and the time limit for applying for a refund,
17 any person that sold a commercial vehicle between January 1,
18 2002, and April 1, 2002, shall receive a refund of any
19 registration fees, penalties, or interest assessed related to
20 the registration of such vehicle for a registration year
21 beginning in the 2002 calendar year if all of the following
22 apply:

23 1. The person failed to register the commercial vehicle
24 for the registration year beginning in the 2002 calendar year.

25 2. The commercial vehicle was sold by the person to
26 another during the period beginning January 1, 2002, and
27 ending April 1, 2002, and the purchaser registered the vehicle
28 for all or part of the registration year beginning in the 2002
29 calendar year.

30 3. A claim for refund pursuant to this section is filed
31 with the state department of transportation after the
32 effective date of this section and prior to August 1, 2004.

33 Sec. 240. ACCESS TO NECESSARY PRESCRIPTION DRUGS -- FREE
34 CLINIC TEST PROGRAM FOR PERSONS WHO ARE UNINSURED OR
35 UNDERINSURED. There is appropriated from the general fund of

1 the state to the Iowa department of public health for the
2 fiscal year beginning July 1, 2004, and ending June 30, 2005,
3 the following amount, or so much thereof as is necessary, to
4 be used for the purpose designated:

5 For the bureau of health care access to issue a grant in
6 accordance with this section:

7 \$ 10,000

8 The entire amount appropriated in this section shall be
9 issued by the bureau as a grant to a free clinic, as defined
10 in section 135.24, operating in one county. The grant shall
11 be used by the free clinic to establish a partnership and test
12 program for a buying cooperative approach for purchasing
13 prescription drugs at a price less than retail. The
14 prescription drugs purchased through the approach shall be
15 provided to patients of the free clinic who are uninsured or
16 underinsured.

17 Sec. 241. CHARTER AGENCIES -- FULL-TIME EQUIVALENT
18 EMPLOYEE LIMITS -- REVERSIONS.

19 1. Notwithstanding any limitation on the number of full-
20 time equivalent employees for the fiscal year beginning July
21 1, 2004, and ending June 30, 2005, stated in this Act or any
22 other Act, the personnel management provisions of section
23 7J.1, subsection 4, shall remain applicable to those state
24 departments or agencies designated as a charter agency under
25 chapter 7J.

26 2. The provisions of section 7J.1, subsection 3, paragraph
27 "c", relating to reversions, are not applicable to any
28 appropriation made to a charter agency that this Act or any
29 other Act provides is not subject to reversion.

30 Sec. 242. PREVAILING LEGISLATION. If 2004 Iowa Acts,
31 Senate File 399 is enacted and includes a provision increasing
32 the criminal penalty surcharge to thirty-two percent of a fine
33 or forfeiture, the following shall be the consequence:

34 1. The thirty percent surcharge set out in the amendment
35 to section 911.1, Code 2003, in 2004 Iowa Acts, House File

1 2530, section 10, if enacted, is null and void, and 2004 Iowa
2 Acts, House File 2530, section 10, if enacted, is amended to
3 provide for the surcharge at thirty-two percent to conform to
4 the thirty-two percent provision included in 2004 Iowa Acts,
5 Senate File 399.

6 2. As a result of including the thirty-two percent
7 provision in 2004 Iowa Acts, House File 2530, section 10, if
8 enacted, the section of 2004 Iowa Acts, Senate File 399
9 amending section 911.2, Code 2003, is null and void.

10 Sec. 243. Section 266.31, Code 2003, is repealed.

11 Sec. 244. Section 266.39D, Code Supplement 2003, is
12 repealed.

13 Sec. 245. STATE PERCENT OF GROWTH DEADLINES AND
14 RESTRICTIONS -- INAPPLICABILITY. The thirty-day deadline and
15 restrictions for the enactment of the state percent of growth
16 provided in section 257.8 do not apply to this Act.

17 Sec. 246. EFFECTIVE AND APPLICABILITY DATE PROVISIONS.

18 1. The sections of this division of this Act amending
19 sections 257.8, 257.16, and 257.35 are applicable for
20 computing state aid under the state school foundation program
21 for the school budget year beginning July 1, 2004.

22 2. The sections of this division of this Act amending
23 sections 257.14, 346.27, 422E.1, and 422E.2, being deemed of
24 immediate importance, take effect upon enactment.

25 3. The section relating to the refund for commercial
26 vehicle registration fees, penalties, and interest, being
27 deemed of immediate importance takes effect upon enactment.

28 4. The section of this division of this Act amending
29 section 404A.2, being deemed of immediate importance, takes
30 effect upon enactment and applies retroactively to July 1,
31 2002.

32 5. The section of this division of this Act amending
33 section 257.18, being deemed of immediate importance, takes
34 effect upon enactment.

35 Sec. 247. APPLICABILITY. The provisions of this division

1 of this Act amending section 261.9, subsection 1, shall not
2 apply to a student who would otherwise have been eligible for
3 an Iowa tuition grant, but who is enrolled in an institution
4 that met the definition of "accredited private institution"
5 under section 261.9, Code 2003, but fails to meet the
6 definition as the provisions of this division of this Act
7 amend the definition. Such a student, who otherwise is
8 eligible for an Iowa tuition grant and retains the student's
9 need-based eligibility, shall continue to be eligible for an
10 Iowa tuition grant for the fall term of 2004 until the student
11 has completed the student's program of study or received the
12 maximum number of grants, whichever first occurs. An
13 institution that fails to meet the match requirements of
14 section 261.9, subsection 1, paragraph "b", as amended by this
15 division of this Act, for the fiscal year beginning July 1,
16 2004, and ending June 30, 2005, shall document at least one
17 full year of institutional matching financial aid equivalent
18 to the amount necessary to meet the match requirement of at
19 least seventy-five percent of the Iowa tuition grant moneys
20 received by students enrolled in the institution in the fiscal
21 year beginning July 1, 2004.

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SENATE FILE 2298

H-8365

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate as follows:

3 1. Page 28, line 15, by striking the figure
4 "5,784,500", and inserting the following:
5 "6,084,500".

6 2. Page 34, by striking lines 33 and 34 and
7 inserting the following:

8	".....	\$	4,889,124
9	".....	FTEs	94.20"

10 3. Page 35, by striking lines 15 through 20.

11 4. Page 63, by inserting after line 5, the
12 following:

13 "Sec. ____ . Section 256.7, Code Supplement 2003, is
14 amended by adding the following new subsection:

15 NEW SUBSECTION. 26. Adopt rules that set
16 standards for the approval of teacher intern
17 preparation programs in accordance with section
18 262.76. The state board shall process and respond to
19 an application submitted by a higher education
20 institution or consortium in accordance with section
21 262.76 within six months after the date of receipt of
22 the application."

23 5. Page 65, by inserting after line 6, the
24 following:

25 "Sec. ____ . NEW SECTION. 262.76 TEACHER INTERN
26 PREPARATION PROGRAM.

27 The state board of regents and the colleges of
28 education at its institutions of higher learning shall
29 work cooperatively with other accredited postsecondary
30 institutions with practitioner preparation programs
31 and the department of education to ensure that at
32 least one teacher intern preparation program is
33 established within the state that meets the standards
34 as provided in 281 IAC ch. 77. Not later than July 1,
35 2005, the board shall establish the teacher intern
36 preparation program wholly within one of its higher
37 education institutions or through a consortium of
38 institutions. The board may also consider cooperative
39 arrangements with other higher education institutions,
40 including those that do not have practitioner
41 preparation programs, or with area education agencies
42 provided any program established by such a cooperative
43 arrangement meets the standards as provided in 281 IAC
44 ch. 77."

45 6. Page 65, line 22, by inserting after the word
46 "contracts" the following: ", if applicable,".

47 7. Page 161, by striking lines 2 through 12.

48 8. Page 169, by striking lines 3 through 16.

49 9. Page 169, line 27, by striking the words "the
50 effective date of this Act" and inserting the

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- 1 following: "July 1, 2004".
2 10. Page 170, by striking lines 1 through 17.
3 11. Page 171, by inserting after line 30 the
4 following:
5 "Sec. ____ . NEW SECTION. 564.9 DEPARTMENT OF
6 NATURAL RESOURCES -- ACCESS.
7 1. The department of natural resources shall grant
8 the owner of a parcel of land access to a public road
9 if any of the following applies:
10 a. It is otherwise impossible for the owner to
11 access the public road because the parcel is
12 surrounded by land held by the department.
13 b. The parcel is otherwise surrounded by land with
14 a topography that makes access unreasonable.
15 c. Access by another way would cause degradation
16 or destroy the integrity of the land.
17 2. The department may grant access to the owner by
18 the sale, exchange, or other transfer of land or by
19 the grant of an easement.
20 3. A person entitled to access as provided in this
21 section may construct a road for automobile traffic
22 from the parcel to the public road. The owner shall
23 be responsible for constructing and maintaining any
24 private road from the parcel to the public road which
25 shall not be more than twenty feet in width unless
26 otherwise agreed to by the parties."
27 12. By striking page 173, line 28, through page
28 174, line 11.
29 13. Page 177, line 17, by striking the word and
30 figures "13B.4, subsection 2,".
31 14. Page 177, by striking lines 20 through 24.
32 15. Page 182, line 28, by striking the words
33 "school year detailing contract settlement" and
34 inserting the following: "contract settlement".
35 16. Page 184, by striking lines 19 through 34.
36 17. By striking page 184, line 35, through page
37 185, line 9.
38 18. By striking page 192, line 29, through page
39 193, line 30, and inserting the following:
40 "Sec. ____ . Section 425.1, subsection 1, unnumbered
41 paragraph 1, Code Supplement 2003, is amended to read
42 as follows:
43 A homestead credit fund is created. ~~There is~~
44 ~~appropriated annually from the general fund of the~~
45 ~~state~~ Notwithstanding any conflicting provisions of
46 section 8.56, there is appropriated for the fiscal
47 year beginning July 1, 2004, and ending June 30, 2005,
48 from the cash reserve fund created in section 8.56 to
49 the department of revenue to be credited to the
50 homestead credit fund, an amount ~~sufficient~~ equal to

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1 one hundred two million nine hundred forty-five
2 thousand three hundred seventy-nine dollars to
3 implement this chapter.

4 Sec. _____. Section 425.19, Code 2003, is amended to
5 read as follows:

6 425.19 CLAIM AND CREDIT OR REIMBURSEMENT.

7 Subject to the limitations provided in this
8 division, a claimant may annually claim a credit for
9 property taxes due during the fiscal year next
10 following the base year or claim a reimbursement for
11 rent constituting property taxes paid in the base
12 year. The amount of the credit for property taxes due
13 for a homestead shall be paid on June 15 of each year
14 by the director to the county treasurer who shall
15 credit the money received against the amount of the
16 property taxes due and payable on the homestead of the
17 claimant and the amount of the reimbursement for rent
18 constituting property taxes paid shall be paid to the
19 claimant ~~from by~~ the state ~~general fund~~ on or before
20 December 31 ~~of each year unless otherwise provided.~~

21 Sec. _____. Section 425.23, subsection 3, paragraph
22 a, Code Supplement 2003, is amended to read as
23 follows:

24 a. A person who is eligible to file a claim for
25 credit for property taxes due and who has a household
26 income of eight thousand five hundred dollars or less
27 and who has an unpaid special assessment levied
28 against the homestead may file a claim for a special
29 assessment credit with the county treasurer. The
30 department shall provide to the respective treasurers
31 the forms necessary for the administration of this
32 subsection. The claim shall be filed not later than
33 September 30 of each year. Upon the filing of the
34 claim, interest for late payment shall not accrue
35 against the amount of the unpaid special assessment
36 due and payable. The claim filed by the claimant
37 constitutes a claim for credit of an amount equal to
38 the actual amount due upon the unpaid special
39 assessment, plus interest, payable during the fiscal
40 year for which the claim is filed against the
41 homestead of the claimant. However, where the
42 claimant is an individual described in section 425.17,
43 subsection 2, paragraph "b", and the tentative credit
44 is determined according to the schedule in subsection
45 1, paragraph "b", subparagraph (2), of this section,
46 the claim filed constitutes a claim for credit of an
47 amount equal to one-half of the actual amount due and
48 payable during the fiscal year. The treasurer shall
49 certify to the director of revenue not later than
50 October 15 of each year the total amount of dollars

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1 due for claims allowed. The amount of reimbursement
2 due each county shall be paid by the director of
3 revenue by November 15 of each year, drawn upon
4 warrants payable to the respective treasurer. There
5 ~~is appropriated annually from the general fund of the~~
6 ~~state to the department of revenue an amount~~
7 ~~sufficient to carry out the provisions of this~~
8 ~~subsection.~~ The treasurer shall credit any moneys
9 received from the department against the amount of the
10 unpaid special assessment due and payable on the
11 homestead of the claimant.

12 Sec. _____. Section 425.39, Code Supplement 2003, is
13 amended to read as follows:

14 425.39 FUND CREATED -- APPROPRIATION -- PRIORITY.

15 The elderly and disabled property tax credit and
16 reimbursement fund is created. ~~There is appropriated~~
17 ~~annually from the general fund of the state~~
18 Notwithstanding any conflicting provisions of section
19 8.56, there is appropriated for the fiscal year
20 beginning July 1, 2004, and ending June 30, 2005, from
21 the cash reserve fund created in section 8.56 to the
22 department of revenue to be credited to the elderly
23 and disabled property tax credit and reimbursement
24 fund, from funds not otherwise appropriated, an amount
25 sufficient equal to nineteen million five hundred
26 forty thousand dollars to implement this division for
27 claimants described in section 425.17, subsection 2,
28 paragraph "a". If the sum of the amount of claims for
29 credit for property taxes due plus the amount of
30 claims for reimbursement for rent constituting
31 property tax paid which are to be paid during the
32 fiscal year beginning July 1, 2004, exceeds the amount
33 appropriated in this section, the director of revenue
34 shall prorate the payments for the property tax credit
35 and for reimbursement for rent constituting property
36 tax paid. In order for the director to carry out the
37 requirements of this section, notwithstanding any
38 provision to the contrary in this chapter, claims for
39 reimbursement for rent constituting property taxes
40 paid filed before May 1, 2005, shall be eligible to be
41 paid during the fiscal year ending June 30, 2005, and
42 those claims filed on or after May 1, 2005, shall be
43 eligible to be paid during the fiscal year beginning
44 July 1, 2005, and the director is not required to make
45 payments to counties for the property tax credit
46 before June 15, 2005.

47 Sec. _____. Section 425A.1, Code 2003, is amended to
48 read as follows:

49 425A.1 FAMILY FARM TAX CREDIT FUND.

50 The family farm tax credit fund is created in the

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1 office of the treasurer of state. There shall be
2 transferred annually to the fund the first ten million
3 dollars of the amount ~~annually~~ appropriated to the
4 agricultural land credit fund, provided in section
5 426.1. ~~Any balance in the fund on June 30 shall~~
6 ~~revert to the general fund.~~

7 Sec. _____. Section 426.1, Code 2003, is amended to
8 read as follows:

9 426.1 AGRICULTURAL LAND CREDIT FUND.

10 There is created as a permanent fund in the office
11 of the treasurer of state a fund to be known as the
12 agricultural land credit fund, ~~and for the purpose of~~
13 ~~establishing and maintaining this fund for each fiscal~~
14 ~~year there is appropriated thereto from funds in the~~
15 ~~general fund not otherwise appropriated the sum of~~
16 ~~thirty-nine million one hundred thousand dollars.~~
17 Notwithstanding any conflicting provisions of section
18 8.56, there is appropriated for the fiscal year
19 beginning July 1, 2004, and ending June 30, 2005, from
20 the cash reserve fund created in section 8.56 to the
21 agricultural land credit fund the sum of thirty-four
22 million six hundred ten thousand one hundred eighty-
23 three dollars of which the first ten million dollars
24 shall be transferred to and deposited into the family
25 farm tax credit fund created in section 425A.1. Any
26 ~~balance in said fund on June 30 shall revert to the~~
27 ~~general fund.~~

28 Sec. _____. Section 426A.1A, Code 2003, is amended
29 by striking the section and inserting in lieu thereof
30 the following:

31 426A.1A APPROPRIATIONS.

32 Notwithstanding any conflicting provisions of
33 section 8.56, there is appropriated for the fiscal
34 year beginning July 1, 2004, and ending June 30, 2005,
35 from the cash reserve fund created in section 8.56 to
36 the department of revenue the sum of two million five
37 hundred sixty-eight thousand four hundred two dollars
38 to fund the credits provided under this chapter.

39 Sec. _____. Section 426A.4, Code Supplement 2003, is
40 amended to read as follows:

41 426A.4 CERTIFICATION BY DIRECTOR OF REVENUE.

42 Sums distributable from the ~~general fund of the~~
43 state shall be allocated annually to the counties of
44 the state. On September 15 annually the director of
45 revenue shall certify and draw warrants to the
46 treasurer of each county payable from the ~~general~~
47 designated fund of the state in the amount claimed.
48 Payments shall be made to the treasurer of each county
49 not later than September 30 of each year.

50 Sec. _____. Section 426A.6, Code Supplement 2003, is

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1 amended to read as follows:

2 426A.6 SETTING ASIDE ALLOWANCE.

3 If the director of revenue determines that a claim
4 for military service tax exemption has been allowed by
5 a board of supervisors which is not justifiable under
6 the law and not substantiated by proper facts, the
7 director may, at any time within thirty-six months
8 from July 1 of the year in which the claim is allowed,
9 set aside the allowance. Notice of the disallowance
10 shall be given to the county auditor of the county in
11 which the claim has been improperly granted and a
12 written notice of the disallowance shall also be
13 addressed to the claimant at the claimant's last known
14 address. The claimant or the board of supervisors may
15 appeal to the state board of tax review pursuant to
16 section 421.1, subsection 4. The claimant or the
17 board of supervisors may seek judicial review of the
18 action of the state board of tax review in accordance
19 with chapter 17A. If a claim is disallowed by the
20 director of revenue and not appealed to the state
21 board of tax review or appealed to the state board of
22 tax review and thereafter upheld upon final
23 resolution, including judicial review, the credits
24 allowed and paid ~~from the general fund of~~ by the state
25 become a lien upon the property on which the credit
26 was originally granted, if still in the hands of the
27 claimant and not in the hands of a bona fide
28 purchaser, the amount so erroneously paid shall be
29 collected by the county treasurer in the same manner
30 as other taxes, and the collections shall be returned
31 to the department of revenue and credited to the
32 general fund of the state fund from which the claim
33 was paid. The director of revenue may institute legal
34 proceedings against a military service tax exemption
35 claimant for the collection of payments made on
36 disallowed exemptions.

37 Sec. ____ . Section 426A.8, unnumbered paragraphs 1
38 and 4, Code Supplement 2003, are amended to read as
39 follows:

40 If the amount of credit apportioned to any property
41 eligible to military service tax exemption under this
42 chapter in any year shall exceed the total tax,
43 exclusive of any special assessments levied against
44 such property eligible for military service tax
45 exemption, then the excess shall be remitted by the
46 county treasurer to the department of revenue to be
47 redeposited in the general fund of the state from
48 which the credit was paid and reallocated the
49 following year by the department.

50 The amount of the credit shall be allocated and

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1 paid from the surplus redeposited in the ~~general~~ fund
2 of the state provided for in the first paragraph of
3 this section.

4 Sec. _____. Section 426A.9, Code Supplement 2003, is
5 amended to read as follows:

6 426A.9 ERRONEOUS CREDITS.

7 If any claim is allowed, and subsequently reversed
8 on appeal, any credit shall be void, and the amount of
9 the credit shall be charged against the property in
10 question, and the director of revenue, the county
11 auditor and the county treasurer shall correct their
12 books and records. The amount of the erroneous
13 credit, when collected, shall be returned by the
14 county treasurer to the ~~general~~ fund of the state from
15 which the credit was paid.

16 Sec. _____. Section 435.22, subsection 5, unnumbered
17 paragraph 6, Code Supplement 2003, is amended to read
18 as follows:

19 ~~There is appropriated annually from the general~~
20 ~~fund of the state~~ The appropriation made in section
21 425.39 shall be available to the department of revenue
22 an amount sufficient to carry out this subsection."

23 19. Page 203, by inserting after line 16 the
24 following:

25 "Sec. _____. MODIFIED ADDITIONAL ALLOWABLE GROWTH.
26 For the fiscal year beginning July 1, 2004, and ending
27 June 30, 2005, notwithstanding anything contrary in
28 section 257.18, subsection 2, if the board adopts a
29 resolution, not later than April 15, 2004, to increase
30 its participation in the instructional support program
31 under section 257.18 and a petition is not filed or if
32 the question is submitted to the registered voters of
33 the school district and the question is approved, the
34 school budget review committee shall establish
35 modified allowable growth for the school district for
36 the fiscal year beginning July 1, 2004, for the amount
37 of increased spending authority. The modified
38 allowable growth shall equal the sum of the state aid
39 and property tax portion of the instructional support
40 program requested by the district. The district is
41 not eligible for state aid as determined under section
42 257.20 due to increased participation percent."

43 20. Page 204, by striking line 11 and inserting
44 the following:

45 "Sec. _____. Sections 25B.7 and 266.39D, Code
46 Supplement 2003, are".

47 21. Page 204, line 19, by striking the figure "
48 257.16,".

49 22. Page 204, by striking lines 32 through 34 and
50 inserting the following:

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1 "____". The section of this division of this Act
2 providing modified allowable growth for school
3 districts to participate in an instructional support
4 program, being deemed of immediate importance, takes
5 effect upon enactment."

6 23. By renumbering, relettering, or redesignating
7 and correcting internal references as necessary.

By COMMITTEE ON APPROPRIATIONS
DIX of Butler, Chairperson

H-8365 FILED APRIL 1, 2004**SENATE FILE 2298****H-8373**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 55, by striking lines 6 through 8.

4 2. By renumbering as necessary.

By ALONS of Sioux

DE BOEF of Keokuk

CARROLL of Poweshiek

ROBERTS of Carroll

WATTS of Dallas

BAUDLER of Adair

LUKAN of Dubuque

KLEMME of Plymouth

LALK of Fayette

BODDICKER of Cedar

VAN ENGELHOFEN of Marion

CHAMBERS of O'Brien

MERTZ of Kossuth

TYMESON of Madison

H-8373 FILED APRIL 5, 2004**SENATE FILE 2298****H-8374**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 72, by striking lines 4 and 5 and
4 inserting the following: "committee expense. Before
5 the department expends or".

By HEATON of Henry

H-8374 FILED APRIL 5, 2004

SENATE FILE 2298

H-8379

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 195, by inserting after line 25 the
4 following:

5 "Sec. ____ . STATE COURTS -- JUSTICES, JUDGES, AND
6 MAGISTRATES.

7 1. The salary rates specified in subsection 2 are
8 for the fiscal year beginning July 1, 2004, effective
9 for the pay period beginning March 25, 2005, and for
10 subsequent fiscal years until otherwise provided by
11 the general assembly. The salaries provided for in
12 this section shall be paid from funds appropriated to
13 the judicial branch pursuant to any Act of the general
14 assembly.

15 2. The following annual salary rates shall be paid
16 to the persons holding the judicial positions
17 indicated during the fiscal year beginning July 1,
18 2004, effective with the pay period beginning March
19 25, 2005, and for subsequent pay periods.

20 a. Chief justice of the supreme court:		
21	\$	129,580
22 b. Each justice of the supreme court:		
23	\$	124,950
24 c. Chief judge of the court of appeals:		
25	\$	124,830
26 d. Each associate judge of the court of appeals:		
27	\$	120,210
28 e. Each chief judge of a judicial district:		
29	\$	119,100
30 f. Each district judge except the chief judge of a		
31 judicial district:		
32	\$	114,250
33 g. Each district associate judge:		
34	\$	99,560
35 h. Each associate juvenile judge:		
36	\$	99,560
37 i. Each associate probate judge:		
38	\$	99,560
39 j. Each judicial magistrate:		
40	\$	29,680
41 k. Each senior judge:		
42	\$	6,630

43 3. Persons receiving the salary rates established
44 under subsection 2 shall not receive any additional
45 salary adjustments provided by this division of this
46 Act."

By EICHHORN of Hamilton

H-8379 FILED APRIL 5, 2004

SENATE FILE 2298

H-8380

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 2, line 27, by striking the words "For
4 start-up", and inserting the following:

5 "a. If 2004 Iowa Acts, House File 2482 is not
6 enacted, then for start-up".

7 2. Page 2, line 31, by striking the word
8 "Notwithstanding", and inserting the following: "For
9 purposes of this lettered paragraph and
10 notwithstanding".

11 3. Page 2, by inserting after line 35 the
12 following:

13 "b. If 2004 Iowa Acts, House File 2482 is enacted,
14 then for start-up funding for revolving funds under
15 the control of the department of administrative
16 services and for salaries, support, maintenance, and
17 miscellaneous purposes:

18 \$ 1,889,610

19 For purposes of this lettered paragraph and
20 notwithstanding any provision of this section to the
21 contrary, the department of administrative services
22 shall deposit \$1,889,610 in the general fund of the
23 state from moneys in departmental revolving funds and
24 internal service funds at the end of the fiscal year."

25 4. By renumbering as necessary.

By EICHHORN of Hamilton

H-8380 FILED APRIL 5, 2004

SENATE FILE 2298**H-8384**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 184, by inserting after line 9 the
4 following:

5 "Sec. ____ . Section 257.13, Code 2003, is amended
6 by striking the section and inserting in lieu thereof
7 the following:

8 257.13 ON-TIME FUNDING BUDGET ADJUSTMENT.

9 1. For the school budget year beginning July 1,
10 2003, and succeeding budget years, if a district's
11 actual enrollment for the budget year, determined
12 under section 257.6, is greater than its budget
13 enrollment for the budget year, the district shall
14 receive an on-time funding budget adjustment. The
15 adjustment shall be in an amount equal to the
16 difference between the actual enrollment for the
17 budget year and the budget enrollment for the budget
18 year, multiplied by the district cost per pupil. The
19 additional funding received under this section is
20 miscellaneous income to the school district.

21 2. A school district that is receiving a budget
22 adjustment for a budget year pursuant to section
23 257.14 shall receive on-time funding for increased
24 enrollment, reduced by the amount of the budget
25 adjustment for that budget year. The resulting amount
26 shall not be less than zero.

27 3. If a district receives additional funding under
28 this section for a budget year, the department of
29 management shall determine the amount of the
30 additional funding which would have been generated by
31 local property tax revenues, in proportion to the
32 amount of funding actually received pursuant to this
33 section, if the actual enrollment for the budget year
34 had been used in determining district cost for that
35 budget year. The department of management shall
36 reduce, but not by more than the amount of the
37 additional funding, the district's total state school
38 aid otherwise available under this chapter for the
39 next budget year by the amount so determined, and
40 shall increase the district's additional property tax
41 levy for the next budget year by the amount necessary
42 to compensate for the reduction in state aid, so that
43 the local property tax for the next following year
44 will be increased only by the amount which it would
45 have been increased in the budget year if the
46 enrollment calculated in this section could have been
47 used to establish the levy.

48 4. There is appropriated each fiscal year from the
49 general fund of the state to the department of
50 education the amount required to pay additional

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1 funding authorized under this section, which shall be
2 paid to school districts in the same manner as other
3 state aid payable under section 257.16."

4 2. Page 204, line 19, by inserting after the
5 figure "257.8," the following: "257.13,".

By BOAL of Polk
KRAMER of Polk

H-8384 FILED APRIL 5, 2004

SENATE FILE 2298**H-8386**

1 Amend the amendment, H-8365, to Senate File 2298,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 1, by striking lines 11 through 44 and
5 inserting the following:

6 "____. Page 49, by inserting after line 18 the
7 following:

8 "Sec. ____ . STATEWIDE TEACHER INTERN PROGRAM
9 FEASIBILITY STUDY -- FEDERAL GRANT APPLICATION
10 COORDINATION.

11 1. The department of education shall work
12 cooperatively with the state board of regents and
13 other accredited postsecondary institutions with
14 approved practitioner preparation programs to assess
15 the feasibility of the offering of a teacher intern
16 program that will be available statewide and which
17 will meet the standards as provided in 281 IAC 77.
18 The department shall, at minimum, collaborate with the
19 state board of regents and the colleges of education
20 at board's institutions of higher learning, and with
21 other accredited postsecondary institutions with
22 approved practitioner preparation programs. The study
23 shall include the projected enrollment, cost, delivery
24 of the program via technology, and possible time lines
25 for implementation of a statewide teacher intern
26 program. The study shall, at minimum, consider the
27 establishment of a program operated through a regents
28 institution under a cooperative arrangement with other
29 postsecondary institutions, including institutions
30 that do not have approved practitioner preparation
31 programs, or with one or more area education agencies.
32 The department shall submit a report summarizing the
33 results of the study and making recommendations to the
34 chairpersons and ranking members of the house and
35 senate committees on education and the chairpersons
36 and rankings members of the joint appropriations
37 subcommittee on education by January 15, 2005.

38 2. The department shall work cooperatively with
39 the state board of regents and other appropriate
40 eligible grantees to obtain any available federal
41 funding, including grants that may be available for
42 the establishment and operation of a teacher intern
43 program."

44 2. Page 2, by inserting after line 31, the
45 following:

46 "____. Page 182, line 27, by inserting after the
47 word "data" the following: "regarding the salaries
48 and benefits of administrators and"."

49 3. Page 4, by striking lines 28 through 46 and
50 inserting the following: "paragraph "a". If the

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1 director determines that the amount of claims for
2 credit for property taxes due plus the amount of
3 claims for reimbursement for rent constituting
4 property tax paid which are to be paid during the
5 fiscal year beginning July 1, 2004, will exceed the
6 amount appropriated, the director shall estimate the
7 percentage of the credits and reimbursements which
8 will be funded by the appropriation and use the
9 estimated percentage in computing for each claim the
10 allowable amount of property tax credit and
11 reimbursement for rent constituting property tax paid.
12 If the amount of claims for credit for property taxes
13 due to be paid during the fiscal year exceeds the
14 amount remaining after payment to renters, the
15 director shall prorate the payments to the counties
16 for the property tax credit. In order for the
17 director to carry out the requirements of this
18 section, notwithstanding any provision to the contrary
19 in this chapter, claims for reimbursement for rent
20 constituting property taxes paid filed before May 1,
21 2005, shall be eligible to be paid during the fiscal
22 year ending June 30, 2005, and those claims filed on
23 or after May 1, 2005, shall be eligible to be paid
24 during the fiscal year beginning July 1, 2005, and the
25 director is not required to make payments to counties
26 for the property tax credit before June 15, 2005."

27 4. Page 7, line 39, by inserting before the word
28 "instructional" the following: "increased".

By DIX of Butler

H-8386 FILED APRIL 5, 2004

SENATE FILE 2298

H-8387

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 128, by inserting after line 4 the
4 following:

5 "Sec. ____ . ADOPTION SUBSIDY PROGRAM.

6 1. It is the intent of the general assembly that
7 the department of human services reduce the monthly
8 reimbursement rate for the basic category in the
9 maintenance portion of the adoption subsidy program
10 applicable to recipients who enter into presubsidy or
11 preadoptive subsidy agreements on or after July 1,
12 2004, in order to achieve a minimum annual state
13 savings of \$288,000 during the fiscal year beginning
14 July 1, 2004, and ending June 30, 2005. The

15 percentage reduction in the reimbursement rate shall
16 be 25 percent for the 0-5 years of age age group, 20
17 percent for the 6-11 years of age age group, and 10
18 percent for the 12 years of age and older age group.

19 2. a. It is the intent of the general assembly
20 that the department of human services maximize receipt
21 of the federal funding available for the adoption
22 subsidy program. The department may negotiate
23 existing adoption agreements solely for the purpose of
24 maximizing federal funding. However, any revision of
25 an existing adoption agreement shall not result in the
26 reduction of benefits to adoptive families.

27 b. The limitation on attorney fees under the
28 program shall be \$500 per recipient.

29 c. The department of human services shall attempt
30 to develop a method to obtain federal matching funds
31 for adoption subsidy program recipient out-of-pocket
32 payments to attorneys, for the portion of attorney
33 fees that exceed the cap on attorney fees under the
34 program.

35 d. The department of human services shall attempt
36 to obtain federal matching funds for adoption subsidy
37 program recipient out-of-pocket payments for child
38 care fees that exceed that applicable reimbursement
39 rate established under the child care assistance
40 program.

41 e. If cost-effective and in compliance with
42 federal law and regulation, the department of human
43 services may implement a sliding benefit scale based
44 upon income, for all or a portion of the adoption
45 presubsidy or preadoptive subsidy agreements entered
46 into on or after July 1, 2004.

47 3. It is the intent of the general assembly that
48 beginning July 1, 2004, adoption subsidy agreements
49 entered into on or after that date shall be
50 administered uniformly throughout the state.

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1 4. It is the intent of the general assembly that
2 the department of human services adopt rules to
3 specify that a child of a minority race or ethnic
4 group, or whose biological parents are of different
5 races, and who is less than one year of age, shall not
6 be deemed a special needs child for the purposes of
7 presubsidy or preadoptive subsidy agreements entered
8 into on or after July 1, 2004.

9 5. It is the intent of the general assembly that
10 the child care subsidy payments for individuals who
11 entered into presubsidy or preadoptive subsidy
12 agreements prior to July 1, 2004, shall not be
13 governed by the rate ceilings under the department of
14 human services' child care assistance programs or be
15 required to meet the specifications of a specialized
16 program as specified in administrative rules.

17 6. It is the intent of the general assembly that
18 any rules relating to the adoption subsidy program for
19 which the effective date is delayed pursuant to
20 section 17A.8, subsection 9, shall take effect unless
21 legislation enacted by the general assembly conflicts
22 with such rules.

23 7. The legislative council is requested to
24 establish an interim study committee to review the
25 adoption subsidy program, which includes a review of
26 current practices regarding the determination of
27 subsidy levels, disparities in subsidy levels among
28 regions of the state, program costs and benefits, the
29 fiscal and programmatic impact of projected future
30 program growth, a thorough analysis of the demographic
31 factors of the adoptive families as well as the
32 adoptive children's special needs, and quantification
33 of savings in other programs and services resulting
34 from the utilization of the adoption subsidy program.
35 The committee shall seek input from the department of
36 human services, adoptive parents and others with
37 experience or expertise with the adoption subsidy
38 program and related services and supports. The
39 interim committee shall submit a report of its
40 findings and recommendations to the general assembly
41 no later than December 1, 2004."

42 2. Page 138, by inserting after line 15 the
43 following:

44 "_____. The section of this division of this Act
45 relating to the adoption subsidy program".

46 3. By renumbering as necessary.

By HUSER of Polk
KURTENBACH of Story

H-8387 FILED APRIL 5, 2004

SENATE FILE 2298

H-8389

1 Amend the House amendment, H-8365, to Senate File
2 2298, as amended, passed, and reprinted by the Senate,
3 as follows:

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

6 "____. Page 49, by striking lines 1 through 18 and
7 inserting the following:

8 "..... \$147,582,047

9 The funds appropriated in this subsection shall be
10 allocated as follows:

- 11 a. Merged Area I \$ 7,193,209
- 12 b. Merged Area II \$ 8,136,366
- 13 c. Merged Area III \$ 7,600,107
- 14 d. Merged Area IV \$ 3,670,204
- 15 e. Merged Area V \$ 8,015,816
- 16 f. Merged Area VI \$ 7,142,277
- 17 g. Merged Area VII \$ 10,530,666
- 18 h. Merged Area IX \$ 13,020,106
- 19 i. Merged Area X \$ 20,883,389
- 20 j. Merged Area XI \$ 21,903,444
- 21 k. Merged Area XII \$ 8,609,947
- 22 l. Merged Area XIII \$ 8,743,547
- 23 m. Merged Area XIV \$ 3,744,512
- 24 n. Merged Area XV \$ 11,726,862
- 25 o. Merged Area XVI \$ 6,661,595""

26 2. Page 1, by inserting before line 11 the
27 following:

28 "____. By striking page 52, line 2, through page
29 60, line 9, and inserting the following: "purposes,
30 and for not more than the following full-time
31 equivalent positions:

32 \$ 1,190,152
33 FTEs 16.00

34 b. For allocation by the state board of regents to
35 the state university of Iowa, the Iowa state
36 university of science and technology, and the
37 university of northern Iowa to reimburse the
38 institutions for deficiencies in their operating funds
39 resulting from the pledging of tuitions, student fees
40 and charges, and institutional income to finance the
41 cost of providing academic and administrative
42 buildings and facilities and utility services at the
43 institutions:

44 \$ 12,701,278

45 Notwithstanding section 8.33, funds appropriated
46 for purposes of this lettered paragraph that remain
47 unencumbered or unobligated on June 30, 2005, shall
48 not revert to the general fund of the state, but shall
49 be available for expenditure for the following fiscal
50 year for purposes specified in this lettered

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1 paragraph.

2 c. For funds to be allocated to the southwest Iowa

3 graduate studies center:

4 \$ 108,673

5 d. For funds to be allocated to the siouxland

6 interstate metropolitan planning council for the

7 tristate graduate center under section 262.9,

8 subsection 21:

9 \$ 79,940

10 e. For funds to be allocated to the quad-cities

11 graduate studies center:

12 \$ 161,173

13 2. STATE UNIVERSITY OF IOWA

14 a. General university, including lakeside

15 laboratory

16 For salaries, support, maintenance, equipment, and

17 miscellaneous purposes, and for not more than the

18 following full-time equivalent positions:

19 \$276,520,093

20 FTES 4,055.62

21 b. University hospitals

22 For salaries, support, maintenance, equipment, and

23 miscellaneous purposes and for medical and surgical

24 treatment of indigent patients as provided in chapter

25 255, and for medical education, and for not more than

26 the following full-time equivalent positions:

27 \$ 27,984,189

28 FTES 5,471.01

29 c. Psychiatric hospital

30 For salaries, support, maintenance, equipment,

31 miscellaneous purposes, and for the care, treatment,

32 and maintenance of committed and voluntary public

33 patients, and for not more than the following full-

34 time equivalent positions:

35 \$ 7,223,647

36 FTES 272.11

37 d. Center for disabilities and development

38 For salaries, support, maintenance, and

39 miscellaneous purposes, and for not more than the

40 following full-time equivalent positions:

41 \$ 6,526,426

42 FTES 143.34

43 e. Oakdale campus

44 For salaries, support, maintenance, and

45 miscellaneous purposes, and for not more than the

46 following full-time equivalent positions:

47 \$ 2,725,472

48 FTES 43.25

49 f. State hygienic laboratory

50 For salaries, support, maintenance, and

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1 miscellaneous purposes and for not more than the
2 following full-time equivalent positions:
3 \$ 3,900,021
4 FTEs 102.49
5 g. Family practice program
6 For allocation by the dean of the college of
7 medicine, with approval of the advisory board, to
8 qualified participants, to carry out chapter 148D for
9 the family practice program, including salaries and
10 support, and for not more than the following full-time
11 equivalent positions:
12 \$ 2,129,177
13 FTEs 192.40
14 h. Child health care services
15 For specialized child health care services,
16 including childhood cancer diagnostic and treatment
17 network programs, rural comprehensive care for
18 hemophilia patients, and the Iowa high-risk infant
19 follow-up program, including salaries and support, and
20 for not more than the following full-time equivalent
21 positions:
22 \$ 665,709
23 FTEs 53.46
24 i. Statewide cancer registry
25 For the statewide cancer registry, and for not more
26 than the following full-time equivalent positions:
27 \$ 183,322
28 FTEs 2.40
29 j. Substance abuse consortium
30 For funds to be allocated to the Iowa consortium
31 for substance abuse research and evaluation, and for
32 not more than the following full-time equivalent
33 positions:
34 \$ 66,534
35 FTEs 1.50
36 k. Center for biocatalysis
37 For the center for biocatalysis, and for not more
38 than the following full-time equivalent positions:
39 \$ 903,984
40 FTEs 5.20
41 l. Primary health care initiative
42 For the primary health care initiative in the
43 college of medicine, and for not more than the
44 following full-time equivalent positions:
45 \$ 779,359
46 FTEs 7.75
47 m. Birth defects registry
48 For the birth defects registry, and for not more
49 than the following full-time equivalent positions:
50 \$ 45,781

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1 FTEs 1.30

2 3. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

3 a. General university

4 For salaries, support, maintenance, equipment, and

5 miscellaneous purposes, and for not more than the

6 following full-time equivalent positions:

7 \$217,686,641

8 FTEs 3,647.42

9 b. Agricultural experiment station

10 For salaries, support, maintenance, and

11 miscellaneous purposes, and for not more than the

12 following full-time equivalent positions:

13 \$ 31,814,892

14 FTEs 546.98

15 c. Cooperative extension service in agriculture

16 and home economics

17 For salaries, support, maintenance, and

18 miscellaneous purposes, and for not more than the

19 following full-time equivalent positions:

20 \$ 20,244,546

21 FTEs 383.34

22 d. Leopold center

23 For agricultural research grants at Iowa state

24 university under section 266.39B, and for not more

25 than the following full-time equivalent positions:

26 \$ 476,225

27 FTEs 11.25

28 e. Livestock disease research

29 For deposit in and the use of the livestock disease

30 research fund under section 267.8:

31 \$ 226,367

32 4. UNIVERSITY OF NORTHERN IOWA

33 a. General university

34 For salaries, support, maintenance, equipment, and

35 miscellaneous purposes, and for not more than the

36 following full-time equivalent positions:

37 \$ 97,950,925

38 FTEs 1,398.01

39 b. Recycling and reuse center

40 For purposes of the recycling and reuse center, and

41 for not more than the following full-time equivalent

42 positions:

43 \$ 217,290

44 FTEs 3.00

45 5. STATE SCHOOL FOR THE DEAF

46 For salaries, support, maintenance, and

47 miscellaneous purposes, and for not more than the

48 following full-time equivalent positions:

49 \$ 10,132,297

50 FTEs 126.60

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1 6. IOWA BRAILLE AND SIGHT SAVING SCHOOL
 2 For salaries, support, maintenance, and
 3 miscellaneous purposes, and for not more than the
 4 following full-time equivalent positions:
 5 \$ 5,669,244
 6 FTES 81.00

7 7. TUITION AND TRANSPORTATION COSTS
 8 For payment to local school boards for the tuition
 9 and transportation costs of students residing in the
 10 Iowa braille and sight saving school and the state
 11 school for the deaf pursuant to section 262.43 and for
 12 payment of certain clothing, prescription, and
 13 transportation costs for students at these schools
 14 pursuant to section 270.5:
 15 \$ 7,500""

16 3. Page 1, by inserting after line 22 the
 17 following:
 18 "___ . Page 64, by striking lines 28 through 32
 19 and inserting the following:
 20 "1. There is appropriated from the general fund of
 21 the state to the commission for each fiscal year the
 22 sum of ~~forty-six~~ forty-eight million ~~four~~ eight
 23 hundred ~~seventeen~~ thirty thousand ~~nine hundred sixty-~~
 24 ~~four~~ seventy-five dollars for"."

25 4. Page 1, by inserting after line 46 the
 26 following:
 27 "___ . Page 65, by inserting after line 28 the
 28 following:
 29 "Sec. ___ . Section 279.51, subsection 1,
 30 unnumbered paragraph 1, Code 2003, is amended to read
 31 as follows:

32 There is appropriated from the general fund of the
 33 state to the department of education for the fiscal
 34 year beginning July 1, 2000, and each succeeding
 35 fiscal year, the sum of ~~twelve~~ fourteen million five
 36 hundred sixty thousand dollars.

37 Sec. ___ . Section 279.51, subsection 1, paragraph
 38 b, Code 2003, is amended to read as follows:
 39 b. For the fiscal year beginning July 1, 1998, and
 40 for each succeeding fiscal year, ~~eight~~ ten million
 41 five hundred ten thousand dollars of the funds
 42 appropriated shall be allocated to the child
 43 development coordinating council established in
 44 chapter 256A for the purposes set out in subsection 2
 45 of this section and section 256A.3.""

46 5. Page 2, by inserting after line 34 the
 47 following:
 48 "___ . By striking page 183, line 32 through page
 49 184, line 9, and inserting the following:
 50 "Sec. ___ . Section 257.8, subsection 1, Code

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1 Supplement 2003, is amended to read as follows:

2 1. STATE PERCENT OF GROWTH. The state percent of
3 growth for the budget year beginning July 1, 2003, is
4 two percent. The state percent of growth for the
5 budget year beginning July 1, 2004, is ~~two six~~
6 percent. The state percent of growth for each
7 subsequent budget year shall be established by statute
8 which shall be enacted within thirty days of the
9 submission in the year preceding the base year of the
10 governor's budget under section 8.21. The
11 establishment of the state percent of growth for a
12 budget year shall be the only subject matter of the
13 bill which enacts the state percent of growth for a
14 budget year.""

15 6. Page 2, by striking lines 35 through 37 and
16 inserting the following:

17 "____. By striking page 184, line 19, through page
18 185, line 31, and inserting the following:

19 "Sec. ____ . Section 257.35, subsection 2, Code
20 Supplement 2003, is amended by striking the
21 subsection.""

22 7. Page 7, by striking lines 47 and 48 and
23 inserting the following:

24 "____. Page 204, by striking lines 18 and 19, and
25 inserting the following:

26 "1. The section of this division of this Act
27 amending section 257.8 is applicable for"."

28 8. Page 8, by inserting after line 5 the
29 following:

30 "____. Page 205, by inserting after line 21 the
31 following:

32 "DIVISION
33 INCOME TAX

34 Sec. ____ . Section 422.5, subsection 1, paragraphs
35 a through i, Code Supplement 2003, are amended to read
36 as follows:

37 a. On all taxable income from zero through one
38 thousand dollars, ~~thirty-six hundredths~~ four-tenths of
39 one percent.

40 b. On all taxable income exceeding one thousand
41 dollars but not exceeding two thousand dollars,
42 ~~seventy-two hundredths~~ eight-tenths of one percent.

43 c. On all taxable income exceeding two thousand
44 dollars but not exceeding four thousand dollars, two
45 and ~~forty-three hundredths~~ seven-tenths percent.

46 d. On all taxable income exceeding four thousand
47 dollars but not exceeding nine thousand dollars, ~~four~~
48 ~~and one-half~~ five percent.

49 e. On all taxable income exceeding nine thousand
50 dollars but not exceeding fifteen thousand dollars,

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1 six and ~~twelve hundredths~~ eight-tenths percent.

2 f. On all taxable income exceeding fifteen
3 thousand dollars but not exceeding twenty thousand
4 dollars, ~~six and forty-eight hundredths~~ seven and two-
5 tenths percent.

6 g. On all taxable income exceeding twenty thousand
7 dollars but not exceeding thirty thousand dollars, ~~six~~
8 ~~and eight-tenths~~ seven and fifty-five hundredths
9 percent.

10 h. On all taxable income exceeding thirty thousand
11 dollars but not exceeding forty-five thousand dollars,
12 ~~seven and ninety-two hundredths~~ eight and eight-tenths
13 percent.

14 i. On all taxable income exceeding forty-five
15 thousand dollars, ~~eight~~ nine and ninety-eight
16 hundredths percent.

17 Sec. _____. Section 422.5, subsection 1, paragraph
18 j, Code Supplement 2003, is amended to read as
19 follows:

20 j. ~~(1)~~ The tax imposed upon the taxable income of
21 a nonresident shall be computed by reducing the amount
22 determined pursuant to paragraphs "a" through "i" by
23 the amounts of nonrefundable credits under this
24 division and by multiplying this resulting amount by a
25 fraction of which the nonresident's net income
26 allocated to Iowa, as determined in section 422.8,
27 subsection 2, ~~paragraph "a"~~, is the numerator and the
28 nonresident's total net income computed under section
29 422.7 is the denominator. This provision also applies
30 to individuals who are residents of Iowa for less than
31 the entire tax year.

32 ~~(2)~~ ~~The tax imposed upon the taxable income of a~~
33 ~~resident shareholder in an S corporation which has in~~
34 ~~effect for the tax year an election under subchapter S~~
35 ~~of the Internal Revenue Code and carries on business~~
36 ~~within and without the state may be computed by~~
37 ~~reducing the amount determined pursuant to paragraphs~~
38 ~~"a" through "i" by the amounts of nonrefundable~~
39 ~~credits under this division and by multiplying this~~
40 ~~resulting amount by a fraction of which the resident's~~
41 ~~net income allocated to Iowa, as determined in section~~
42 ~~422.8, subsection 2, paragraph "b", is the numerator~~
43 ~~and the resident's total net income computed under~~
44 ~~section 422.7 is the denominator. If a resident~~
45 ~~shareholder has elected to take advantage of this~~
46 ~~subparagraph, and for the next tax year elects not to~~
47 ~~take advantage of this subparagraph, the resident~~
48 ~~shareholder shall not reelect to take advantage of~~
49 ~~this subparagraph for the three tax years immediately~~
50 ~~following the first tax year for which the shareholder~~

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~~1 elected not to take advantage of this subparagraph,
2 unless the director consents to the reelection. This
3 subparagraph also applies to individuals who are
4 residents of Iowa for less than the entire tax year.~~

~~5 This subparagraph shall not affect the amount of
6 the taxpayer's checkoff to the Iowa election campaign
7 fund under section 68A.601, the checkoff for the fish
8 and game fund in section 456A.16, the credits from tax
9 provided in sections 422.10, 422.11A, and 422.12 and
10 the allocation of these credits between spouses if the
11 taxpayers filed separate returns or separately on
12 combined returns.~~

13 Sec. ____ . Section 422.5, subsection 1, paragraph
14 k, unnumbered paragraph 4, Code Supplement 2003, is
15 amended to read as follows:

16 In the case of a resident, including a resident
17 estate or trust, the state's apportioned share of the
18 state alternative minimum tax is one hundred percent
19 of the state alternative minimum tax computed in this
20 subsection. In the case of a ~~resident or part-year~~
21 ~~resident shareholder in an S corporation which has in~~
22 ~~effect for the tax year an election under subchapter S~~
23 ~~of the Internal Revenue Code and carries on business~~
24 ~~within and without the state,~~ a nonresident, including
25 a nonresident estate or trust, or an individual,
26 estate, or trust that is domiciled in the state for
27 less than the entire tax year, the state's apportioned
28 share of the state alternative minimum tax is the
29 amount of tax computed under this subsection, reduced
30 by the applicable credits in sections 422.10 through
31 422.12 and this result multiplied by a fraction with a
32 numerator of the sum of state net income allocated to
33 Iowa as determined in section 422.8, subsection 2,
34 ~~paragraph "a" or "b" as applicable,~~ plus tax
35 preference items, adjustments, and losses under
36 subparagraph (1) attributable to Iowa and with a
37 denominator of the sum of total net income computed
38 under section 422.7 plus all tax preference items,
39 adjustments, and losses under subparagraph (1). In
40 computing this fraction, those items excludable under
41 subparagraph (1) shall not be used in computing the
42 tax preference items. Married taxpayers electing to
43 file separate returns or separately on a combined
44 return must allocate the minimum tax computed in this
45 subsection in the proportion that each spouse's
46 respective preference items, adjustments, and losses
47 under subparagraph (1) bear to the combined preference
48 items, adjustments, and losses under subparagraph (1)
49 of both spouses.

50 Sec. ____ . Section 422.7, subsection 21, Code

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1 Supplement 2003, is amended by striking the
2 subsection.

3 Sec. ____ . Section 422.8, subsection 2, Code
4 Supplement 2003, is amended to read as follows:

5 2. ~~a.~~ Nonresident's net income allocated to Iowa
6 is the net income, or portion of net income, which is
7 derived from a business, trade, profession, or
8 occupation carried on within this state or income from
9 any property, trust, estate, or other source within
10 Iowa. However, income derived from a business, trade,
11 profession, or occupation carried on within this state
12 and income from any property, trust, estate, or other
13 source within Iowa shall not include distributions
14 from pensions, including defined benefit or defined
15 contribution plans, annuities, individual retirement
16 accounts, and deferred compensation plans or any
17 earnings attributable thereto so long as the
18 distribution is directly related to an individual's
19 documented retirement and received while the
20 individual is a nonresident of this state. If a
21 business, trade, profession, or occupation is carried
22 on partly within and partly without the state, only
23 the portion of the net income which is fairly and
24 equitably attributable to that part of the business,
25 trade, profession, or occupation carried on within the
26 state is allocated to Iowa for purposes of section
27 422.5, subsection 1, paragraph "j", and section 422.13
28 and income from any property, trust, estate, or other
29 source partly within and partly without the state is
30 allocated to Iowa in the same manner, except that
31 annuities, interest on bank deposits and interest-
32 bearing obligations, and dividends are allocated to
33 Iowa only to the extent to which they are derived from
34 a business, trade, profession, or occupation carried
35 on within the state.

36 ~~b. A resident's income allocable to Iowa is the~~
37 ~~income determined under section 422.7 reduced by items~~
38 ~~of income and expenses from an S corporation that~~
39 ~~carries on business within and without the state when~~
40 ~~those items of income and expenses pass directly to~~
41 ~~the shareholders under provisions of the Internal~~
42 ~~Revenue Code. These items of income and expenses are~~
43 ~~increased by the greater of the following:~~

44 ~~(1) The net income or loss of the corporation~~
45 ~~which is fairly and equitably attributable to this~~
46 ~~state under section 422.33, subsections 2 and 3.~~

47 ~~(2) Any cash or the value of property~~
48 ~~distributions which are made only to the extent that~~
49 ~~they are paid from income upon which Iowa income tax~~
50 ~~has not been paid, as determined under rules of the~~

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1 ~~director, reduced by the amount of any of these~~
2 ~~distributions that are made to enable the shareholder~~
3 ~~to pay federal income tax on items of income, loss,~~
4 ~~and expenses from the corporation.~~

5 Sec. _____. Section 422.8, subsection 6, Code
6 Supplement 2003, is amended by striking the
7 subsection.

8 Sec. _____. Section 422.37, Code 2003, is amended by
9 striking the section and inserting in lieu thereof the
10 following:

11 422.37 COMBINED RETURNS.

12 An affiliated group of corporations shall, under
13 rules prescribed by the director, file a combined
14 return showing the net income of all corporations
15 engaged in a unitary business, subject to the
16 following:

17 1. The affiliated group filing under this section
18 shall meet the requirements to file a consolidated
19 return for federal income tax purposes under the
20 Internal Revenue Code for the same taxable year.

21 2. All members of the affiliated group shall join
22 in the filing of an Iowa combined return to the extent
23 they are engaged in a unitary business.

24 3. Members of the affiliated group exempt from
25 taxation by section 422.34 shall not be included in a
26 combined return.

27 4. All members of the affiliated group shall use
28 the statutory method of allocation and apportionment
29 unless the director has granted permission to all
30 members to use an alternative method of allocation and
31 apportionment.

32 5. The computation of federal taxable income
33 before the net operating loss deduction on a combined
34 return for members of an affiliated group shall be
35 made in the same manner and under the same procedures,
36 including all intercompany adjustments and
37 eliminations, as are required for consolidating the
38 incomes of affiliated corporations for the taxable
39 year for federal income tax purposes in accordance
40 with the Internal Revenue Code.

41 6. The combined income approach reflects the
42 federal taxable income of the unitary members of the
43 Iowa affiliated group as a single economic unit, with
44 the application of the adjustments in section 422.35,
45 and the affiliated group shall only file one income
46 tax return. Any nonunitary members of the federal
47 affiliated group subject to tax imposed by section
48 422.33 must each file its own separate corporate
49 income tax return. The net income of an affiliated
50 group is determined by applying the apportionment

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1 formula against the combined income of the affiliated
2 group.

3 7. Only the sales of those corporations in the
4 affiliated group subject to the tax imposed by section
5 422.33 are included in the numerator of the
6 apportionment formula.

7 8. Only those corporations in the affiliated group
8 subject to the tax imposed by section 422.33 are
9 jointly and severally liable for the Iowa tax of the
10 combined group.

11 Sec. ____ . EFFECTIVE AND APPLICABILITY DATES. This
12 division of this Act, being deemed of immediate
13 importance, takes effect upon enactment and applies as
14 follows:

15 1. The section of this division amending section
16 422.5, subsection 1, paragraphs "a" through "i", apply
17 to tax years beginning on or after January 1, 2005.

18 2. The section of this division amending section
19 422.5, subsection 1, paragraphs "j" and "k", and
20 section 422.8 apply retroactively to January 1, 2004,
21 for tax years beginning on or after that date.

22 3. The section of this division amending section
23 422.7 applies retroactively to January 1, 2004, for
24 tax years beginning on or after that date.

25 4. The section of this division amending section
26 422.37 applies retroactively to January 1, 2004, for
27 tax years beginning on or after that date.

DIVISION

SALES AND USE TAXES

28
29
30 Sec. ____ . Section 423.3, subsection 27, as enacted
31 by 2003 Iowa Acts, First Extraordinary Session,
32 chapter 2, section 96, is amended to read as follows:

33 27. The sales price of tangible personal property
34 sold, or of services furnished, to a nonprofit
35 hospital licensed pursuant to chapter 135B which is
36 located in a rural county to be used in the operation
37 of the hospital. For purposes of this exemption,
38 "rural county" is a county with a population of not
39 more than fifty thousand according to the latest
40 federal census.

41 Sec. ____ . Section 423.3, subsection 45, as enacted
42 by 2003 Iowa Acts, First Extraordinary Session,
43 chapter 2, section 96, is amended by striking the
44 subsection and inserting in lieu thereof the
45 following:

46 45. The sales price from the sales by a trade shop
47 to a printer of lithographic-offset plates,
48 photoengraved plates, engravings, negatives, color
49 separations, typesetting, the end products of image
50 modulation, or any base material used as a carrier for

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1 light-sensitive emulsions to be used by the printer to
2 complete a finished product for sale at retail. For
3 purposes of this subsection, "trade shop" means a
4 business which is not normally engaged in printing and
5 which sells supplies to printers, including but not
6 limited to, those supplies enumerated in this
7 subsection.

8 Sec. _____. Section 423.3, subsections 51, 66, 67,
9 74, 75, 76, and 77, as enacted by 2003 Iowa Acts,
10 First Extraordinary Session, chapter 2, section 96,
11 are amended by striking the subsections.

12 Sec. _____. Section 423.6, subsections 17 through
13 21, as enacted by 2003 Iowa Acts, First Extraordinary
14 Session, chapter 2, section 99, are amended by
15 striking the subsections.

DIVISION

INSURANCE PREMIUMS TAXES

16
17
18 Sec. _____. Section 432.1, subsection 1, paragraph
19 a, Code Supplement 2003, is amended to read as
20 follows:

21 a. ~~The applicable percent, as provided in~~
22 ~~subsection 2,~~ Two percent of the gross amount of
23 premiums received during the preceding calendar year
24 by every life insurance company or association, not
25 including fraternal beneficiary associations, or the
26 gross payments or deposits collected from holders of
27 fraternal beneficiary association certificates, on
28 contracts of insurance covering risks resident in this
29 state during the preceding year, including contracts
30 for group insurance and annuities and without
31 including or deducting any amounts received or paid
32 for reinsurance.

33 Sec. _____. Section 432.1, subsection 2, Code
34 Supplement 2003, is amended by striking the
35 subsection.

36 Sec. _____. Section 432.1, subsection 3, Code
37 Supplement 2003, is amended to read as follows:

38 3. ~~The applicable percent, as provided in~~
39 ~~subsection 4,~~ Two percent of the gross amount of
40 premiums, assessments, and fees received during the
41 preceding calendar year by every company or
42 association other than life on contracts of insurance
43 other than life for business done in this state,
44 including all insurance upon property situated in this
45 state, after deducting the amounts returned upon
46 canceled policies, certificates and rejected
47 applications but not including the gross premiums,
48 assessments, and fees in connection with ocean marine
49 insurance authorized in section 515.48.

50 Sec. _____. Section 432.1, subsection 4, Code

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1 Supplement 2003, is amended by striking the
2 subsection.

3 Sec. _____. Section 432.1, subsection 6, Code
4 Supplement 2003, is amended by striking the subsection
5 and inserting in lieu thereof the following:

6 6. Each insurance company and association
7 transacting business in this state whose Iowa premium
8 tax liability for the preceding calendar year was one
9 thousand dollars or more shall remit on or before June
10 1, on a prepayment basis, an amount equal to one-half
11 of the premium tax liability for the preceding
12 calendar year.

13 Sec. _____. Section 432.2, Code Supplement 2003, is
14 amended to read as follows:

15 432.2 MUTUAL SERVICE CORPORATIONS.

16 Notwithstanding section 432.1, a hospital service
17 corporation, medical service corporation,
18 pharmaceutical service corporation, optometric service
19 corporation, and any other service corporation
20 operating under chapter 514 shall pay as taxes to the
21 director of revenue an amount equal to ~~the applicable~~
22 ~~percent, as provided in section 432.1, subsection 2,~~
23 two percent of the gross amount of payments received
24 during the preceding calendar year for subscriber
25 contracts covering residents in this state after
26 deducting the amounts returned to subscribers upon
27 canceled subscriber contracts and rejected
28 applications. Section 432.1, subsections 5 and 6,
29 apply to the tax imposed by this section.

30 Sec. _____. Section 518.18, subsection 1, Code
31 Supplement 2003, is amended to read as follows:

32 ~~1. The applicable~~ Two percent of the gross amount
33 of premiums received during the preceding calendar
34 year, after deducting the amount returned upon the
35 canceled policies, certificates, and rejected
36 applications; and after deducting premiums paid for
37 windstorm or hail reinsurance on properties
38 specifically reinsured. However, the reinsurer of
39 such windstorm or hail risks shall pay ~~the applicable~~
40 a two percent of tax on the gross amount of
41 reinsurance premiums received upon such risks after
42 deducting the amounts returned upon canceled policies,
43 certificates, and rejected applications. ~~For purposes~~
44 ~~of this section, "applicable percent" means the same~~
45 ~~as specified in section 432.1, subsection 4.~~

46 Sec. _____. Section 518.18, subsections 2 and 3,
47 Code Supplement 2003, are amended by striking the
48 subsections.

49 Sec. _____. Section 518A.35, subsection 1, Code
50 Supplement 2003, is amended to read as follows:

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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, or a depository designated by the director, a
5 sum equivalent to ~~the applicable~~ two percent of the
6 gross receipts from premiums and fees for business
7 done within the state, including all insurance upon
8 property situated in the state without including or
9 deducting any amounts received or paid for
10 reinsurance. However, a company reinsuring windstorm
11 or hail risks written by county mutual insurance
12 associations is required to pay ~~the applicable~~ a two
13 percent tax on the gross amount of reinsurance
14 premiums received upon such risks, but after deducting
15 the amount returned upon canceled policies and
16 rejected applications covering property situated
17 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 Sec. _____. Section 518A.35, subsections 2 and 3,
23 Code Supplement 2003, are amended by striking the
24 subsections.

DIVISION

USE TAX REVENUE TRANSFER

27 Sec. _____. Notwithstanding the provisions of
28 section 423.43, as enacted by 2003 Iowa Acts, First
29 Extraordinary Session, chapter 2, section 136, from
30 the use tax revenues to be credited to the road use
31 tax fund pursuant to section 423.43, subsection 1, as
32 enacted by 2003 Iowa Acts, First Extraordinary
33 Session, chapter 2, section 136, the first seven
34 million dollars collected during the fiscal year
35 beginning July 1, 2004, and ending June 30, 2005,
36 shall be credited to the general fund of the state.

DIVISION

REPEAL OF NEW TAX INCENTIVE CREDIT AND REFUND

38 Sec. _____. 2004 Iowa Acts, Senate File 2290, is
39 repealed.

41 Sec. _____. EFFECTIVE DATE. This division of this
42 Act, being deemed of immediate importance, takes
43 effect upon enactment.""

44 9. By renumbering as necessary.

By FALLON of Polk

H-8389 FILED APRIL 5, 2004

SENATE FILE 2298**H-8390**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 96, line 26, by striking the word "The"
4 and inserting the following: "a. The".

5 2. Page 96, by inserting after line 35, the
6 following:

7 "b. Of the funds appropriated in this section,
8 \$100,000 shall be used for participation in one or
9 more pilot projects operated by a private provider to
10 allow the individual or individuals to receive service
11 in the community in accordance with principles
12 established in the *Olmstead v. L.C.* 527 U.S. 581
13 (1999) for the purpose of providing medical assistance
14 or other assistance to individuals with special needs
15 who become ineligible to continue receiving services
16 under the early and periodic screening, diagnosis, and
17 treatment program under the medical assistance program
18 due to becoming twenty-one years of age, who have been
19 approved for additional assistance through the
20 department's exception to policy provisions, but who
21 have health care needs in excess of the funding
22 available through the exception to the policy
23 provisions."

24 3. By renumbering as necessary.

By KURTENBACH of Story
HEDDENS of Story
CARROLL of Poweshiek

H-8390 FILED APRIL 5, 2004

SENATE FILE 2298**H-8392**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate as follows:
3 1. Page 163, line 26, by striking the figure
4 "16,663,446" and inserting the following:
5 "16,413,446".
6 2. Page 163, line 27, by striking the figure
7 "202.00" and inserting the following: "200.00".
8 3. Page 163, by inserting after line 27 the
9 following:
10 "As a condition of the appropriation made in this
11 section, 2.00 FTEs shall be eliminated from the local
12 public defender's office in Muscatine."

By HUTTER of Scott

H-8392 FILED APRIL 6, 2004

SENATE FILE 2298**H-8393**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 71, line 34, by striking the figure
4 "152.05" and inserting the following: "158.05".
5 2. Page 74, by inserting after line 15 the
6 following:
7 "i. For the fiscal year beginning July 1, 2004,
8 and ending June 30, 2005, the board of pharmacy
9 examiners may retain and expend 90 percent of the
10 revenues generated from any increase after July 1,
11 2004, in licensing fees pursuant to sections 124.301
12 and 147.80, and chapter 155A, for purposes related to
13 the state board's duties, including but not limited to
14 the addition of full-time equivalent positions. Fees
15 retained by the board pursuant to this lettered
16 paragraph are appropriated to the board of pharmacy
17 examiners for the purposes described in this lettered
18 paragraph."
19 3. By renumbering as necessary.

By OSTERHAUS of Jackson
HEATON of Henry

H-8393 FILED APRIL 6, 2004

SENATE FILE 2298

H-8397

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 190, line 14, by inserting after the word
4 "proposition" the following: "unless the period is
5 extended as provided in section 422E.2, subsection 5".

6 2. Page 190, line 16, by striking the word "The".

7 3. Page 190, by striking lines 17 through 20.

8 4. Page 191, by inserting before line 11 the
9 following:

10 "Sec. ____ . Section 422E.2, subsection 5,
11 paragraphs a and b, Code Supplement 2003, are amended
12 to read as follows:

13 a. The tax may be repealed, the period of
14 imposition of the tax may be extended for additional
15 periods up to ten years each, or the rate increased,
16 but not above one percent, or decreased, or the use of
17 the revenues changed after an election at which a
18 majority of those voting on the question of repeal,
19 extension, rate change, or change in use favored the
20 repeal, extension, rate change, or change in use. The
21 election at which the question of repeal, extension,
22 rate change, or change in use is offered shall be
23 called and held in the same manner and under the same
24 conditions as provided in this section for the
25 election on the imposition of the tax. However, an
26 election on the change in use shall only be held in
27 the school district where the change in use is
28 proposed to occur. The election may be held at any
29 time but not sooner than sixty days following
30 publication of the ballot proposition. However, the
31 tax shall not be repealed before it has been in effect
32 for one year.

33 b. Within ten days of the election at which a
34 majority of those voting on the question favors the
35 imposition, repeal, extension, or change in the rate
36 of the tax, the county auditor shall give written
37 notice of the result of the election by sending a copy
38 of the abstract of the votes from the favorable
39 election to the director of revenue. Election costs
40 shall be apportioned among school districts within the
41 county on a pro rata basis in proportion to the number
42 of registered voters in each school district who
43 reside within the county and the total number of
44 registered voters within the county.

45 Sec. ____ . Section 422E.3, subsection 1, Code
46 Supplement 2003, is amended to read as follows:

47 1. If a majority of those voting on the question
48 of imposition of a local sales and services tax for
49 school infrastructure purposes favors imposition of
50 the tax, the tax shall be imposed by the county board

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1 of supervisors within the county pursuant to section
2 422E.2, at the rate specified for ~~a ten-year duration~~
3 the period provided in section 422E.1, subsection 2 on
4 the gross receipts taxed by the state under chapter
5 422, division IV.

6 Sec. _____. Section 422E.3A, subsection 2, paragraph
7 a, Code Supplement 2003, is amended to read as
8 follows:

9 a. A school district that is located in whole or
10 in part in a county that voted on and approved prior
11 to April 1, 2003, the local sales and services tax for
12 school infrastructure purposes and that has a sales
13 tax capacity per student above the guaranteed school
14 infrastructure amount shall receive for the remainder
15 of the unextended term of the tax an amount equal to
16 its pro rata share of the local sales and services tax
17 receipts as provided in section 422E.3, subsection 5,
18 paragraph "d", unless the school board passes a
19 resolution by October 1, 2003, agreeing to receive a
20 distribution pursuant to paragraph "b", subparagraph
21 (1).

22 Sec. _____. Section 422E.3A, subsection 2, paragraph
23 b, subparagraphs (1) and (3), Code Supplement 2003,
24 are amended to read as follows:

25 (1) A school district that is located in whole or
26 in part in a county that voted on and approved prior
27 to April 1, 2003, the local sales and services tax for
28 school infrastructure purposes and that has a sales
29 tax capacity per student below its guaranteed school
30 infrastructure amount shall receive for the remainder
31 of the unextended term of the tax an amount equal to
32 its pro rata share of the local sales and services tax
33 receipts as provided in section 422E.3, subsection 5,
34 paragraph "d", plus an amount equal to its
35 supplemental school infrastructure amount, unless the
36 school district passes a resolution by October 1,
37 2003, agreeing to receive only an amount equal to its
38 pro rata share as provided in section 422E.3,
39 subsection 5, paragraph "d", in all subsequent years.

40 (3) A school district that is located in whole or
41 in part in a county that voted on and approved the
42 ~~continuation~~ extension of the tax pursuant to section
43 422E.2, subsection 5, on or after April 1, 2003, the
44 local sales and services tax for school infrastructure
45 purposes shall receive for any extended period an
46 amount equal to its pro rata share of the local sales
47 and services tax receipts as provided in section
48 422E.3, subsection 5, paragraph "d", not to exceed its
49 guaranteed school infrastructure amount. However, if
50 the school district's pro rata share is less than its

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1 guaranteed school infrastructure amount, the district
2 shall receive an additional amount equal to its
3 supplemental school infrastructure amount."

4 5. Page 204, line 23, by striking the figure
5 "422E.1,".

By HOFFMAN of Crawford

H-8397 FILED APRIL 6, 2004

SENATE FILE 2298**H-8408**

1 Amend the amendment, H-8365, to Senate File 2298,
2 as amended, passed, and reprinted by the Senate as
3 follows:

4 1. Page 1, by inserting after line 47 the
5 following:

6 "____. Page 163, line 26, by striking the figure
7 "16,663,446" and inserting the following:
8 "16,413,446".

9 _____. Page 163, line 27, by striking the figure
10 "202.00" and inserting the following: "200.00".

11 _____. Page 163, by inserting after line 27 the
12 following:

13 "As a condition of the appropriation made in this
14 section, 2.00 FTEs shall be eliminated from the local
15 public defender's office in Muscatine.""

By HUTTER of Scott

H-8408 FILED APRIL 6, 2004

SENATE FILE 2298**H-8413**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 183, by inserting before line 1 the
4 following:

5 "Sec. _____. Section 256D.3, subsection 3, Code
6 2003, is amended to read as follows:

7 3. Beginning January 15, ~~2004~~ 2005, the department
8 shall submit an annual report to the chairpersons and
9 ranking members of the senate and house education
10 committees that includes the statewide average school
11 district class size in basic skills instruction in
12 kindergarten through grade three, by grade level and
13 by district size, and describes school district
14 progress toward achieving early intervention block
15 grant program goals and the ways in which school
16 districts are using moneys received pursuant to
17 ~~section 256D.4~~ this chapter and expended as provided
18 in section 256D.2."

19 2. By renumbering as necessary.

By TYMESON of Madison

H-8413 FILED APRIL 6, 2004

SENATE FILE 2298

H-8414

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 16, by inserting after line 16 the
4 following:

5 "3. HELP AMERICA VOTE ACT FUNDING

6 For the purpose of drawing down Iowa's share of
7 federal funds appropriated under the federal Help
8 America Vote Act (HAVA):

9 \$ 764,492"

10 2. Page 193, by inserting before line 31 the
11 following:

12 "Sec. ____ . HOMESTEAD AND AGRICULTURAL LAND AND
13 FAMILY FARM TAX CREDITS. There is appropriated from
14 the general fund of the state for the fiscal year
15 beginning July 1, 2004, and ending June 30, 2005, the
16 following amounts in addition to any other
17 appropriations made in this division of this Act to be
18 used for the purposes designated:

19 1. For reimbursement for the homestead property
20 tax credit under section 425.1:
21 \$ 17,454,621

22 2. For reimbursement for the agricultural land and
23 family farm tax credits under sections 425A.1 and
24 426.1:
25 \$ 4,489,817"

26 3. Page 205, by inserting after line 21 the
27 following:

28 "DIVISION

29 GROW IOWA VALUES FUND FUNDING

30 Sec. ____ . GENERAL FUND APPROPRIATION. From the
31 proceeds received from the sale of bonds issued
32 pursuant to section 12.91, there is appropriated from
33 the grow Iowa values fund to the general fund of the
34 state for the fiscal period beginning July 1, 2004,
35 and ending June 30, 2006, the following amount for
36 deposit in the general fund:

37 FY 2004-2005 \$ 39,900,000
38 FY 2005-2006..... \$ 39,900,000

39 Sec. ____ . GENERAL FUND TRANSFER. There is
40 transferred from the grow Iowa values fund created in
41 section 15G.108 to the general fund of the state for
42 the fiscal year beginning July 1, 2004, and ending
43 June 30, 2005, the following amount:

44 From moneys anticipated to be received from the
45 federal government for state and local government
46 fiscal relief under the federal Jobs and Growth Tax
47 Relief Reconciliation Act of 2003:
48 \$ 41,000,000

49 One hundred percent of the amount transferred
50 pursuant to this section shall be added to the state

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1 general fund expenditure limitation for fiscal year
2 2004-2005 under section 8.54.
3 Sec. _____. Section 8.57, subsection 5, paragraph e,
4 Code Supplement 2003, is amended to read as follows:
5 e. Notwithstanding provisions to the contrary in
6 sections 99D.17 and 99F.11, for the fiscal year
7 beginning July 1, ~~2000~~ 2003, and ~~for each fiscal year~~
8 ~~thereafter~~ ending June 30, 2004, not more than a total
9 of sixty million dollars shall be deposited in the
10 general fund of the state in ~~any~~ the fiscal year
11 pursuant to sections 99D.17 and 99F.11; for the fiscal
12 period beginning July 1, 2004, and ending June 30,
13 2030, not more than a total of thirty-nine million
14 nine hundred thousand dollars of the moneys directed
15 to be deposited in the general fund of the state in a
16 fiscal year pursuant to sections 99D.17 and 99F.11
17 shall be deposited in the grow Iowa values fund
18 created in section 15G.108 in any fiscal year, and not
19 more than a total of twenty million one hundred
20 thousand dollars shall be deposited in the general
21 fund in any fiscal year; and for the fiscal year
22 beginning July 1, 2030, and for each fiscal year
23 thereafter, not more than a total of sixty million
24 dollars shall be deposited in the general fund of the
25 state in any fiscal year pursuant to sections 99D.17
26 and 99F.11. The next fifteen million dollars of the
27 moneys directed to be deposited in the general fund of
28 the state in a fiscal year pursuant to sections 99D.17
29 and 99F.11 shall be deposited in the vision Iowa fund
30 created in section 12.72 for the fiscal year beginning
31 July 1, 2000, and for each fiscal year through the
32 fiscal year beginning July 1, 2019. The next five
33 million dollars of the moneys directed to be deposited
34 in the general fund of the state in a fiscal year
35 pursuant to sections 99D.17 and 99F.11 shall be
36 deposited in the school infrastructure fund created in
37 section 12.82 for the fiscal year beginning July 1,
38 2000, and for each fiscal year thereafter until the
39 principal and interest on all bonds issued by the
40 treasurer of state pursuant to section 12.81 are paid,
41 as determined by the treasurer of state. The total
42 moneys in excess of the moneys deposited in the
43 general fund of the state, the grow Iowa values fund,
44 the vision Iowa fund, and the school infrastructure
45 fund in a fiscal year shall be deposited in the
46 rebuild Iowa infrastructure fund and shall be used as
47 provided in this section, notwithstanding section
48 8.60.

49 If the total amount of moneys directed to be
50 deposited in the general fund of the state under

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1 sections 99D.17 and 99F.11 in a fiscal year is less
2 than the total amount of moneys directed to be
3 deposited in the grow Iowa values fund, the vision
4 Iowa fund, and the school infrastructure fund in the
5 fiscal year pursuant to this paragraph "e", the
6 difference shall be paid from lottery revenues in the
7 manner provided in section 99G.39, subsection 3.

8 Sec. ____ . NEW SECTION. 12.91 GENERAL AND
9 SPECIFIC BONDING POWERS.

10 1. The treasurer of state may issue bonds for the
11 purpose of funding the grow Iowa values fund created
12 in section 15G.108. The treasurer of state shall have
13 all of the powers which are necessary to issue and
14 secure bonds and carry out the purposes of the fund.
15 The treasurer of state may issue bonds in principal
16 amounts which are necessary to provide sufficient
17 funds for the grow Iowa values fund, the payment of
18 interest on the bonds, the establishment of reserves
19 to secure the bonds, the costs of issuance of the
20 bonds, other expenditures of the treasurer of state
21 incident to and necessary or convenient to carry out
22 the bond issue for the fund, and all other
23 expenditures of the board necessary or convenient to
24 administer the fund. The bonds are investment
25 securities and negotiable instruments within the
26 meaning of and for purposes of the uniform commercial
27 code.

28 2. Bonds issued under this section are payable
29 solely and only out of the moneys, assets, or revenues
30 of the grow Iowa values fund and any bond reserve
31 funds established pursuant to section 12.92, all of
32 which may be deposited with trustees or depositories
33 in accordance with bond or security documents and
34 pledged to the payment thereof. Bonds issued under
35 this section shall contain on their face a statement
36 that the bonds do not constitute an indebtedness of
37 the state. The treasurer of state shall not pledge
38 the credit or taxing power of this state or any
39 political subdivision of the state or make bonds
40 issued pursuant to this section payable out of any
41 moneys except those in the grow Iowa values fund.

42 3. The proceeds of bonds issued by the treasurer
43 of state and not required for immediate disbursement
44 may be deposited with a trustee or depository as
45 provided in the bond documents and invested or
46 reinvested in any investment as directed by the
47 treasurer of state and specified in the trust
48 indenture, resolution, or other instrument pursuant to
49 which the bonds are issued without regard to any
50 limitation otherwise provided by law.

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- 1 4. The bonds shall be:
- 2 a. In a form, issued in denominations, executed in
- 3 a manner, and payable over terms and with rights of
- 4 redemption, and be subject to the terms, conditions,
- 5 and covenants providing for the payment of the
- 6 principal of, redemption premiums, if any, interest
- 7 which may be fixed or variable during any period the
- 8 bonds are outstanding, and such other terms and
- 9 conditions as prescribed in the trust indenture,
- 10 resolution, or other instrument authorizing their
- 11 issuance.
- 12 b. Negotiable instruments under the laws of the
- 13 state and may be sold at prices, at public or private
- 14 sale, and in a manner, as prescribed by the treasurer
- 15 of state. Chapters 73A, 74, 74A, and 75 do not apply
- 16 to the sale or issuance of the bonds.
- 17 c. Subject to the terms, conditions, and covenants
- 18 providing for the payment of the principal, redemption
- 19 premiums, if any, interest, and other terms,
- 20 conditions, covenants, and protective provisions
- 21 safeguarding payment, not inconsistent with this
- 22 section and as determined by the trust indenture,
- 23 resolution, or other instrument authorizing their
- 24 issuance.
- 25 5. The bonds are securities in which public
- 26 officers and bodies of this state, political
- 27 subdivisions of this state, insurance companies and
- 28 associations and other persons carrying on an
- 29 insurance business, banks, trust companies, savings
- 30 associations, savings and loan associations, and
- 31 investment companies; administrators, guardians,
- 32 executors, trustees, and other fiduciaries; and other
- 33 persons authorized to invest in bonds or other
- 34 obligations of the state may properly and legally
- 35 invest funds, including capital, in their control or
- 36 belonging to them.
- 37 6. Bonds must be authorized by a trust indenture,
- 38 resolution, or other instrument of the treasurer of
- 39 state.
- 40 7. Neither the resolution, trust indenture, nor
- 41 any other instrument by which a pledge is created
- 42 needs to be recorded or filed under the Iowa uniform
- 43 commercial code to be valid, binding, or effective.
- 44 8. Bonds issued under the provisions of this
- 45 section are declared to be issued for a general public
- 46 and governmental purpose and all bonds issued under
- 47 this section shall be exempt from taxation by the
- 48 state of Iowa and the interest on the bonds shall be
- 49 exempt from the state income tax and the state
- 50 inheritance and estate tax.

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1 9. Subject to the terms of any bond documents,
2 moneys in the grow Iowa values fund may be expended
3 for administration expenses.

4 10. The treasurer of state may issue bonds for the
5 purpose of refunding any bonds issued pursuant to this
6 section then outstanding, including the payment of any
7 redemption premiums thereon and any interest accrued
8 or to accrue to the date of redemption of the
9 outstanding bonds. Until the proceeds of bonds issued
10 for the purpose of refunding outstanding bonds are
11 applied to the purchase or retirement of outstanding
12 bonds or the redemption of outstanding bonds, the
13 proceeds may be placed in escrow and be invested and
14 reinvested in accordance with the provisions of this
15 section. The interest, income, and profits earned or
16 realized on an investment may also be applied to the
17 payment of the outstanding bonds to be refunded by
18 purchase, retirement, or redemption. After the terms
19 of the escrow have been fully satisfied and carried
20 out, any balance of proceeds and interest earned or
21 realized on the investments may be returned to the
22 treasurer of state for deposit in the grow Iowa values
23 fund established in section 15G.108. All refunding
24 bonds shall be issued and secured and subject to the
25 provisions of this chapter in the same manner and to
26 the same extent as other bonds issued pursuant to this
27 section.

28 11. The treasurer of state shall have all of the
29 powers which are necessary to issue and secure bonds,
30 including but not limited to the power to procure
31 insurance, other credit enhancements, and other
32 financing arrangements, and to execute instruments and
33 contracts and to enter into agreements convenient or
34 necessary to facilitate financing arrangements with
35 respect to the bonds and to carry out the purposes of
36 the fund, including but not limited to such
37 arrangements, instruments, contracts, and agreements
38 as municipal bond insurance, self-insurance or
39 liquidity trusts, accounts, pools or other
40 arrangements, liquidity facilities or covenants,
41 letters of credit, and interest rate agreements.

42 12. For purposes of this section and sections
43 12.92 through 12.95, the term "bonds" means bonds,
44 notes, and other obligations and financing
45 arrangements issued or entered into by the treasurer
46 of state and the term "interest rate agreement" means
47 an interest rate swap or exchange agreement, an
48 agreement establishing an interest rate floor or
49 ceiling or both, or any similar agreement. Any such
50 agreement may include the option to enter into or

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1 cancel the agreement or to reverse or extend the
2 agreement.

3 Sec. ____ . NEW SECTION. 12.92 GROW IOWA VALUES
4 FUND ACCOUNTS AND RESERVE FUNDS.

5 1. The treasurer of state shall establish such
6 accounts within the grow Iowa values fund created in
7 section 15G.108 as may be appropriate, including debt
8 service accounts for the purpose of paying the
9 principal of, redemption premium, if any, and interest
10 on bonds payable therefrom. Moneys in the debt
11 service accounts shall not be subject to appropriation
12 for any other purpose by the general assembly, but
13 shall be used only for the purposes of paying the
14 principal of, redemption premium, if any, and interest
15 on the bonds payable therefrom.

16 2. Revenue for the grow Iowa values fund shall
17 include, but is not limited to, the following, which
18 shall be deposited with the treasurer of state or its
19 designee as provided by any bond or security documents
20 and credited to the debt service account:

21 a. The proceeds of bonds issued to capitalize and
22 pay the costs of the fund and investment earnings on
23 the proceeds.

24 b. Interest attributable to investment of moneys
25 in the fund or an account of the fund.

26 c. Moneys in the form of a devise, gift, bequest,
27 donation, federal or other grant, reimbursement,
28 repayment, judgment, transfer, payment, or
29 appropriation from any source intended to be used for
30 the purposes of the fund or account.

31 3. a. The treasurer of state may create and
32 establish one or more special funds, to be known as
33 "bond reserve funds", to secure one or more issues of
34 bonds issued pursuant to section 12.91. The treasurer
35 of state shall pay into each bond reserve fund any
36 moneys appropriated and made available by the state or
37 treasurer of state for the purpose of the fund, any
38 proceeds of sale of bonds to the extent provided in
39 the resolutions or trust indentures authorizing their
40 issuance, and any other moneys which may be available
41 to the treasurer of state for the purpose of the fund
42 from any other sources. All moneys held in a bond
43 reserve fund, except as otherwise provided in this
44 chapter, shall be used as required solely for the
45 payment of the principal of bonds secured in whole or
46 in part by the fund or of the sinking fund payments
47 with respect to the bonds, the purchase or redemption
48 of the bonds, the payment of interest on the bonds, or
49 the payments of any redemption premium required to be
50 paid when the bonds are redeemed prior to maturity.

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1 b. Moneys in a bond reserve fund shall not be
2 withdrawn from it at any time in an amount that will
3 reduce the amount of the fund to less than the bond
4 reserve fund requirement established for the fund, as
5 provided in this subsection, except for the purpose of
6 making, with respect to bonds secured in whole or in
7 part by the fund, payment when due of principal,
8 interest, redemption premiums, and the sinking fund
9 payments with respect to the bonds for the payment of
10 which other moneys of the treasurer of state are not
11 available.

12 Any income or interest earned by, or incremental
13 to, a bond reserve fund due to the investment of it
14 may be transferred by the treasurer of state to other
15 funds or accounts to the extent the transfer does not
16 reduce the amount of that bond reserve fund below the
17 bond reserve fund requirement for it.

18 c. The treasurer of state shall not at any time
19 issue bonds, secured in whole or in part by a bond
20 reserve fund, if, upon the issuance of the bonds, the
21 amount in the bond reserve fund will be less than the
22 bond reserve fund requirement for the fund, unless the
23 treasurer of state at the time of issuance of the
24 bonds deposits in the fund from the proceeds of the
25 bonds issued or from other sources an amount which,
26 together with the amount then in the fund, will not be
27 less than the bond reserve fund requirement for the
28 fund. For the purposes of this subsection, the term
29 "bond reserve fund requirement" means, as of any
30 particular date of computation, an amount of money, as
31 provided in the resolutions or trust indentures
32 authorizing the bonds with respect to which the fund
33 is established.

34 d. To assure the continued solvency of any bonds
35 secured by the bond reserve fund, provision is made in
36 paragraph "a" for the accumulation in each bond
37 reserve fund of an amount equal to the bond reserve
38 requirement for the fund. In order to further assure
39 maintenance of the bond reserve funds, the treasurer
40 of state shall, on or before January 1 of each
41 calendar year, make and deliver to the governor the
42 treasurer of state's certificate stating the sum, if
43 any, required to restore each bond reserve fund to the
44 bond reserve fund requirement for that fund. Within
45 thirty days after the beginning of the session of the
46 general assembly next following the delivery of the
47 certificate, the governor shall submit to both houses
48 printed copies of a budget including the sum, if any,
49 required to restore each bond reserve fund to the bond
50 reserve fund requirement for that fund. Any sums

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1 appropriated by the general assembly and paid to the
2 treasurer of state pursuant to this subsection shall
3 be deposited by the treasurer of state in the
4 applicable bond reserve fund.

5 Sec. ____ . NEW SECTION. 12.93 PLEDGES.

6 1. It is the intention of the general assembly
7 that a pledge made in respect of bonds shall be valid
8 and binding from the time the pledge is made, that the
9 moneys or property so pledged and received after the
10 pledge by the treasurer of state shall immediately be
11 subject to the lien of the pledge without physical
12 delivery or further act, and that the lien of the
13 pledge shall be valid and binding as against all
14 parties having claims of any kind in tort, contract,
15 or otherwise against the treasurer of state whether or
16 not the parties have notice of the lien.

17 2. The moneys set aside in a fund or funds pledged
18 for any series or issue of bonds shall be held for the
19 sole benefit of the series or issue separate and apart
20 from moneys pledged for another series or issue of
21 bonds of the treasurer of state. Bonds may be issued
22 in series under one or more resolutions or trust
23 indentures and may be fully open-ended, thus providing
24 for the unlimited issuance of additional series, or
25 partially open-ended, limited as to additional series.

26 Sec. ____ . NEW SECTION. 12.94 LIMITATIONS.

27 Bonds issued pursuant to section 12.91 are not
28 debts of the state, or of any political subdivision of
29 the state, and do not constitute a pledge of the faith
30 and credit of the state or a charge against the
31 general credit or general fund of the state. The
32 issuance of any bonds pursuant to section 12.91 by the
33 treasurer of state does not directly, indirectly, or
34 contingently obligate the state or a political
35 subdivision of the state to apply moneys, or to levy
36 or pledge any form of taxation whatever, to the
37 payment of the bonds. Bonds issued under section
38 12.91 are payable solely and only from the sources and
39 special fund and accounts provided in section 12.92.

40 Sec. ____ . NEW SECTION. 12.95 CONSTRUCTION.

41 Sections 12.91 through 12.94, being necessary for
42 the welfare of this state and its inhabitants, shall
43 be liberally construed to effect its purposes.

44 Sec. ____ . Section 15G.108, Code Supplement 2003,
45 is amended to read as follows:

46 15G.108 GROW IOWA VALUES FUND.

47 A grow Iowa values fund is created and established
48 as a separate and distinct fund in the state treasury
49 ~~under the control of the grow Iowa values board~~
50 ~~consisting of moneys appropriated to the grow Iowa~~

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1 ~~values board~~. Moneys in the fund are not subject to
2 section 8.33. Notwithstanding section 12C.7, interest
3 or earnings on moneys in the fund shall be credited to
4 the fund. Moneys in the fund shall not be subject to
5 appropriation for any other purposes by the general
6 assembly other than as provided in this Act and 2003
7 Iowa Acts, First Extraordinary Session, chapter 2, but
8 shall be used only for the purposes of the grow Iowa
9 values fund. The treasurer of state shall act as
10 custodian of the fund and disburse moneys contained in
11 the fund as directed by the grow Iowa values board,
12 including automatic disbursements of moneys received
13 pursuant to the terms of bond indentures and documents
14 and security provisions to trustees. The fund shall
15 be administered by the grow Iowa values board, which
16 shall make expenditures from the fund consistent with
17 this chapter and pertinent Acts of the general
18 assembly. Any financial assistance provided using
19 moneys from the fund may be provided over a period of
20 time of more than one year. Payments of interest,
21 repayments of moneys loaned pursuant to this chapter,
22 and recaptures of grants or loans shall be deposited
23 in the fund.

24 Sec. _____. Section 15G.110, Code Supplement 2003,
25 is amended to read as follows:

26 15G.110 FUTURE CONSIDERATION.

27 Not later than February 1, 2007, the legislative
28 services agency shall prepare and deliver to the
29 secretary of the senate and the chief clerk of the
30 house of representatives identical bills that repeal
31 the provisions of this chapter, with the exception of
32 sections 15G.101, 15G.102, 15G.103, and 15G.108. It
33 is the intent of this section that the general
34 assembly shall bring the bill to a vote in either the
35 senate or the house of representatives expeditiously.
36 It is further the intent of this chapter that if the
37 bill is approved by the first house in which it is
38 considered, it shall expeditiously be brought to a
39 vote in the second house.

40 Sec. _____. Section 99G.39, subsection 3, paragraph
41 a, Code Supplement 2003, is amended to read as
42 follows:

43 a. Notwithstanding subsection 1, if gaming
44 revenues under sections 99D.17 and 99F.11 are
45 insufficient in a fiscal year to meet the total amount
46 of such revenues directed to be deposited in the grow
47 Iowa values fund, the vision Iowa fund, and the school
48 infrastructure fund during the fiscal year pursuant to
49 section 8.57, subsection 5, paragraph "e", the
50 difference shall be paid from lottery revenues prior

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1 to deposit of the lottery revenues in the general
2 fund. If lottery revenues are insufficient during the
3 fiscal year to pay the difference, the remaining
4 difference shall be paid from lottery revenues in
5 subsequent fiscal years as such revenues become
6 available.

7 Sec. _____. 2003 Iowa Acts, First Extraordinary
8 Session, chapter 1, section 114, is amended to read as
9 follows:

10 SEC. 114. The divisions of this Act designated the
11 grow Iowa values board and fund, with the exception of
12 sections 15G.101, 15G.102, 15G.103, and 15G.108, Code
13 Supplement 2003, the value-added agricultural products
14 and processes financial assistance program, the endow
15 Iowa grants, the technology transfer advisors, the
16 Iowa economic development loan and credit guarantee
17 fund, the economic development assistance and data
18 collection, the cultural and entertainment districts,
19 the workforce issues, and the university-based
20 research utilization program, are repealed effective
21 June 30, 2010.

22 Sec. _____. 2003 Iowa Acts, First Extraordinary
23 Session, chapter 2, section 75, subsection 1, is
24 amended to read as follows:

25 1. There is appropriated from the general fund of
26 the state from moneys credited to the general fund of
27 the state as a result of entering into the streamlined
28 sales and use tax agreement, for the fiscal ~~period~~
29 year beginning July 1, 2003, and ending June 30, ~~2010~~
30 2004, the following ~~amounts~~ amount to be used for the
31 purpose designated:

32 For deposit in the grow Iowa values fund created in
33 section 15G.107, ~~if enacted by 2003 Iowa Acts, House~~
34 ~~File 692 or another Act~~ 15G.108:

35	FY 2003-2004.....	\$ 5,000,000
36	FY 2004-2005.....	\$ 23,000,000
37	FY 2005-2006.....	\$ 75,000,000
38	FY 2006-2007.....	\$ 75,000,000
39	FY 2007-2008.....	\$ 75,000,000
40	FY 2008-2009.....	\$ 75,000,000
41	FY 2009-2010.....	\$ 75,000,000"

42 4. By renumbering as necessary.

By REASONER of Union
 BELL of Jasper
 BERRY of Black Hawk
 BUKTA of Clinton
 COHOON of Des Moines
 CONNORS of Polk
 DANDEKAR of Linn
 DAVITT of Warren
 FALLON of Polk
 FOEGE of Linn
 FORD of Polk
 FREVERT of Palo Alto
 GASKILL of Wapello
 GREIMANN of Story
 HEDDENS of Story
 HOGG of Linn
 HUNTER of Polk
 HUSER of Polk
 JACOBY of Johnson
 JOCHUM of Dubuque
 KUHN of Floyd
 LENSING of Johnson
 LYKAM of Scott

MASCHER of Johnson
 McCARTHY of Polk
 MERTZ of Kossuth
 MILLER of Webster
 MURPHY of Dubuque
 OLDSOON of Polk
 D. OLSON of Boone
 OSTERHAUS of Jackson
 PETERSEN of Polk
 QUIRK of Chickasaw
 SHOMSHOR of Pottawattamie
 SHOULTZ of Black Hawk
 SMITH of Marshall
 STEVENS of Dickinson
 SWAIM of Davis
 D. TAYLOR of Linn
 T. TAYLOR of Linn
 THOMAS of Clayton
 WENDT of Woodbury
 WHITAKER of Van Buren
 WHITEAD of Woodbury
 WINCKLER of Scott
 WISE of Lee

H-8414 FILED APRIL 6, 2004

SENATE FILE 2298

H-8415

- 1 Amend the committee amendment, H-8365, to Senate
- 2 File 2298, as amended, passed, and reprinted by the
- 3 Senate, as follows:
- 4 1. By striking page 2, line 38, through page 7,
- 5 line 22.
- 6 2. Page 7, by striking lines 43 through 46.

By MERTZ of Kossuth
 BELL of Jasper
 BERRY of Black Hawk
 BUKTA of Clinton
 COHOON of Des Moines
 CONNORS of Polk
 DANDEKAR of Linn
 DAVITT of Warren
 FALLON of Polk
 FOEGE of Linn
 FORD of Polk
 FREVERT of Palo Alto
 GASKILL of Wapello
 GREIMANN of Story
 HEDDENS of Story
 HOGG of Linn
 HUNTER of Polk
 HUSER of Polk
 JACOBY of Johnson
 JOCHUM of Dubuque
 KUHN of Floyd
 LENSING of Johnson
 LYKAM of Scott

MASCHER of Johnson
 McCARTHY of Polk
 MILLER of Webster
 MURPHY of Dubuque
 OLDSOON of Polk
 D. OLSON of Boone
 OSTERHAUS of Jackson
 PETERSEN of Polk
 QUIRK of Chickasaw
 REASONER of Union
 SHOMSHOR of Pottawattamie
 SHOULTZ of Black Hawk
 SMITH of Marshall
 STEVENS of Dickinson
 SWAIM of Davis
 D. TAYLOR of Linn
 T. TAYLOR of Linn
 THOMAS of Clayton
 WENDT of Woodbury
 WHITAKER of Van Buren
 WHITEAD of Woodbury
 WINCKLER of Scott
 WISE of Lee

H-8415 FILED APRIL 6, 2004

SENATE FILE 2298**H-8417**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 35, line 9, by inserting after the word
4 "circumstances." the following: "The moneys generated
5 by the filing fee allowed under this subsection are
6 appropriated to the department of workforce
7 development to be used for purposes of administering
8 the division of workers' compensation."

By BOGGESS of Page
JENKINS of Black Hawk

H-8417 FILED APRIL 6, 2004

SENATE FILE 2298

H-8418

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 1, line 12, by striking the figure
4 "4,564,351" and inserting the following: "4,616,351".

5 2. Page 4, line 13, by striking the figure
6 "1,144,755" and inserting the following: "1,092,755".

7 3. Page 6, by inserting after line 10 the
8 following:

9 "c. The insurance division shall allocate \$10,000
10 from the examination receipts for the payment of its
11 fees to the national council of insurance
12 legislators."

13 4. Page 49, by inserting after line 18 the
14 following:

15 "Sec. ____ . WHOLE-GRADE SHARING AGREEMENT DEADLINE
16 WAIVER. Notwithstanding sections 282.10 and 282.11,
17 the department of education may, at the department's
18 discretion, waive any of the deadline requirements of
19 sections 282.10 and 282.11, relating to the signing of
20 a whole-grade sharing agreement by the boards of two
21 or more school districts involved in the agreement and
22 the public notice and hearing requirements, if one of
23 the districts involved in the agreement has an
24 enrollment of less than three hundred. This section
25 is repealed July 1, 2004."

26 5. Page 50, lines 21 and 22, by striking the
27 figures "2001-2002" and inserting the following:
28 "2003-2004".

29 6. Page 65, by inserting after line 30 the
30 following:

31 "Sec. ____ . Section 284.10, subsection 6, Code
32 Supplement 2003, is amended to read as follows:

33 6. By July 1, ~~2005~~ 2006, the director shall
34 develop and implement an evaluator training
35 certification renewal program for administrators and
36 other practitioners who need to renew a certificate
37 issued pursuant to this section.

38 Sec. ____ . Section 284.13, subsection 1, paragraph
39 a, Code Supplement 2003, is amended by striking the
40 paragraph."

41 7. Page 65, line 31, by inserting after the word
42 "b," the following: "c,".

43 8. Page 65, line 35, by striking the words "one
44 million seven" and inserting the following: "~~seven~~
45 one million one".

46 9. Page 66, by inserting after line 2 the
47 following:

48 "c. For the fiscal year beginning July 1, ~~2003~~
49 2004, and succeeding fiscal years, an amount up to
50 four million ~~two hundred thousand~~ dollars for first-

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1 year and second-year beginning teachers, to the department of education for distribution to school districts for purposes of the beginning teacher mentoring and induction programs. A school district shall receive one thousand three hundred dollars per beginning teacher participating in the program. If the funds appropriated for the program are insufficient to pay mentors and school districts as provided in this paragraph, the department shall prorate the amount distributed to school districts based upon the amount appropriated. Moneys received by a school district pursuant to this paragraph shall be expended to provide each mentor with an award of five hundred dollars per semester, at a minimum, for participation in the school district's beginning teacher mentoring and induction program; to implement the plan; and to pay any applicable costs of the employer's share of contributions to federal social security and the Iowa public employees' retirement system or a pension and annuity retirement system established under chapter 294, for such amounts paid by the district."

10. Page 66, by striking lines 15 through 17, and inserting the following: "~~districts for training costs.~~ A portion of the funds allocated to the department for purposes of this paragraph may be used by the department for administrative purposes."

11. Page 66, line 21, by striking the words "one hundred fifty" and inserting the following: "three hundred".

12. Page 66, line 27, by striking the word "four" and inserting the following: "two".

13. Page 66, line 28, by inserting after the word "five" the following: "fifty".

14. Page 67, by inserting after line 8 the following:

"Sec. ____ . Section 284.13, subsection 1, Code Supplement 2003, is amended by adding the following new paragraph:

NEW PARAGRAPH. i. For the fiscal year beginning July 1, 2004, and ending June 30, 2005, moneys made available for the purposes of implementing paragraphs "d" and "e" may be allocated in the amounts, as determined by the department, needed to implement the purposes of paragraphs "d" and "e".

Sec. ____ . Section 294A.22, Code Supplement 2003, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. If funds appropriated are insufficient to pay phase II allocations in full,

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1 the department of administrative services shall
2 prorate payments to school districts and area
3 education agencies.

4 Sec. _____. Section 284.11, Code Supplement 2003, is
5 repealed."

6 15. Page 67, by striking line 9 and inserting the
7 following:

8 "Sec. _____. EFFECTIVE DATES.

9 1. The provisions of this division".

10 16. Page 67, by inserting after line 14 the
11 following:

12 "2. The section of this division of this Act,
13 relating to a waiver for whole-grade sharing agreement
14 deadlines, being deemed of immediate importance, takes
15 effect upon enactment and applies from the date of
16 enactment to June 30, 2004."

17 17. Page 75, line 15, by striking the words
18 "pursuant to section 99G.39".

19 18. Page 76, line 8, by striking the words
20 "provided otherwise in".

21 19. Page 76, line 9, by inserting after the
22 figure "2004" the following: "otherwise provides for
23 the deposit of tax revenue received by the state
24 racing and gaming commission pursuant to section
25 99D.15 in the gambling treatment fund".

26 20. Page 179, by inserting after line 19 the
27 following:

28 "Sec. _____. STATE APPEAL BOARD STREAMLINING. For
29 the fiscal year beginning July 1, 2004, the state
30 appeal board may pay out of any moneys in the state
31 treasury not otherwise appropriated for costs
32 associated with streamlining and improving the state
33 appeal board process."

34 21. Page 180, by inserting after line 5 the
35 following:

36 "Sec. _____. Section 8.62, Code Supplement 2003, is
37 amended by adding the following new subsection:

38 NEW SUBSECTION. 4. Notwithstanding any provision
39 of this section and section 8.39 to the contrary, if a
40 full-time equivalent position funded with an
41 appropriation from the general fund of the state
42 remains vacant for a period of at least forty-five
43 days, the agency to which the appropriation was made
44 shall revert to the general fund of the state at the
45 close of the fiscal year the salary and benefits cost
46 of that position for the period of the vacancy."

47 22. Page 181, by inserting after line 15 the
48 following:

49 "Sec. _____. Section 35A.2, Code 2003, is amended to
50 read as follows:

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1 35A.2 COMMISSION OF VETERANS AFFAIRS.

2 1. A commission of veterans affairs is created
3 consisting of ~~seven~~ nine persons who shall be
4 appointed by the governor, subject to confirmation by
5 the senate. Members shall be appointed to staggered
6 terms of four years beginning and ending as provided
7 in section 69.19. The governor shall fill a vacancy
8 for the unexpired portion of the term.

9 2. Six commissioners shall be honorably discharged
10 members of the armed forces of the United States. The
11 American legion of Iowa, disabled American veterans
12 department of Iowa, veterans of foreign wars
13 department of Iowa, American veterans of World War II,
14 Korea, and Vietnam, the Vietnam veterans of America,
15 and the military order of the purple heart, through
16 their department commanders, shall submit two names
17 respectively from their organizations to the governor.
18 The governor shall appoint from each of the
19 organizations one representative to serve as a member
20 of the commission, unless the appointments would
21 conflict with the bipartisan and gender balance
22 provisions of sections 69.16 and 69.16A. In addition,
23 the governor shall appoint ~~one member~~ three members of
24 the public, knowledgeable in the general field of
25 veterans affairs, to serve on the commission."

26 23. Page 182, by inserting after line 2 the
27 following:

28 "Sec. _____. Section 35D.13, subsection 2, Code
29 2003, is amended by striking the subsection and
30 inserting in lieu thereof the following:

31 2. The commandant shall be a licensed nursing home
32 administrator."

33 24. Page 182, by inserting after line 12 the
34 following:

35 "Sec. _____. Section 135C.31A, Code Supplement 2003,
36 is amended to read as follows:

37 135C.31A ASSESSMENT OF RESIDENTS -- PROGRAM
38 ELIGIBILITY.

39 Beginning July 1, 2003, a health care facility
40 receiving reimbursement through the medical assistance
41 program under chapter 249A shall assist the Iowa
42 commission of veterans affairs in identifying, upon
43 admission of a resident, the resident's eligibility
44 for benefits through the federal department of
45 veterans affairs. The health care facility shall also
46 assist the Iowa commission of veterans affairs in
47 determining such eligibility for residents residing in
48 the 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 or
9 to the admission of an individual to the Iowa veterans
10 home."

11 25. Page 186, by striking lines 5 through 8 and
12 inserting the following: "meets at least one of the
13 criteria in paragraphs "a" through "c" and all of the
14 criteria in paragraphs "d" through "g":"

15 26. Page 186, lines 9 and 10, by striking the
16 words "a through" and inserting the following: "b
17 and".

18 27. Page 186, by striking lines 12 through 15.

19 28. Page 186, line 16, by striking the word
20 "Annually" and inserting the following: "Is
21 accredited by the north central association of
22 colleges and secondary schools accrediting agency
23 based on their requirements, are exempt from taxation
24 under section 501(c)(3) of the Internal Revenue Code,
25 and annually".

26 29. By striking page 186, line 35 through page
27 187, line 1 and inserting the following:

28 "NEW SUBSECTION. 23. Submit annually to the
29 department of education data regarding the salaries
30 and benefits of administrators and from the most
31 recent".

32 30. Page 187, by striking lines 21 and 22 and
33 inserting the following: "board shall submit annually
34 to the department of education data regarding the
35 salaries and benefits of administrators and from the
36 most recent contract".

37 31. Page 194, line 2, by inserting after the word
38 "materials," the following: "and after consultation
39 with the public water supply and consideration of all
40 applicable rules relating to remediation,".

41 32. Page 194, lines 9 and 10, by striking the
42 words "are made available" and inserting the
43 following: "do not impose a financial obligation on
44 the part of the public water supply. Funds available
45 to or provided by the public water supply may be used
46 for system improvements made in conjunction with
47 replacement of the source".

48 33. Page 194, by striking lines 15 through 17 and
49 inserting the following: "standards. Nothing in this
50 paragraph shall affect the public water supply's right

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1 to pursue recovery from a responsible party."

2 34. Page 199, by inserting after line 27 the
3 following:

4 "Sec. _____. 2003 Iowa Acts, chapter 178, section
5 28, unnumbered paragraph 3, is amended to read as
6 follows:

7 Notwithstanding section 8.64, subsection 4, as
8 enacted by this division of this Act, the local
9 government innovation fund committee may provide ~~up to~~
10 ~~20 percent of the any~~ amount appropriated in this
11 section in the form of forgivable loans or as grants
12 for those projects that propose a new and innovative
13 sharing initiative that would serve as an important
14 model for cities and counties.

15 Sec. _____. Notwithstanding section 8.33, moneys
16 appropriated in 2003 Iowa Acts, chapter 178, section
17 62, and 2003 Iowa Acts, chapter 181, section 11,
18 subsection 3, which remain unencumbered or unobligated
19 at the close of the fiscal year beginning July 1,
20 2003, shall not revert but shall remain available for
21 expenditure for the purposes for which they were
22 appropriated for the fiscal year beginning July 1,
23 2004."

24 35. Page 199, by inserting after line 34 the
25 following:

26 "Sec. _____. 2003 Iowa Acts, First Extraordinary
27 Session, chapter 2, section 4, unnumbered paragraph 3,
28 is amended to read as follows:

29 Notwithstanding section 8.64, subsection 4, if
30 enacted by 2003 Iowa Acts, Senate File 453, section
31 27, the local government innovation fund committee may
32 provide ~~up to 20 percent of the any~~ amount
33 appropriated in this section in the form of forgivable
34 loans or as grants for those projects that propose a
35 new and innovative sharing initiative that would serve
36 as an important model for cities and counties."

37 36. Page 204, by inserting after line 16 the
38 following:

39 "Sec. _____. APPOINTMENTS. The new appointees to
40 the commission of veterans affairs, pursuant to the
41 increase in the membership of the commission as
42 provided in this division of this Act, shall be
43 appointed by the governor, with one member being
44 appointed for an initial term of two years and one
45 member being appointed for an initial term of four
46 years."

47 37. Page 204, by inserting after line 34 the
48 following:

49 "_____. The section of this division of this Act
50 relating to the nonreversion of moneys appropriated

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1 pursuant to 2003 Iowa Acts, chapter 178, section 62,
2 and 2003 Iowa Acts, chapter 181, section 11, being
3 deemed of immediate importance, takes effect upon
4 enactment.

5 _____. The sections of this division of this Act
6 relating to the increase in membership of the
7 commission of veterans affairs, being deemed of
8 immediate importance, take effect upon enactment."

9 38. By renumbering, relettering, or redesignating
10 and correcting internal references as necessary.

By DIX of Butler

H-8418 FILED APRIL 6, 2004

SENATE FILE 2298

H-8427

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 59, by striking line 29 and inserting the
4 following:

5 "..... \$ 8,468,249"

6 2. Page 59, by striking line 35 and inserting the
7 following:

8 "..... \$ 4,737,675"

By DOLECHECK of Ringgold

HANSON of Benton

STRUYK of Pottawattamie

JONES of Mills

H-8427 FILED APRIL 6, 2004

SENATE FILE 2298

H-8433

1 Amend the amendment, H-8365, to Senate File 2298,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

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

6 "____. Page 51, by inserting after line 28 the
7 following:

8 "Sec. ____ . EDUCATION FUNDING -- APPROPRIATION.

9 There is appropriated from the grow Iowa values fund
10 created in section 15G.108 to the department of
11 education for the fiscal year beginning July 1, 2004,
12 and ending June 30, 2005, the following amount, or so
13 much thereof as is necessary, to be used for the
14 purpose designated:

15 To supplement amounts appropriated pursuant to
16 section 257.16 from the general fund of the state to
17 pay the foundation aid and supplementary aid under
18 section 257.4, subsection 2:

19 \$ 41,000,000

20 The amount appropriated pursuant to this section
21 shall be in addition to, and shall not replace, funds
22 otherwise appropriated pursuant to section 257.16 for
23 the fiscal year beginning July 1, 2004, and ending
24 June 30, 2005, and shall be distributed on a per pupil
25 basis to school districts based upon the district's
26 budget enrollment.

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

32 2. Page 1, by inserting after line 46 the
33 following:

34 "____. Page 67, by inserting after line 8 the
35 following:

36 "Sec. ____ . 2003 Iowa Acts, First Extraordinary
37 Session, chapter 2, section 66, subsection 1,
38 unnumbered paragraph 2, is amended to read as follows:

39 For programs administered by the department of
40 economic development:

41 FY 2003-2004..... \$ 45,000,000

42 FY 2004-2005..... \$ ~~41,000,000~~

43 0

44 FY 2005-2006..... \$ 44,000,000

45 FY 2006-2007..... \$ 48,000,000""

By FALLON of Polk
RAECKER of Polk

SENATE FILE 2298**H-8434**

1 Amend the House amendment, H-8384, to Senate File
2 2298, as amended, passed, and reprinted by the Senate,
3 as follows:

4 1. Page 1, line 10, by striking the figure "2003"
5 and inserting the following: "2004".

By BOAL of Polk

H-8434 FILED APRIL 6, 2004

SENATE FILE 2298**H-8436**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 186, by striking lines 3 and 4 and
4 inserting the following: "subdivision of the state,
5 ~~except for county hospitals as provided in paragraph~~
6 ~~"e" of this subsection,~~ and which".

7 2. Page 186, by striking lines 7 and 8 and
8 inserting the following: ""g", except that
9 institutions defined in paragraph "c" of this
10 subsection are exempt from the requirements of
11 paragraphs "a" and "b":"

By DOLECHECK of Ringgold

H-8436 FILED APRIL 6, 2004

SENATE FILE 2298

H-8439

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 37, by inserting after line 4 the
4 following:

5 "Sec. ____ . Section 96.7, subsection 2, paragraph
6 d, subparagraph (1), Code Supplement 2003, is amended
7 to read as follows:

8 (1) The current reserve fund ratio is computed by
9 dividing the total funds available for payment of
10 benefits, on the computation date, by the total wages
11 paid in covered employment excluding reimbursable
12 employment wages during the first four calendar
13 quarters of the five calendar quarters immediately
14 preceding the computation date. However, in computing
15 the current reserve fund ratio the following amounts
16 shall be added to the total funds available for
17 payment of benefits on the following computation
18 dates:

19 (a) Twenty million dollars on July 1, 2004.

20 (b) Seventy million dollars on July 1, 2005.

21 (c) One hundred twenty million dollars on July 1,
22 2006.

23 (d) One hundred fifty million dollars on July 1,
24 2007, and on each subsequent computation date.

25 Sec. ____ . Section 96.19, subsection 18, paragraph
26 a, subparagraph (7), subparagraph subdivision (a),
27 Code 2003, is amended to read as follows:

28 (a) A person in agricultural labor when such labor
29 is performed for an employing unit which during any
30 calendar quarter in the calendar year or the preceding
31 calendar year paid remuneration in cash of twenty
32 thousand dollars or more to individuals employed in
33 agricultural labor excluding labor performed before
34 January 1, 1980, by an alien referred to in this
35 subparagraph; or on each of some twenty days during
36 the calendar year or the preceding calendar year, each
37 day being in a different calendar week, employed in
38 agricultural labor for some portion of the day ten or
39 more individuals, excluding labor performed before
40 January 1, 1980, by an alien referred to in this
41 subparagraph; and such labor is not agricultural labor
42 performed before January 1, 1980, by an individual who
43 is an alien admitted to the United States to perform
44 agricultural labor pursuant to sections 214(c) and
45 101(a)(15)(H) of the Immigration and Nationality Act,
46 8 U.S.C. § 1184(c), 1101(a)(15)(H) (1976). For
47 purposes of this subparagraph subdivision, "employed"
48 shall not include services performed by agricultural
49 workers who are aliens admitted to the United States
50 to perform labor pursuant to section

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- 1 101(a)(15)(H)(ii)(a) of the Immigration and
- 2 Nationality Act and who are not covered under the
- 3 Federal Unemployment Tax Act."
- 4 2. By renumbering as necessary.

By BOGGESS of Page

JENKINS of Black Hawk

H-8439 FILED APRIL 6, 2004**SENATE FILE 2298****H-8441**

- 1 Amend Senate File 2298, as amended, passed, and
- 2 reprinted by the Senate as follows:
- 3 1. Page 166, by inserting after line 19 the
- 4 following:
- 5 "The division of criminal investigation and bureau
- 6 of identification shall conduct a pilot project to
- 7 evaluate the use of brain fingerprinting as a pretrial
- 8 investigative technique, including, but not limited
- 9 to, the effectiveness of brain fingerprinting as a
- 10 method of reducing investigatory costs by assisting in
- 11 determining whether a suspect has knowledge of
- 12 specific information regarding a crime and the
- 13 effectiveness of brain fingerprinting as a method of
- 14 reducing trial costs by increasing the number of
- 15 defendants who choose to plead guilty and avoid a
- 16 trial. The pilot project shall be conducted pursuant
- 17 to a contract with an Iowa business that has
- 18 experience using brain fingerprinting technology in
- 19 actual criminal cases. The contract shall contain a
- 20 provision under which the business agrees to forgo
- 21 reimbursement of its expenses regarding the pilot
- 22 project up to \$108,000, unless the division determines
- 23 that, as a result of conducting the pilot project, the
- 24 state of Iowa realizes a savings of at least \$108,000.
- 25 The division, in consultation with the contracting
- 26 business, shall file a report regarding the results of
- 27 the pilot project with the cochairpersons and ranking
- 28 members of the joint appropriations subcommittee on
- 29 the justice system and the legislative services agency
- 30 by January 15, 2005."

By HOFFMAN of Crawford

H-8441 FILED APRIL 6, 2004

SENATE FILE 2298

H-8443

1 Amend the committee amendment, H-8365, to Senate
2 File 2298, as amended, passed, and reprinted by the
3 Senate, as follows:

4 1. Page 7, by striking lines 43 through 46.
By GRANZOW of Hardin

H-8443 FILED APRIL 7, 2004

SENATE FILE 2298

H-8446

1 Amend the amendment, H-8418, to Senate File 2298,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 5, by striking lines 11 through 25.
5 2. By renumbering as necessary.

By DOLECHECK of Ringgold

H-8446 FILED APRIL 7, 2004

SENATE FILE 2298

H-8450

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 182, by inserting after line 12 the
4 following:

5 "Sec. ____ . NEW SECTION. 153.40 MOBILE DENTAL
6 DELIVERY SYSTEM.

7 The Iowa department of public health shall
8 establish and implement a mobile dental delivery
9 system to make available dental supplies, portable
10 dental equipment, and vans to be used in transporting
11 the equipment to provide oral health services to and
12 improve the oral health of low-income persons who live
13 in federal or state-designated health professional
14 shortage areas and have the least access to oral
15 health services. The department shall coordinate the
16 program. Funds available for improving oral health
17 may also be used for loan forgiveness for dental
18 providers or to develop oral health training modules
19 for nursing home staff or other suitable staff who
20 provide oral health services to persons described in
21 this section."

22 2. Page 204, by inserting after line 17 the
23 following:

24 "____. The section of this division of this Act
25 enacting section 153.40 takes effect upon receipt of
26 the Iowa department of public health of federal
27 funding to establish a mobile dental delivery system.
28 The director of public health shall notify the Iowa
29 code editor that the funding has been received."

30 3. By renumbering as necessary.

By HEATON of Henry

CARROLL of Poweshiek

GREINER of Washington

RAECKER of Polk

H-8450 FILED APRIL 8, 2004

SENATE FILE 2298

H-8447

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 29, line 10, by inserting after the word
4 "infrastructure" the following: "and through the use
5 of community cluster rural development".

6 2. Page 37, by inserting after line 4 the
7 following:

8 "Sec. ____ . Section 28E.35, Code 2003, is amended
9 to read as follows:

10 28E.35 DEFINITIONS.

11 As used in this division unless the context
12 otherwise requires:

13 1. "Community cluster" means a cooperative
14 community unit established pursuant to this chapter
15 for the joint exercise of powers by two or more
16 governmental units and for sharing one or more
17 governmental functions between two or more
18 governmental units participating in a community
19 cluster.

20 2. "Governing board" means the governing board of
21 a community cluster appointed pursuant to section
22 28E.37.

23 ~~2.~~ 3. "Governmental unit" means a city, county,
24 township, school district, merged area as defined in
25 section 260C.2, or special taxing district.

26 4. "Shared governmental function" includes, but is
27 not limited to, joint delivery of services, joint
28 operation of facilities, joint development of
29 infrastructure, or joint fostering of economic
30 development.

31 Sec. ____ . Section 28E.36, Code 2003, is amended to
32 read as follows:

33 28E.36 ESTABLISHMENT OF COMMUNITY CLUSTER.

34 Two or more governmental units located in the state
35 may, by resolution of each governmental unit,
36 establish a community cluster by entering into an
37 agreement for the joint exercise of powers pursuant to
38 this chapter to make more efficient use of their
39 resources by providing for joint functions, services,
40 facilities, development of infrastructure and for
41 revenue sharing, and to foster economic development
42 shared governmental functions between two or more of
43 the governmental units participating in the community
44 cluster.

45 A community cluster and its governing board shall
46 have all the rights, powers, duties, privileges, and
47 immunities of a governmental unit and governmental
48 unit governing body to the extent that such rights,
49 powers, duties, privileges, and immunities relate to
50 shared governmental functions of the governmental

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1 units participating in the community cluster.

2 Sec. ____ . Section 28E.37, Code 2003, is amended by
3 striking the section and inserting in lieu thereof the
4 following:

5 28E.37 COMMUNITY CLUSTER GOVERNING BOARD.

6 The governing body of each governmental unit
7 participating in a community cluster shall appoint two
8 of its members to a community cluster governing board.
9 However, an alternative board composition may be
10 agreed upon by the participating governmental units.

11 A member of the governing board shall serve for two
12 years or until the member's term on the governing body
13 of the governmental unit expires, whichever is
14 earlier. A vacancy on the governing board shall be
15 filled in the same manner as the original appointment.
16 A member of the governing board shall not receive
17 compensation for service on the governing board.

18 Sec. ____ . Section 28E.38, Code 2003, is amended by
19 striking the section and inserting in lieu thereof the
20 following:

21 28E.38 POWERS AND DUTIES OF GOVERNING BOARD --
22 EXISTING BONDED INDEBTEDNESS -- TAXING AUTHORITY.

23 1. The governing board shall identify governmental
24 functions, services, facilities, development of
25 infrastructure, or economic development efforts that
26 will be shared or jointly provided or operated within
27 the community cluster.

28 2. The governing board shall establish an official
29 name for the community cluster.

30 3. The governing board may provide for the
31 transfer or other disposition of property and other
32 rights, claims, assets, and franchises as they relate
33 to a shared governmental function within the community
34 cluster. A governmental unit participating in a
35 community cluster may make donations of property, real
36 or personal, including gratuitous leases, to the
37 community cluster and the governing board as deemed
38 proper and appropriate in aiding the community cluster
39 and the governing board effectuate their purposes.

40 4. The governing board may provide for the
41 transfer, reorganization, abolition, adjustment, and
42 absorption or merger of existing boards, existing
43 subordinate service districts, local improvement
44 districts, and agencies of the participating
45 governmental units to the extent they relate to a
46 shared governmental function within the community
47 cluster.

48 5. The governing board may determine the
49 boundaries of the service areas within the community
50 cluster and shall provide for administration of the

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1 provision of services in each of the designated
2 service areas.

3 6. The governing board may employ and fix the
4 compensation of administrative, technical,
5 professional, and clerical assistance as necessary to
6 administer a shared governmental function.

7 7. a. The governing board may adopt budgets for
8 shared governmental functions within the community
9 cluster and may levy property taxes to the extent the
10 taxing authority of a participating governmental unit
11 is transferred to the community cluster to fund a
12 shared governmental function. The governing board in
13 its budget shall allocate the revenue responsibilities
14 of each governmental unit participating in the
15 community cluster. The governing board shall follow
16 the same procedures for adoption of a budget as if the
17 community cluster were a city and the governing board
18 a city council.

19 b. The governing board shall devise formulas for
20 the transfer of taxing authority from governmental
21 units that are participating in the community cluster
22 to the governing board of the community cluster to
23 fund a shared governmental function. The maximum
24 rates of taxes authorized to be levied by a
25 governmental unit participating in a community cluster
26 shall be reduced by an amount equal to that portion of
27 the levy rates transferred to the authority of the
28 governing board.

29 c. In lieu of transferring property taxing
30 authority to a governing board, a governmental unit
31 participating in a community cluster may meet its
32 shared revenue obligations by transferring other
33 sources of revenue authorized to be collected by the
34 governmental unit.

35 8. The governing board may accept donations,
36 contributions, grants, or gifts from individuals,
37 associations, municipal and private corporations, and
38 the United States, or any agency or instrumentality of
39 the United States, and may enter into agreements in
40 connection therewith.

41 9. The governing board may issue bonded
42 indebtedness to the extent authorized in section
43 28E.39.

44 10. By December 1 of each year, the governing
45 board shall provide a report relating to shared
46 governmental functions and administration of the
47 community cluster to the governing body of each
48 governmental unit participating in the community
49 cluster.

50 Sec. _____. Section 28E.39, Code 2003, is amended by

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1 striking the section and inserting in lieu thereof the
2 following:

3 28E.39 ISSUANCE OF BONDS -- APPROVAL BY
4 ELECTORATE.

5 1. The governing board may propose the expenditure
6 of funds, the issuance of revenue bonds, entering into
7 a lease-purchase agreement, or the issuance of general
8 obligation bonds for the following:

9 a. Acquisition of a construction site and
10 construction of a building or facility for common
11 public use by two or more governmental units
12 participating in the community cluster.

13 b. Purchase of an existing building or facility
14 for public use, or conversion of a building or
15 facility previously owned and maintained by a
16 governmental unit for public use by two or more
17 governmental units participating in the community
18 cluster.

19 c. Equipping or furnishing a new or existing
20 building or facility for public use by two or more
21 governmental units participating in the community
22 cluster.

23 d. Operation, maintenance, or improvement of a
24 building or facility for public use by two or more
25 governmental units participating in the community
26 cluster.

27 e. Any other aspect of construction, acquisition,
28 furnishing, operation, or maintenance of a building or
29 facility for public use by two or more governmental
30 units participating in the community cluster, such
31 other aspect having been proposed by the governing
32 board and not otherwise prohibited by law.

33 2. The proposal shall be forwarded to the
34 governing body of each governmental unit participating
35 in the community cluster that is listed in the
36 proposal as being allocated a portion of the cost for
37 any of the purposes in subsection 1, paragraphs "a"
38 through "e". The proposal shall specify the purposes
39 for which the building or facility shall be used, the
40 estimated cost of the building or facility, the
41 estimated amount of the cost to be allocated to each
42 of the participating governmental units, the
43 proportion and method of allocating the expenses of
44 the operation and maintenance of the building or
45 facility or improvement, and the disposition to be
46 made of any revenues to be derived from operation of
47 the building or facility.

48 3. If a proposal for expenditure of funds, for
49 issuance of revenue bonds, or for issuance of general
50 obligation bonds described in the proposal as

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1 essential county purpose bonds or essential corporate
2 purpose bonds is approved by the governing body of
3 each governmental unit named in the proposal, the
4 governing board may include such expenditures in its
5 budget for the following fiscal year. If a proposal
6 for issuance of general obligation bonds described in
7 the proposal as general county purpose bonds or
8 general corporate purpose bonds or for entering into a
9 lease-purchase agreement is approved by the governing
10 body of each governmental unit named in the proposal,
11 the governing board shall direct the county
12 commissioner of elections to submit the proposition at
13 a special election. The special election may be held
14 on the same day as the general election if the county
15 commissioner determines that the elections will not
16 conflict. Only those registered voters living within
17 the governmental units named in the proposal may vote
18 on the proposition. The proposition shall be adopted
19 if the vote in favor of the proposition is equal to at
20 least sixty percent of the vote cast for and against
21 the proposition in each governmental unit named in the
22 proposal.

23 4. The governing board when issuing indebtedness
24 pursuant to this section shall follow the procedures
25 for issuance of debt as if the governing board were a
26 city council or a county board of supervisors and the
27 applicable bonding provisions of chapters 74, 75, 331,
28 and 384 shall apply.

29 5. Indebtedness issued pursuant to this section
30 shall constitute a debt of the governmental units
31 named in the proposal in the same proportion that the
32 cost of the project is allocated to the governmental
33 units and such indebtedness is subject to any
34 statutory or constitutional limitation on issuance of
35 debt if the debt would be subject to such limitation
36 if it were issued by a governmental unit acting alone.

37 Sec. _____. Section 28E.40, Code 2003, is amended by
38 striking the section and inserting in lieu thereof the
39 following:

40 28E.40 JOINING COMMUNITY CLUSTER OR TERMINATING
41 PARTICIPATION.

42 1. A governmental unit, by resolution, may request
43 to join an existing community cluster. The governing
44 body of the governmental unit shall forward the
45 resolution to the governing bodies of each
46 governmental unit participating in the community
47 cluster. If each of the governing bodies approves the
48 resolution, the governmental unit is included in the
49 community cluster and shall appoint two of the members
50 of its governing body to the governing board of the

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1 community cluster.

2 2. A governmental unit, by resolution, may
3 terminate its participation in a community cluster.
4 Immediately upon its adoption by the governing body of
5 the governmental unit seeking termination of its
6 participation in the community cluster, the resolution
7 shall be forwarded to the governing board. The
8 governing board is not empowered to deny termination
9 but it may set a timetable, not to exceed eighteen
10 months after adoption of the resolution, for
11 termination to be fully effective.

12 Sec. _____. Section 331.461, subsection 2, Code
13 2003, is amended by adding the following new
14 paragraph:

15 NEW PARAGRAPH. h. Port facilities or port
16 facilities systems, including without limitation, real
17 and personal property, water, buildings, improvements,
18 and equipment useful and suitable for taking care of
19 the needs of commerce and shipping, and also including
20 without limitation, wharves, docks, basins, piers,
21 quay walls, warehouses, tunnels, belt railway
22 facilities, cranes, dock apparatus, and other
23 machinery necessary for the convenient and economical
24 accommodation and handling of watercraft of all kinds
25 and of freight and passengers."

26 3. By renumbering as necessary.

By WISE of Lee	STEVENS of Dickinson
HOFFMAN of Crawford	TJEPKES of Webster
THOMAS of Clayton	DANDEKAR of Linn
SCHICKEL of Cerro Gordo	LUKAN of Dubuque

H-8447 FILED APRIL 7, 2004

SENATE FILE 2298

H-8452

1 Amend the committee amendment, H-8365, to Senate
2 File 2298, as amended, passed, and reprinted by the
3 Senate, as follows:

4 1. By striking page 1, line 3 through page 8,
5 line 7 and inserting the following:

6 "____. By striking everything after the enacting
7 clause and inserting the following:

8 "DIVISION I
9 RESERVE FUNDS -- USE OF REVERSIONS

10 Section 1. Section 8.55, subsection 4, Code
11 Supplement 2003, is amended by striking the
12 subsection.

13 Sec. 2. Section 8.56, subsection 1, Code
14 Supplement 2003, is amended to read as follows:

15 1. A cash reserve fund is created in the state
16 treasury. The cash reserve fund shall be separate
17 from the general fund of the state and shall not be
18 considered part of the general fund of the state
19 except in determining the cash position of the state
20 as provided in subsection 3. The moneys in the cash
21 reserve fund are not subject to section 8.33 and shall
22 not be transferred, used, obligated, appropriated, or
23 otherwise encumbered except as provided in this
24 section. ~~Notwithstanding section 12C.7, subsection 2,~~
25 ~~interest or earnings on moneys deposited in the cash~~
26 ~~reserve fund shall be credited to the rebuild Iowa~~
27 ~~infrastructure fund created in section 8.57. Moneys~~
28 in the cash reserve fund may be used for cash flow
29 purposes during a fiscal year provided that any moneys
30 so allocated are returned to the cash reserve fund by
31 the end of that fiscal year.

32 Sec. 3. Section 8.57, subsection 1, paragraph a,
33 unnumbered paragraph 1, Code Supplement 2001, as
34 amended by 2002 Iowa Acts, Second Extraordinary
35 Session, chapter 1001, section 28, and by 2003 Iowa
36 Acts, chapter 179, section 31, is amended to read as
37 follows:

38 The "cash reserve goal percentage" for fiscal years
39 beginning on or after July 1, ~~2004~~ 2005, is seven and
40 one-half percent of the adjusted revenue estimate.
41 For each fiscal year in which the appropriation of the
42 surplus existing in the general fund of the state at
43 the conclusion of the prior fiscal year pursuant to
44 paragraph "b" was not sufficient for the cash reserve
45 fund to reach the cash reserve goal percentage for the
46 current fiscal year, there is appropriated from the
47 general fund of the state an amount to be determined
48 as follows:

49 Sec. 4. 2002 Iowa Acts, Second Extraordinary
50 Session, chapter 1001, section 33, as amended by 2003

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1 Iowa Acts, chapter 179, section 40, is amended to read
2 as follows:

3 SEC. 33. EFFECTIVE DATE -- APPLICABILITY. The
4 amendments to the following designated Code provisions
5 in this division of this Act take effect July 1, 2004
6 2005:

7 1. Section 8.55, subsection 2, paragraph "a".

8 2. Section 8.56, subsection 4, paragraph "b".

9 3. Section 8.57, subsection 1, paragraph "a".

10 Sec. 5. USE OF REVERSIONS. Notwithstanding
11 section 8.62, if on June 30, 2005, a balance of an
12 operational appropriation, as defined in section 8.62,
13 except for the balances of charter agencies, as
14 defined in section 7J.1, remains unexpended or
15 unencumbered, the balance shall revert to the general
16 fund of the state as provided in section 8.33.

DIVISION II

TAX ON RESIDENTIAL UTILITIES -- PHASEOUT

17
18
19 Sec. 6. Section 423.3, as enacted by 2003 Iowa
20 Acts, First Extraordinary Session, chapter 2, section
21 96, is amended by adding the following new subsection:

22 NEW SUBSECTION. 84. a. Subject to paragraph "b",
23 the sales price from the sale or furnishing of metered
24 gas, electricity, and fuel, including propane and
25 heating oil, to residential customers which is used to
26 provide energy for residential dwellings and units of
27 apartment and condominium complexes used for human
28 occupancy.

29 b. The exemption in this subsection shall be
30 phased in by means of a reduction in the tax rate as
31 follows:

32 (1) If the date of the utility billing or meter
33 reading cycle of the residential customer for the sale
34 or furnishing of metered gas and electricity is on or
35 after January 1, 2004, through December 31, 2004, or
36 if the sale or furnishing of fuel for purposes of
37 residential energy and the delivery of the fuel occurs
38 on or after January 1, 2004, through December 31,
39 2004, the rate of tax is two percent of the sales
40 price.

41 (2) If the date of the utility billing or meter
42 reading cycle of the residential customer for the sale
43 or furnishing of metered gas and electricity is on or
44 after January 1, 2005, through December 31, 2005, or
45 if the sale or furnishing of fuel for purposes of
46 residential energy and the delivery of the fuel occurs
47 on or after January 1, 2005, through December 31,
48 2005, the rate of tax is one percent of the sales
49 price.

50 (3) If the date of the utility billing or meter

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1 reading cycle of the residential customer for the sale
2 or furnishing of metered gas and electricity is on or
3 after January 1, 2006, or if the sale, furnishing, or
4 service of fuel for purposes of residential energy and
5 the delivery of the fuel occurs on or after January 1,
6 2006, the rate of tax is zero percent of the sales
7 price.

8 c. The exemption in this subsection does not apply
9 to local option sales and services tax imposed
10 pursuant to chapters 423B and 423E.

11 DIVISION III
12 COMBINED CORPORATE RETURNS

13 Sec. 7. Section 422.37, Code 2003, is amended by
14 striking the section and inserting in lieu thereof the
15 following:

16 422.37 COMBINED RETURNS.

17 An affiliated group of corporations shall, under
18 rules prescribed by the director, file a combined
19 return showing the net income of all corporations
20 engaged in a unitary business, subject to the
21 following:

22 1. The affiliated group filing under this section
23 shall meet the requirements to file a consolidated
24 return for federal income tax purposes under the
25 Internal Revenue Code for the same taxable year.

26 2. All members of the affiliated group shall join
27 in the filing of an Iowa combined return to the extent
28 they are engaged in a unitary business.

29 3. Members of the affiliated group exempt from
30 taxation by section 422.34 shall not be included in a
31 combined return.

32 4. All members of the affiliated group shall use
33 the statutory method of allocation and apportionment
34 unless the director has granted permission to all
35 members to use an alternative method of allocation and
36 apportionment.

37 5. The computation of federal taxable income
38 before the net operating loss deduction on a combined
39 return for members of an affiliated group shall be
40 made in the same manner and under the same procedures,
41 including all intercompany adjustments and
42 eliminations, as are required for consolidating the
43 incomes of affiliated corporations for the taxable
44 year for federal income tax purposes in accordance
45 with the Internal Revenue Code.

46 6. The combined income approach reflects the
47 federal taxable income of the unitary members of the
48 Iowa affiliated group as a single economic unit, with
49 the application of the adjustments in section 422.35,
50 and the affiliated group shall only file one income

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1 tax return. Any nonunitary members of the federal
2 affiliated group subject to tax imposed by section
3 422.33 must each file its own separate corporate
4 income tax return. The net income of an affiliated
5 group is determined by applying the apportionment
6 formula against the combined income of the affiliated
7 group.

8 7. Only the sales of those corporations in the
9 affiliated group subject to the tax imposed by section
10 422.33 are included in the numerator of the
11 apportionment formula.

12 8. Only those corporations in the affiliated group
13 subject to the tax imposed by section 422.33 are
14 jointly and severally liable for the Iowa tax of the
15 combined group.

16 Sec. 8. INCREASED REVENUES APPROPRIATED. There is
17 appropriated from the general fund of the state from
18 the additional revenues generated by the amendment to
19 section 422.37 in this division of this Act to the
20 department of revenue for the fiscal year beginning
21 July 1, 2004, and ending June 30, 2005, the following
22 amounts, or so much thereof as is necessary, to be
23 used for the purposes designated:

24 a. For the additional funding necessary to fully
25 fund the homestead property tax credit pursuant to
26 section 425.1 over the amount appropriated for the
27 fiscal year beginning July 1, 2003:
28 \$ 17,454,621

29 b. For the additional funding necessary to fully
30 fund the elderly and disabled property tax credit
31 pursuant to section 425.39 over the amount
32 appropriated for the fiscal year beginning July 1,
33 2003:
34 \$ 3,304,495

35 Sec. 9. RETROACTIVE APPLICABILITY PROVISION.
36 Except for the appropriations made to the department
37 of revenue in this division, this division of this Act
38 is retroactively applicable to January 1, 2004, for
39 tax years beginning on or after that date.

40 DIVISION IV

41 CIGARETTE AND TOBACCO TAX RATES

42 Sec. 10. Section 453A.6, subsection 1, Code 2003,
43 is amended to read as follows:

44 1. There is imposed, and shall be collected and
45 paid to the department, ~~the following taxes~~ a tax on
46 all cigarettes used or otherwise disposed of in this
47 state for any purpose whatsoever+

48 ~~CLASS A. On cigarettes weighing not more than~~
49 ~~three pounds per thousand, eighteen mills on each such~~
50 ~~cigarette.~~

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1 ~~CLASS B. On cigarettes weighing more than three~~
2 ~~pounds per thousand, eighteen mills on each such equal~~
3 ~~to four and eight-tenths cents on each cigarette.~~

4 Sec. 11. Section 453A.6, Code 2003, is amended by
5 adding the following new subsection:

6 NEW SUBSECTION. 6. Cigarettes shall be sold in
7 packages of twenty or more.

8 Sec. 12. Section 453A.8, subsection 1, Code 2003,
9 is amended to read as follows:

10 1. Stamps shall be sold by and purchased from the
11 department. The department shall sell stamps to the
12 holder of a state distributor's or manufacturer's
13 permit which has not been revoked and to no other
14 person. Stamps shall be sold to the permit holders at
15 a discount of ~~two~~ one percent of the face value.
16 Stamps shall be sold in unbroken rolls of thirty
17 thousand stamps or unbroken lots of any other form
18 authorized by the director.

19 Sec. 13. Section 453A.40, subsection 1, Code
20 Supplement 2003, is amended to read as follows:

21 1. All persons required to obtain a permit or to
22 be licensed under section 453A.13 as distributors or
23 453A.44 having in their possession and held for resale
24 on the effective date of an increase in the tax rate
25 cigarettes, ~~or~~ little cigars, or tobacco products upon
26 which the tax under section 453A.6 or 453A.43 has been
27 paid, unused cigarette tax stamps which have been paid
28 for under section 453A.8, ~~or~~ unused metered imprints
29 which have been paid for under section 453A.12, or
30 tobacco products under section 453A.46 shall be
31 subject to an inventory tax on the items as provided
32 in this section.

33 Sec. 14. Section 453A.43, subsections 1, 2, and 3,
34 Code 2003, are amended to read as follows:

35 1. A tax is imposed upon all tobacco products in
36 this state and upon any person engaged in business as
37 a distributor of tobacco products, at the rate of
38 ~~twenty-two~~ thirty percent of the wholesale sales price
39 of the tobacco products, except little cigars as
40 defined in section 453A.42. Little cigars shall be
41 subject to the same rate of tax imposed upon
42 cigarettes in section 453A.6, payable at the time and
43 in the manner provided in section 453A.6; and stamps
44 shall be affixed as provided in division I of this
45 chapter. The tax on tobacco products, excluding
46 little cigars, shall be imposed at the time the
47 distributor does any of the following:

48 a. Brings, or causes to be brought, into this
49 state from without the state tobacco products for
50 sale.

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1 b. Makes, manufactures, or fabricates tobacco
2 products in this state for sale in this state.

3 c. Ships or transports tobacco products to
4 retailers in this state, to be sold by those
5 retailers.

6 2. A tax is imposed upon the use or storage by
7 consumers of tobacco products in this state, and upon
8 the consumers, at the rate of ~~twenty-two~~ thirty
9 percent of the cost of the tobacco products.

10 The tax imposed by this subsection shall not apply
11 if the tax imposed by subsection 1 on the tobacco
12 products has been paid.

13 This tax shall not apply to the use or storage of
14 tobacco products in quantities of:

- 15 a. Less than 25 cigars.
- 16 b. Less than 10 oz. snuff or snuff powder.
- 17 c. Less than 1 lb. smoking or chewing tobacco or
18 other tobacco products not specifically mentioned
19 herein, in the possession of any one consumer.

20 3. Any tobacco product with respect to which a tax
21 has once been imposed under this division shall not
22 again be subject to tax under ~~said~~ this division,
23 except as provided in section 453A.40.

24 Sec. 15. INCREASED REVENUES APPROPRIATED. There
25 is appropriated from the general fund of the state
26 from the additional revenues generated by the increase
27 in the cigarette and tobacco products tax rates in
28 this division of this Act to the designated
29 departments and agencies for the fiscal year beginning
30 July 1, 2004, and ending June 30, 2005, the following
31 amounts, or so much thereof as is necessary, for the
32 purposes designated:

- 33 1. DEPARTMENT OF PUBLIC HEALTH
 - 34 a. Addictive disorders
 - 35 For reducing the prevalence of use of tobacco,
 - 36 alcohol, and other drugs, and treating individuals
 - 37 affected by addictive behaviors, including gambling:
 - 38 \$ 1,000,000
 - 39 b. Child and adolescent wellness
 - 40 For promoting an optimum health status for children
 - 41 and adolescents from birth through 21 years of age:
 - 42 \$ 1,000,000
- 43 2. DEPARTMENT OF HUMAN SERVICES
 - 44 a. To be credited to the family investment program
 - 45 account and used for family investment program
 - 46 assistance under chapter 239B:
 - 47 \$ 2,521,320
 - 48 b. Medical assistance
 - 49 For medical assistance reimbursement and associated
 - 50 costs as specifically provided in the reimbursement

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1 methodologies in effect on June 30, 2004, except as
2 otherwise expressly authorized by law, including
3 reimbursement for abortion services, which shall be
4 available under the medical assistance program only
5 for those abortions which are medically necessary:
6 \$ 57,613,927
7 c. For medical contracts:
8 \$ 1,800,000
9 d. Children's health insurance program
10 For maintenance of the healthy and well kids in
11 Iowa program pursuant to chapter 514I for receipt of
12 federal financial participation under Title XXI of the
13 federal Social Security Act, which creates the state
14 children's health insurance program:
15 \$ 1,500,000
16 e. For child and family services:
17 \$ 10,000,000
18 f. For the state resource center at Glenwood for
19 salaries, support, maintenance, and miscellaneous
20 purposes:
21 \$ 3,157,994
22 g. For implementation of mental health,
23 developmental disabilities, and brain injury service
24 system redesign efforts:
25 \$ 5,000,000
26 h. For costs associated with the commitment and
27 treatment of sexually violent predators in the unit
28 located at the state mental health institute at
29 Cherokee, including costs of legal services and other
30 associated costs, including salaries, support,
31 maintenance, and miscellaneous purposes:
32 \$ 729,533
33 i. For distribution to counties of the county
34 mental health, mental retardation, and developmental
35 disabilities allowed growth factor adjustment, as
36 provided in 2003 Iowa Acts, chapter 179, section 2,
37 subsection 1, unnumbered paragraph 2:
38 \$ 4,665,111

39 3. COMMISSION OF VETERANS AFFAIRS
40 Iowa veterans home
41 For salaries, support, maintenance, and
42 miscellaneous purposes:
43 \$ 1,000,000
44 Sec. 16. EFFECTIVE DATE. Except for the
45 appropriations made to the department of public
46 health, department of human services, and commission
47 of veterans affairs in this division, this division of
48 this Act takes effect May 1, 2004.

49 DIVISION V
50 SERVICES SUBJECT TO TAX

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1 Sec. 17. Section 423.2, subsection 6, as enacted
2 by 2003 Iowa Acts, First Extraordinary Session,
3 chapter 2, section 95, is amended to read as follows:
4 6. The sales price of any of the following
5 enumerated services is subject to the tax imposed by
6 subsection 5: alteration and garment repair; armored
7 car; vehicle repair; battery, tire, and allied;
8 investment counseling; service charges of all
9 financial institutions; barber and beauty; boat
10 repair; vehicle wash and wax; campgrounds; carpentry;
11 roof, shingle, and glass repair; dance schools and
12 dance studios; dating services; dry cleaning,
13 pressing, dyeing, and laundering; electrical and
14 electronic repair and installation; excavating and
15 grading; farm implement repair of all kinds; flying
16 service; furniture, rug, carpet, and upholstery repair
17 and cleaning; fur storage and repair; golf and country
18 clubs and all commercial recreation; gun and camera
19 repair; house and building moving; household
20 appliance, television, and radio repair; janitorial
21 and building maintenance or cleaning; jewelry and
22 watch repair; lawn care, landscaping, and tree
23 trimming and removal; limousine service, including
24 driver; machine operator; machine repair of all kinds;
25 motor repair; motorcycle, scooter, and bicycle repair;
26 oilers and lubricators; office and business machine
27 repair; painting, papering, and interior decorating;
28 parking facilities; pay television; pet grooming; pipe
29 fitting and plumbing; wood preparation; executive
30 search agencies; private employment agencies,
31 excluding services for placing a person in employment
32 where the principal place of employment of that person
33 is to be located outside of the state; reflexology;
34 security and detective services; sewage services for
35 nonresidential commercial operations; sewing and
36 stitching; shoe repair and shoeshine; sign
37 construction and installation; storage of household
38 goods, mini-storage, and warehousing of raw
39 agricultural products; swimming pool cleaning and
40 maintenance; tanning beds or salons; taxidermy
41 services; telephone answering service; test
42 laboratories, including mobile testing laboratories
43 and field testing by testing laboratories, and
44 excluding tests on humans or animals; termite, bug,
45 roach, and pest eradicators; tin and sheet metal
46 repair; Turkish baths, massage, and reducing salons,
47 excluding services provided by massage therapists
48 licensed under chapter 152C; water conditioning and
49 softening; weighing; welding; well drilling; wrapping,
50 packing, and packaging of merchandise other than

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1 processed meat, fish, fowl, and vegetables; wrecking
2 service; wrecker and towing; engineering; accounting,
3 auditing, billing, bookkeeping, payroll, and tax
4 return preparation; public relations services except
5 the service of lobbying; computer services;
6 consulting; management services; architectural;
7 services allied to motion picture; information
8 retrieval; adjustments, collections, and credit
9 reporting; and surveying.

10 For the purposes of this subsection, the sales
11 price of a lease or rental includes rents, royalties,
12 and copyright and license fees. For the purposes of
13 this subsection, "financial institutions" means all
14 national banks, federally chartered savings and loan
15 associations, federally chartered savings banks,
16 federally chartered credit unions, banks organized
17 under chapter 524, savings and loan associations and
18 savings banks organized under chapter 534, and credit
19 unions organized under chapter 533.

20 Sec. 18. Section 423.2, as enacted by 2003 Iowa
21 Acts, First Extraordinary Session, chapter 2, section
22 95, is amended by adding the following new
23 subsections:

24 NEW SUBSECTION. 9A. Notwithstanding the five
25 percent tax rate imposed in this section, for the
26 period beginning January 1, 2006, and ending December
27 31, 2007, the tax rate imposed under this section is
28 four and three-fourths percent.

29 NEW SUBSECTION. 9B. Notwithstanding the five
30 percent tax rate imposed in this section, beginning
31 January 1, 2008, the tax rate imposed under this
32 section is four and one-fourth percent.

33 Sec. 19. Section 423.5, as enacted by 2003 Iowa
34 Acts, First Extraordinary Session, chapter 2, section
35 98, is amended by adding the following new
36 subsections:

37 NEW SUBSECTION. 8. Notwithstanding the five
38 percent tax rate imposed in this section, for the
39 period beginning January 1, 2006, and ending December
40 31, 2007, the tax rate imposed under this section is
41 four and three-fourths percent.

42 NEW SUBSECTION. 9. Notwithstanding the five
43 percent tax rate imposed in this section, beginning
44 January 1, 2008, the tax rate imposed under this
45 section is four and one-fourth percent.

46 Sec. 20. INCREASED REVENUE APPROPRIATIONS. There
47 is appropriated from the general fund of the state
48 from the additional revenues generated by the addition
49 of services taxable under the sales and use taxes in
50 this division of this Act to the designated

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1 departments and agencies for the fiscal year beginning
2 July 1, 2004, and ending June 30, 2005, the following
3 amounts, or so much thereof as is necessary, for the
4 purposes designated:

5 1. COLLEGE STUDENT AID COMMISSION:
6 a. National guard educational assistance program
7 For purposes of providing national guard
8 educational assistance under the program established
9 in section 261.86:

10 \$ 1,756,401

11 b. In addition to the funds appropriated in
12 section 261.25, subsection 1, for tuition grants:
13 \$ 1,900,000

14 c. In addition to the funds appropriated in
15 section 261.25, subsection 3, for vocational-technical
16 grants:
17 \$ 216,849

18 2. DEPARTMENT OF EDUCATION
19 a. Public broadcasting division
20 For salaries, support, maintenance, capital
21 expenditures, and miscellaneous purposes:
22 \$ 300,000

23 b. Student achievement and teacher quality program
24 For purposes, as provided in law, of the student
25 achievement and teacher quality program established
26 pursuant to chapter 284:
27 \$ 4,250,000

28 c. Jobs for America's graduates
29 For school districts to provide direct services to
30 the most at-risk senior high school students enrolled
31 in school districts through direct intervention by a
32 jobs for America's graduates specialist:
33 \$ 400,000

34 d. Early childhood programs
35 For purposes of early childhood programs,
36 including, but not limited to, the early childhood
37 programs grants and the school ready children grant
38 program established pursuant to chapter 28, and the
39 shared vision program administered by the child
40 development coordinating council in accordance with
41 chapter 256A:
42 \$ 1,500,000

43 e. Professional development
44 For professional development of teachers and
45 improvement of student achievement:
46 \$ 10,000,000

47 f. Community colleges
48 For general state financial aid to merged areas as
49 defined in section 260C.2, for vocational education
50 programs in accordance with chapters 258 and 260C:

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1 \$ 3,100,000
2 g. For the amount necessary to fund the increase
3 in state foundation aid in section 257.16 for the
4 fiscal year beginning July 1, 2004, and ending June
5 30, 2005:
6 \$116,398,176
7 3. STATE BOARD OF REGENTS
8 a. State university of Iowa
9 For salaries, support, maintenance, equipment, and
10 miscellaneous purposes:
11 \$ 13,647,725
12 b. Iowa state university of science and technology
13 For salaries, support, maintenance, equipment, and
14 miscellaneous purposes:
15 \$ 10,746,906
16 c. University of northern Iowa
17 For salaries, support, maintenance, equipment, and
18 miscellaneous purposes:
19 \$ 4,827,986
20 d. State school for the deaf
21 For salaries, support, maintenance, equipment, and
22 miscellaneous purposes:
23 \$ 498,475
24 e. Iowa braille and sight saving school
25 For salaries, support, maintenance, equipment, and
26 miscellaneous purposes:
27 \$ 278,908

DIVISION VI

FAMILY FARM AND AGRICULTURAL TAX CREDITS

29 Sec. 21. Section 331.401, subsection 1, paragraph
30 g, Code 2003, is amended by striking the paragraph.
31 Sec. 22. Section 331.512, subsection 3, Code 2003,
32 is amended to read as follows:
33 3. Carry out duties relating to the homestead tax
34 credit and ~~agricultural land tax credit~~ as provided in
35 ~~chapters chapter~~ 425 and 426.
36 Sec. 23. Section 331.559, subsection 13, Code
37 Supplement 2003, is amended by striking the
38 subsection.
39 Sec. 24. Section 425A.1, Code 2003, is amended to
40 read as follows:
41 425A.1 FAMILY FARM TAX CREDIT FUND.
42 The family farm tax credit fund is created in the
43 office of the treasurer of state. ~~There shall be~~
44 ~~transferred annually to the fund the first ten million~~
45 ~~dollars of the amount annually appropriated to the~~
46 ~~agricultural land credit fund, provided in section~~
47 ~~426.1. There is appropriated annually to the family~~
48 ~~farm tax credit fund from the general fund of the~~
49 state the sum of twenty million dollars. Any balance

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1 in the fund on June 30 shall revert to the general
2 fund.

3 Sec. 25. Section 441.73, subsection 4, Code
4 Supplement 2003, is amended to read as follows:

5 4. The executive council shall transfer for the
6 fiscal year beginning July 1, ~~1992~~ 2004, and each
7 fiscal year thereafter, from funds established in
8 sections 425.1 and ~~426.1~~ 425A.1, an amount necessary
9 to pay litigation expenses. The amount of the fund
10 for each fiscal year shall not exceed seven hundred
11 thousand dollars. The executive council shall
12 determine annually the proportionate amounts to be
13 transferred from the two separate funds. At any time
14 when no litigation is pending or in progress the
15 balance in the litigation expense fund shall not
16 exceed one hundred thousand dollars. Any excess
17 moneys shall be transferred in a proportionate amount
18 back to the funds from which they were originally
19 transferred.

20 Sec. 26. Sections 426.1 through 426.3, Code 2003,
21 are repealed.

22 Sec. 27. Sections 426.6 through 426.10, Code
23 Supplement 2003, are repealed.

DIVISION VII

GAMBLING GAMES TAXATION

24
25
26 Sec. 28. Section 99F.11, Code Supplement 2003, is
27 amended to read as follows:

28 99F.11 WAGERING TAX -- RATE -- ALLOCATIONS.

29 1. A tax is imposed on the adjusted gross receipts
30 received annually from gambling games authorized under
31 this chapter ~~at the rate of five percent on the first~~
32 ~~one million dollars of adjusted gross receipts, at the~~
33 ~~rate of ten percent on the next two million dollars of~~
34 ~~adjusted gross receipts, and at the rate of twenty~~
35 ~~percent on any amount of adjusted gross receipts over~~
36 ~~three million dollars. However, beginning January 1,~~
37 ~~1997, the rate on any amount of adjusted gross~~
38 ~~receipts over three million dollars from gambling~~
39 ~~games at racetrack enclosures is twenty-two percent~~
40 ~~and shall increase by two percent each succeeding~~
41 ~~calendar year until the rate is thirty-six percent. at~~
42 the following rates:

43 a. Fifteen percent of the first ten million of
44 adjusted gross receipts.

45 b. Twenty-five percent of the next sixty-five
46 million of adjusted gross receipts.

47 c. Twenty-three percent of the remaining adjusted
48 gross receipts.

49 2. The taxes imposed by this section shall be paid
50 by the licensee to the treasurer of state within ten

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1 days after the close of the day when the wagers were made and shall be distributed as follows:

1. a. If the gambling excursion originated at a dock located in a city, one-half of one percent of the adjusted gross receipts shall be remitted to the treasurer of the city in which the dock is located and shall be deposited in the general fund of the city. Another one-half of one percent of the adjusted gross receipts shall be remitted to the treasurer of the county in which the dock is located and shall be deposited in the general fund of the county.

2. b. If the gambling excursion originated at a dock located in a part of the county outside a city, one-half of one percent of the adjusted gross receipts shall be remitted to the treasurer of the county in which the dock is located and shall be deposited in the general fund of the county. Another one-half of one percent of the adjusted gross receipts shall be remitted to the treasurer of the Iowa city nearest to where the dock is located and shall be deposited in the general fund of the city.

3. c. Three-tenths of one percent of the adjusted gross receipts shall be deposited in the gambling treatment fund specified in section 99G.39, subsection 1, paragraph "a".

4. d. The remaining amount of the adjusted gross receipts tax shall be credited to the general fund of the state.

Sec. 29. RETROACTIVE APPLICABILITY. The provisions of this division of this Act amending section 99F.11, being deemed of immediate importance, take effect upon enactment and are retroactively applicable to July 1, 2003, and are applicable on and after that date.

DIVISION VIII

GROW IOWA VALUES FUND

Sec. 30. 2003 Iowa Acts, First Extraordinary Session, chapter 2, section 75, is amended to read as follows:

SEC. 75. ~~STREAMLINED SALES AND USE TAX REVENUE~~
GROW IOWA VALUES FUND -- APPROPRIATION.

1. There is appropriated from the general fund of the state ~~from moneys credited to the general fund of the state as a result of entering into the streamlined sales and use tax agreement,~~ for the fiscal period beginning July 1, ~~2003~~ 2004, and ending June 30, 2010, the following amounts to be used for the purpose designated:

For deposit in the grow Iowa values fund created in section 15G.107, if enacted by 2003 Iowa Acts, House

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1 File 692 or another Act:

2	FY 2003-2004.....	\$ 5,000,000
3	FY 2004-2005.....	\$ 23,000,000
4	FY 2005-2006.....	\$ 75,000,000
5	FY 2006-2007.....	\$ 75,000,000
6	FY 2007-2008.....	\$ 75,000,000
7	FY 2008-2009.....	\$ 75,000,000
8	FY 2009-2010.....	\$ 75,000,000

9 ~~2. For purposes of this section, "moneys credited~~
10 ~~to the general fund of the state as a result of~~
11 ~~entering into the streamlined sales and use tax~~
12 ~~agreement" means the amount of sales and use tax~~
13 ~~receipts credited to the general fund of the state~~
14 ~~during a fiscal year that exceeds by two percent or~~
15 ~~more the total sales and use tax receipts credited to~~
16 ~~the general fund of the state during the previous~~
17 ~~fiscal year.~~

18 ~~a. If the moneys credited to the general fund of~~
19 ~~the state as a result of entering into the streamlined~~
20 ~~sales and use tax agreement during a fiscal year total~~
21 ~~less than the amount appropriated in this section, the~~
22 ~~appropriation in this section shall be reduced to~~
23 ~~equal the total amount of the moneys so credited.~~

24 ~~b. If the appropriation for a fiscal year is~~
25 ~~reduced pursuant to paragraph "a", all appropriations~~
26 ~~made from the grow Iowa values fund for the same~~
27 ~~fiscal year shall be reduced proportionately to the~~
28 ~~amount reduced due to paragraph "a".~~

29 ~~3. 2. Notwithstanding section 8.33, moneys that~~
30 ~~remain unexpended at the end of a fiscal year shall~~
31 ~~not revert to any fund but shall remain available for~~
32 ~~expenditure for the designated purposes during the~~
33 ~~succeeding fiscal year.~~

34 DIVISION IX

35 MILITARY PAY DIFFERENTIAL

36 Sec. 31. 2003 Iowa Acts, chapter 179, section 21,
37 unnumbered paragraph 5, is amended to read as follows:

38 Notwithstanding section 8.33, unencumbered or
39 unobligated funds remaining on June 30, 2003, from the
40 appropriation made in this section shall not revert
41 but shall remain available to be used for the purposes
42 designated ~~in the following fiscal year until the end~~
43 of the fiscal year beginning July 1, 2004.

44 Sec. 32. EFFECTIVE DATE. This division of this
45 Act, being deemed of immediate importance, takes
46 effect upon enactment.

47 DIVISION X

48 STATE PERCENT OF GROWTH

49 Sec. 33. Section 257.8, subsection 1, Code
50 Supplement 2003, is amended to read as follows:

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1 1. STATE PERCENT OF GROWTH. ~~The state percent of~~
2 ~~growth for the budget year beginning July 1, 2003, is~~
3 ~~two percent.~~ The state percent of growth for the
4 budget year beginning July 1, 2004, is two percent.
5 The state percent of growth for the budget year
6 beginning July 1, 2005, is four percent. The state
7 percent of growth for each subsequent budget year
8 shall be established by statute which shall be enacted
9 within thirty days of the submission in the year
10 preceding the base year of the governor's budget under
11 section 8.21. The establishment of the state percent
12 of growth for a budget year shall be the only subject
13 matter of the bill which enacts the state percent of
14 growth for a budget year.

15 Sec. 34. STUDENT ACHIEVEMENT AND TEACHER QUALITY
16 PROGRAM. Notwithstanding section 257.8, subsection 1,
17 it is the intent of the general assembly that the
18 appropriation for the student achievement and teacher
19 quality program established in section 284.1 for the
20 fiscal year beginning July 1, 2005, shall be increased
21 by at least forty-four million dollars over the amount
22 appropriated for the program for the fiscal year
23 beginning July 1, 2004.

24 Sec. 35. APPLICABILITY. The section of this
25 division of this Act amending section 257.8 is
26 applicable for computing state aid under the state
27 school foundation program for the school budget year
28 beginning July 1, 2005.

DIVISION XI

EARLY SEPARATION PROGRAM

31 Sec. 36. 2004 SICK LEAVE AND VACATION INCENTIVE
32 PROGRAM.

33 1. As used in this section, unless the context
34 provides otherwise:

35 a. "Credited service" means service under the Iowa
36 public employees' retirement system, as service is
37 defined in section 97B.1A, and membership service
38 under the public safety peace officers' retirement,
39 accident, and disability system, as defined in section
40 97A.1.

41 b. "Eligible employee" means an employee for whom,
42 but for participation in the program, the sum of the
43 number of years of credited service and the employee's
44 age in years as of December 31, 2004, equals or
45 exceeds seventy-five.

46 c. "Employee" means an employee of the executive
47 branch of this state who is not covered by a
48 collective bargaining agreement or who is represented
49 by the largest statewide public employees'
50 organization representing state employees, including

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1 an employee of a judicial district department of
2 correctional services if the district elects to
3 participate in the program, an employee of the state
4 board of regents if the board elects to participate in
5 the program, and an employee of the department of
6 justice. However, "employee" does not mean an elected
7 official.

8 d. "Participant" means a person who timely submits
9 an election to participate, and does participate, in
10 the sick leave and vacation incentive program
11 established under this section.

12 e. "Program" means the sick leave and vacation
13 incentive program established under this section.

14 f. "Regular annual salary" means an amount equal
15 to the eligible employee's regular biweekly rate of
16 pay as of the date of separation from employment
17 multiplied by twenty-six.

18 g. "Sick leave and vacation incentive benefit"
19 means an amount equal to the entire value of an
20 eligible employee's accumulated but unused vacation
21 plus the lesser of seventy-five percent of the value
22 of the eligible employee's accumulated and unused sick
23 leave or seventy-five percent of the employee's
24 regular annual salary.

25 2. To become a participant in the program, an
26 eligible employee shall do all of the following:

27 a. Submit by May 1, 2004, a written application,
28 on forms prescribed by the department of
29 administrative services, seeking participation in the
30 program.

31 b. Agree to waive any and all rights to receive
32 payments of sick leave balances under section 70A.23
33 and accrued vacation balances in a form other than as
34 provided in this section.

35 c. Agree to waive all rights to file suit against
36 the state of Iowa, including all of its departments,
37 agencies, and other subdivisions, based on state or
38 federal claims arising out of the employment
39 relationship.

40 d. Acknowledge, in writing, that participation in
41 the program waives any right to accept permanent part-
42 time or permanent full-time employment with the state
43 other than as an elected official on or after July 2,
44 2004.

45 e. Agree to separate from employment with the
46 state by July 2, 2004.

47 3. a. Upon acceptance to participate in the
48 program and separation from employment with the state
49 by July 2, 2004, a participant shall receive a sick
50 leave and vacation incentive benefit. The state shall

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1 pay to the participant a portion of the sick leave and
2 vacation incentive benefit each fiscal year for a
3 period of five years commencing with the fiscal year
4 ending June 30, 2005.

5 b. A participant in the program shall be eligible
6 to continue participation in the group plan or under
7 the group contract at the participant's own expense in
8 the same manner as a retired employee pursuant to
9 section 509A.13. In addition, a participant shall be
10 deemed an eligible retired state employee for purposes
11 of eligibility for continuation of group insurance
12 covering spouses as provided in section 509A.13A.

13 4. a. The department of administrative services
14 shall administer the program, including the
15 determination of eligibility for participation in the
16 program, and shall adopt administrative rules to
17 administer the program. The department may adopt
18 rules on an emergency basis under section 17A.4,
19 subsection 2, and section 17A.5, subsection 2,
20 paragraph "b", to implement this section and the rules
21 shall be effective immediately upon filing unless a
22 later date is specified in the rules.

23 b. Records of the Iowa public employees'
24 retirement system may be released for the purposes of
25 administering and monitoring the program subject to
26 the requirements of section 97B.17, subsection 5.

27 c. The department of administrative services, in
28 collaboration with the department of management, shall
29 present an interim report to the general assembly,
30 including copies to the legislative services agency
31 and the fiscal committee of the legislative council,
32 by October 1, 2004, concerning the operation of the
33 program. The department shall also submit an annual
34 update concerning the program by October 1 of each
35 year for four years, commencing October 1, 2005. The
36 reports shall include information concerning the
37 number of program participants, the cost of the
38 program including any payments made to participants,
39 the number of state employment positions eliminated
40 pursuant to the program, and the number of positions
41 vacated by a program participant that have been
42 refilled.

43 5. An employer, as defined in section 70A.38, may
44 employ persons to fill vacancies created as a result
45 of employee participation in the program established
46 pursuant to this section subject to the following:

47 a. The employer shall not fill more than seventy-
48 five percent of the vacancies created as a result of
49 employee participation in the program.

50 b. An employer shall not offer employment to an

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1 individual who is participating in the program
2 established pursuant to this division of this Act or
3 in an early termination program established pursuant
4 to 2001 Iowa Acts, First Extraordinary Session,
5 chapter 5, or 2002 Iowa Acts, Second Extraordinary
6 Session, chapter 1001.

7 Sec. 37. EFFECTIVE DATE. This division of this
8 Act, being deemed of immediate importance, takes
9 effect upon enactment.

10 DIVISION XII

11 CIGARETTE STAMP PRINTING

12 Sec. 38. Section 453A.7, unnumbered paragraph 2,
13 Code Supplement 2003, is amended to read as follows:

14 There is appropriated annually from the general
15 fund of the state ~~the sum of one hundred fifteen~~
16 ~~thousand dollars to carry out to the department of~~
17 revenue an amount sufficient to implement the
18 provisions of this section."

19 _____. Title page, by striking lines 1 through 3
20 and inserting the following: "An Act relating to
21 state budgetary matters and revenue enhancements by
22 making and revising certain appropriations, phasing
23 out the sales tax on residential utilities, requiring
24 combined corporate returns of unitary businesses,
25 adjusting cigarette and tobacco products tax rates,
26 expanding the services subject to sales and use taxes
27 and adjusting the sales and use tax rates, increasing
28 the appropriation for family farm tax credits and
29 repealing the agricultural land tax credits, revising
30 the tax rates for gambling game establishments,
31 altering the source of moneys to the grow Iowa values
32 fund, providing for military pay differential,
33 establishing state percent of growth for school aid,
34 providing an early employment separation incentive
35 program, providing a standing appropriation for
36 printing cigarette tax stamps, and including effective
37 and retroactive applicability date provisions.""

By KLEMME of Plymouth

H-8452 FILED APRIL 8, 2004

SENATE FILE 2298**H-8454**

1 Amend the amendment, H-8418, to Senate File 2298,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 1, by striking line 50 and inserting the
5 following: "~~four~~ three million two five hundred
6 thousand dollars for first-".

By DOLECHECK of Ringgold

H-8454 FILED APRIL 8, 2004

SENATE FILE 2298

H-8455

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 77, by inserting after line 20, the
4 following:

5 "Sec. ____ . TOBACCO USE PREVENTION AND CONTROL --
6 ADMINISTRATOR. The director of the Iowa department of
7 public health shall employ a division administrator
8 for the division of tobacco use prevention and control
9 as a full-time equivalent position with a salary
10 commensurate with the full-time position.

11 Sec. ____ . LEGISLATIVE INTENT -- THE STATE OF IOWA,
12 A HEALTHY COMMUNITY.

13 1. It is the intent of the general assembly that
14 state agencies, local communities, and individuals
15 begin exploring strategies and partnerships to create
16 a statewide community network that supports health
17 promotion, prevention, and chronic disease management.

18 2. It is the expectation of the general assembly
19 that such strategies and partnerships will energize
20 local communities to transform their cultures into
21 those which promote healthy lifestyles and which,
22 collectively, transform the state of Iowa into one
23 healthy community."

24 2. Page 90, by inserting after line 35, the
25 following:

26 "Sec. ____ . FOOD STAMP HEALTHY CHOICES. The
27 department of human services, in cooperation with the
28 Iowa department of public health, shall identify means
29 by which the food stamp program may be utilized to
30 promote good nutrition and healthy choices among
31 recipients of food stamps. The departments shall
32 submit a report of their findings to the general
33 assembly by December 15, 2004."

34 3. Page 100, by inserting after line 10, the
35 following:

36 " ____ . Determine or enter a contract to identify
37 the incidence of chronic disease within the Iowa
38 medical assistance program population in order to most
39 effectively utilize disease management programs under
40 the medical assistance program. The department may
41 procure a sole source contract to implement this
42 subsection."

43 4. Page 130, line 2, by inserting after the word
44 "fund." the following: "To the extent allowed under
45 Title XIX of the federal Social Security Act, any
46 hospital qualifying for disproportionate share
47 hospital reimbursement shall provide evidence to the
48 department that the hospital provides or participates
49 in a disease management program for persons whose
50 costs are part of the hospital's uncompensated care

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1 costs."

2 5. By renumbering as necessary.

By HEATON of Henry
EICHHORN of Hamilton
UPMEYER of Hancock

H-8455 FILED APRIL 12, 2004
ADOPTED

SENATE FILE 2298**H-8456**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 121, by striking lines 11 and 12 and
4 inserting the following: "support, maintenance, and
5 miscellaneous purposes:"

6 2. Page 121, by striking line 14.

By HEATON of Henry
HUSEMAN of Cherokee

H-8456 FILED APRIL 12, 2004
ADOPTED

SENATE FILE 2298**H-8457**

1 Amend Senate File 2298 as amended, passed and
2 reprinted by the Senate, as follows:

3 1. Page 133, by striking lines 9 through 13, and
4 inserting the following: "mental health quality of
5 care improvement committee. The committee membership
6 shall include".

7 2. Page 133, line 24, by inserting after the
8 figure "249A.24," the following: "the contractor for
9 the medical assistance program managed care mental
10 health contract,".

11 3. Page 133, line 33, by inserting after the word
12 "preferences." the following: "This paragraph shall
13 not apply to any prior authorization requirement
14 imposed by the contractor on or before June 30, 2004,
15 under the managed care mental health contract."

16 4. Page 134, line 3, by inserting after the word
17 "and" the following: "after a cost-benefit analysis
18 may".

By HEATON of Henry

H-8457 FILED APRIL 12, 2004
WITHDRAWN

SENATE FILE 2298

H-8458

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 65, by inserting after line 6 the
4 following:

5 "Sec. ____ . Section 262.56, Code 2003, is amended
6 to read as follows:

7 262.56 AUTHORIZATION -- CONTRACTS -- TITLE.

8 1. Subject to and in accordance with the
9 provisions of this division the state board of regents
10 is hereby authorized to undertake and carry out any
11 project as hereinbefore defined at the state
12 University of Iowa, Iowa State University of science
13 and technology and the University of Northern Iowa and
14 to operate, control, maintain and manage student
15 residence halls and dormitories, including dining and
16 other incidental facilities, and additions to such
17 buildings at each of said institutions. All contracts
18 for the construction, reconstruction, completion,
19 equipment, improvement, repair or remodeling of any
20 buildings, additions or facilities shall be let in
21 accordance with the provisions of section 262.34. The
22 title to all real estate acquired under the provisions
23 of this division and the improvements erected thereon
24 shall be taken and held in the name of the state of
25 Iowa. The board is authorized to rent the rooms in
26 such residence halls and dormitories to the students,
27 officers, guests and employees of said institutions at
28 such rates, fees or rentals as will provide a
29 reasonable return upon the investment, but which will
30 in any event produce net rents, profits and income
31 sufficient to insure the payment of the principal of
32 and interest on all bonds or notes issued to pay any
33 part of the cost of any project and refunding bonds or
34 notes issued pursuant to the provisions of this
35 division.

36 2. The state board of regents shall prohibit the
37 institutions of higher education under its control
38 from specifically setting aside any percentage of
39 available residence hall or dormitory space
40 specifically for the purposes of housing students who
41 are interested in, or are participating in, sexuality
42 studies or programs."

43 2. By renumbering as necessary.

By ALONS of Sioux
DE BOEF of Keokuk

H-8458 FILED APRIL 12, 2004

WITHDRAWN

SENATE FILE 2298**H-8459**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 147, by inserting after line 5 the
4 following:

5 "NEW SUBSECTION. 6. Each county shall submit a
6 report to the department of human services and
7 legislative services agency on or before January 15,
8 2005, documenting the unaudited expenditures from the
9 county's mental health, mental retardation, and
10 developmental disabilities services fund for the
11 period beginning July 1, 2004, and ending December 31,
12 2004."

By HEATON of Henry

H-8459 FILED APRIL 12, 2004

WITHDRAWN

SENATE FILE 2298**H-8460**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 127, line 20, by inserting after the word
4 "rate." the following: "Notwithstanding section
5 232.141, subsection 8, for the fiscal year beginning
6 July 1, 2004, the amount of the statewide average of
7 the actual and allowable rates for reimbursement of
8 juvenile shelter care homes that is utilized for the
9 limitation on recovery of unpaid costs shall remain at
10 the same amount in effect for this purpose in the
11 preceding fiscal year."

By HEATON of Henry

H-8460 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298

H-8461

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 141, by striking lines 1 through 8 and
4 inserting the following:

5 " _____. Five million dollars of the moneys
6 appropriated in this subsection shall be transferred
7 to the senior living revolving loan program fund
8 created in section 16.182 for the purposes of that
9 section.

10 _____. Two million dollars of the moneys
11 appropriated in this subsection shall be transferred
12 to the home and community-based services revolving
13 loan program fund created in section 16.183 for the
14 purposes of that section."

15 2. Page 144, by inserting after line 3 the
16 following:

17 "Sec. _____. NEW SECTION. 16.182 SENIOR LIVING
18 REVOLVING LOAN PROGRAM FUND.

19 1. A senior living revolving loan program fund is
20 created within the authority to further the goal of
21 the senior living program as specified in section
22 249H.2. The moneys in the senior living revolving
23 loan program fund shall be used by the authority for
24 the development and operation of a revolving loan
25 program to provide financing to construct affordable
26 assisted living and service-enriched affordable
27 housing for seniors and persons with disabilities,
28 including through new construction or acquisition and
29 rehabilitation.

30 2. Moneys received by the authority from the
31 senior living trust fund, transferred by the authority
32 for deposit in the senior living revolving loan
33 program fund, moneys appropriated to the senior living
34 revolving loan program, and any other moneys available
35 to and obtained or accepted by the authority for
36 placement in the senior living revolving loan program
37 fund shall be deposited in the fund. Additionally,
38 payment of interest, recaptures of awards, and other
39 repayments to the senior living revolving loan program
40 fund shall be deposited in the fund. Notwithstanding
41 section 12C.7, subsection 2, interest or earnings on
42 moneys in the senior living revolving loan program
43 fund shall be credited to the fund. Notwithstanding
44 section 8.33, moneys that remain unencumbered or
45 unobligated at the end of the fiscal year shall not
46 revert but shall remain available for the same purpose
47 in the succeeding fiscal year.

48 3. The authority shall annually allocate moneys
49 available in the senior living revolving loan program
50 fund for the development of affordable assisted living

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1 and service-enriched affordable housing for seniors
2 and persons with disabilities. The authority shall
3 develop a joint application process for the allocation
4 of federal low-income housing tax credits and funds
5 available under this section. Moneys allocated to
6 such developments may be in the form of loans, grants,
7 or a combination of loans and grants.

8 4. The authority shall adopt rules pursuant to
9 chapter 17A to administer this section.

10 Sec. ____ . NEW SECTION. 16.183 HOME AND
11 COMMUNITY-BASED SERVICES REVOLVING LOAN PROGRAM FUND.

12 1. A home and community-based services revolving
13 loan program fund is created within the authority to
14 further the goals specified in section 231.3, adult
15 day services, respite services, and congregate meals.
16 The moneys in the home and community-based services
17 revolving loan program fund shall be used by the
18 authority for the development and operation of a
19 revolving loan program to develop and expand
20 facilities and infrastructure that provide adult day
21 services, respite services, and congregate meals that
22 address the needs of persons with low incomes.

23 2. Moneys received by the authority from the
24 senior living trust fund, transferred by the authority
25 for deposit in the home and community-based services
26 revolving loan program fund, moneys appropriated to
27 the home and community-based services revolving loan
28 program, and any other moneys available to and
29 obtained or accepted by the authority for placement in
30 the home and community-based services revolving loan
31 program fund shall be deposited in the fund.
32 Additionally, payment of interest, recaptures of
33 awards, and other repayments to the senior living
34 revolving loan program fund shall be deposited in the
35 fund. Notwithstanding section 12C.7, subsection 2,
36 interest or earnings on moneys in the home and
37 community-based services revolving loan program fund
38 shall be credited to the fund. Notwithstanding
39 section 8.33, moneys that remain unencumbered or
40 unobligated at the end of the fiscal year shall not
41 revert but shall remain available for the same purpose
42 in the succeeding fiscal year.

43 3. The authority, in cooperation with the
44 department of elder affairs, shall annually allocate
45 moneys available in the home and community-based
46 services revolving loan program fund to develop and
47 expand facilities and infrastructure that provide
48 adult day services, respite services, and congregate
49 meals that address the needs of persons with low
50 incomes.

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- 1 4. The authority shall adopt rules pursuant to
2 chapter 17A to administer this section."
3 3. By renumbering as necessary.

By HEATON of Henry
FOEGE of Linn
UPMEYER of Hancock

H-8461 FILED APRIL 12, 2004
ADOPTED

SENATE FILE 2298**H-8462**

- 1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 199, line 34, by inserting after the
4 figure "2004." the following: "Funds appropriated in
5 this section remaining unencumbered or unobligated at
6 the end of the fiscal year beginning July 1, 2004,
7 shall not revert but shall remain available to be used
8 for the purposes designated and for a home ownership
9 assistance program for eligible members of the
10 national guard and reserves of the armed forces of the
11 United States and the members' immediate families."
12 2. Page 204, by inserting after line 34 the
13 following:
14 "____. The section of the division of this Act
15 amending 2003 Iowa Acts, chapter 179, section 21,
16 being deemed of immediate importance, takes effect
17 upon enactment."
18 3. By renumbering as necessary.

By TYMESON of Madison
ALONS of Sioux
D. TAYLOR of Linn

H-8462 FILED APRIL 12, 2004
ADOPTED

SENATE FILE 2298**H-8465**

- 1 Amend the amendment, H-8418, to Senate File 2298,
2 as amended, passed, and reprinted by the Senate, as
3 follows:
4 1. Page 3, by striking lines 34 through 46.
5 2. By renumbering as necessary.

By JENKINS of Black Hawk

H-8465 FILED APRIL 12, 2004
WITHDRAWN

SENATE FILE 2298

H-8467

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 51, by inserting after line 28 the
4 following:

5 "Sec. ____ . STUDENT ACHIEVEMENT AND TEACHER QUALITY
6 PROGRAM. Notwithstanding section 257.8, subsection 1,
7 it is the intent of the general assembly that the
8 appropriation for the student achievement and teacher
9 quality program established in section 284.1 for the
10 fiscal year beginning July 1, 2005, shall be increased
11 by at least \$44 million over the amount appropriated
12 for the program for the fiscal year beginning July 1,
13 2004."

14 2. By striking page 183, line 32, through page
15 184, line 9, and inserting the following:

16 "Sec. ____ . Section 257.8, subsection 1, Code
17 Supplement 2003, is amended to read as follows:

18 1. STATE PERCENT OF GROWTH. ~~The state percent of~~
19 ~~growth for the budget year beginning July 1, 2003, is~~
20 ~~two percent.~~ The state percent of growth for the
21 budget year beginning July 1, 2004, is two percent.
22 The state percent of growth for the budget year
23 beginning July 1, 2005, is four percent. The state
24 percent of growth for each subsequent budget year
25 shall be established by statute which shall be enacted
26 within thirty days of the submission in the year
27 preceding the base year of the governor's budget under
28 section 8.21. The establishment of the state percent
29 of growth for a budget year shall be the only subject
30 matter of the bill which enacts the state percent of
31 growth for a budget year."

By WENDT of Woodbury
BELL of Jasper
BERRY of Black Hawk
BUKTA of Clinton
COHOON of Des Moines
CONNORS of Polk
DANDEKAR of Linn
DAVITT of Warren
FOEGE of Linn
FORD of Polk
FREVERT of Palo Alto
GASKILL of Wapello
GREIMANN of Story
HEDDENS of Story
HOGG of Linn
HUNTER of Polk
HUSER of Polk
JACOBY of Johnson
JOCHUM of Dubuque
KUHN of Floyd
LENSING of Johnson
LYKAM of Scott
MASCHER of Johnson

MCCARTHY of Polk
MERTZ of Kossuth
MILLER of Webster
MURPHY of Dubuque
OLDSON of Polk
D. OLSON of Boone
OSTERHAUS of Jackson
PETERSEN of Polk
QUIRK of Chickasaw
REASONER of Union
SHOMSHOR of Pottawattamie
SHOULTZ of Black Hawk
SMITH of Marshall
STEVENS of Dickinson
SWAIM of Davis
D. TAYLOR of Linn
T. TAYLOR of Linn
THOMAS of Clayton
WHITAKER of Van Buren
WHITEAD of Woodbury
WINCKLER of Scott
WISE of Lee

H-8467 FILED APRIL 12, 2004
LOST

SENATE FILE 2298

H-8468

- 1 Amend the committee amendment, H-8365, to Senate
 2 File 2298, as amended, passed, and reprinted by the
 3 Senate, as follows:
 4 1. Page 2, by striking lines 45 and 46 and
 5 inserting the following: "~~state~~ There is appropriated
 6 for the fiscal".
 7 2. Page 4, by striking lines 18 and 19 and
 8 inserting the following: "There is appropriated for
 9 the fiscal year".
 10 3. Page 5, by striking lines 17 and 18 and
 11 inserting the following: "There is appropriated for
 12 the fiscal year".

By WISE of Lee	McCARTHY of Polk
BELL of Jasper	MERTZ of Kossuth
BERRY of Black Hawk	MILLER of Webster
BUKTA of Clinton	MURPHY of Dubuque
COHOON of Des Moines	OLDSON of Polk
CONNORS of Polk	D. OLSON of Boone
DANDEKAR of Linn	OSTERHAUS of Jackson
DAVITT of Warren	PETERSEN of Polk
FOEGE of Linn	QUIRK of Chickasaw
FORD of Polk	REASONER of Union
FREVERT of Palo Alto	SHOMSHOR of Pottawattamie
GASKILL of Wapello	SHOULTZ of Black Hawk
GREIMANN of Story	SMITH of Marshall
HEDDENS of Story	STEVENS of Dickinson
HOGG of Linn	SWAIM of Davis
HUNTER of Polk	D. TAYLOR of Linn
HUSER of Polk	T. TAYLOR of Linn
JACOBY of Johnson	THOMAS of Clayton
JOCHUM of Dubuque	WENDT of Woodbury
KUHN of Floyd	WHITAKER of Van Buren
LENSING of Johnson	WHITEAD of Woodbury
LYKAM of Scott	WINCKLER of Scott
MASCHER of Johnson	

H-8468 FILED APRIL 12, 2004
 OUT OF ORDER

SENATE FILE 2298

H-8469

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 51, by inserting after line 28 the
4 following:

5 "Sec. ____ . EDUCATION FUNDING -- APPROPRIATION.

6 There is appropriated from the general fund of the
7 state to the department of education for the fiscal
8 year beginning July 1, 2004, and ending June 30, 2005,
9 the following amount, or so much thereof as is
10 necessary, to be used for the purpose designated:

11 To supplement amounts appropriated pursuant to
12 section 257.16 from the general fund of the state to
13 pay the foundation aid and supplementary aid under
14 section 257.4, subsection 2:

15 \$ 41,000,000

16 The amount appropriated pursuant to this section
17 shall be in addition to, and shall not replace, funds
18 otherwise appropriated pursuant to section 257.16 for
19 the fiscal year beginning July 1, 2004, and ending
20 June 30, 2005, and shall be distributed on a per pupil
21 basis to school districts based upon the district's
22 budget enrollment."

23 2. Page 205, by inserting after line 21 the
24 following:

25 "DIVISION ____

26 GROW IOWA VALUES FUND FUNDING

27 Sec. ____ . GENERAL FUND APPROPRIATION. From the
28 proceeds received from the sale of bonds issued
29 pursuant to section 12.91, there is appropriated from
30 the grow Iowa values fund to the general fund of the
31 state for the fiscal period beginning July 1, 2004,
32 and ending June 30, 2006, the following amount for
33 deposit in the general fund:

34 FY 2004-2005 \$ 39,900,000

35 FY 2005-2006..... \$ 39,900,000

36 Sec. ____ . GENERAL FUND TRANSFER. There is
37 transferred from the grow Iowa values fund created in
38 section 15G.108 to the general fund of the state for
39 the fiscal year beginning July 1, 2004, and ending
40 June 30, 2005, the following amount:

41 From moneys anticipated to be received from the
42 federal government for state and local government
43 fiscal relief under the federal Jobs and Growth Tax
44 Relief Reconciliation Act of 2003:

45 \$ 41,000,000

46 One hundred percent of the amount transferred
47 pursuant to this section shall be added to the state
48 general fund expenditure limitation for fiscal year
49 2004-2005 under section 8.54.

50 Sec. ____ . Section 8.57, subsection 5, paragraph e,

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1 Code Supplement 2003, is amended to read as follows:
2 e. Notwithstanding provisions to the contrary in
3 sections 99D.17 and 99F.11, for the fiscal year
4 beginning July 1, ~~2000~~ 2003, and ~~for each fiscal year~~
5 ~~thereafter~~ ending June 30, 2004, not more than a total
6 of sixty million dollars shall be deposited in the
7 general fund of the state in ~~any~~ the fiscal year
8 pursuant to sections 99D.17 and 99F.11; for the fiscal
9 period beginning July 1, 2004, and ending June 30,
10 2030, not more than a total of thirty-nine million
11 nine hundred thousand dollars of the moneys directed
12 to be deposited in the general fund of the state in a
13 fiscal year pursuant to sections 99D.17 and 99F.11
14 shall be deposited in the grow Iowa values fund
15 created in section 15G.108 in any fiscal year, and not
16 more than a total of twenty million one hundred
17 thousand dollars shall be deposited in the general
18 fund in any fiscal year; and for the fiscal year
19 beginning July 1, 2030, and for each fiscal year
20 thereafter, not more than a total of sixty million
21 dollars shall be deposited in the general fund of the
22 state in any fiscal year pursuant to sections 99D.17
23 and 99F.11. The next fifteen million dollars of the
24 moneys directed to be deposited in the general fund of
25 the state in a fiscal year pursuant to sections 99D.17
26 and 99F.11 shall be deposited in the vision Iowa fund
27 created in section 12.72 for the fiscal year beginning
28 July 1, 2000, and for each fiscal year through the
29 fiscal year beginning July 1, 2019. The next five
30 million dollars of the moneys directed to be deposited
31 in the general fund of the state in a fiscal year
32 pursuant to sections 99D.17 and 99F.11 shall be
33 deposited in the school infrastructure fund created in
34 section 12.82 for the fiscal year beginning July 1,
35 2000, and for each fiscal year thereafter until the
36 principal and interest on all bonds issued by the
37 treasurer of state pursuant to section 12.81 are paid,
38 as determined by the treasurer of state. The total
39 moneys in excess of the moneys deposited in the
40 general fund of the state, the grow Iowa values fund,
41 the vision Iowa fund, and the school infrastructure
42 fund in a fiscal year shall be deposited in the
43 rebuild Iowa infrastructure fund and shall be used as
44 provided in this section, notwithstanding section
45 8.60.

46 If the total amount of moneys directed to be
47 deposited in the general fund of the state under
48 sections 99D.17 and 99F.11 in a fiscal year is less
49 than the total amount of moneys directed to be
50 deposited in the grow Iowa values fund, the vision

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1 Iowa fund, and the school infrastructure fund in the
2 fiscal year pursuant to this paragraph "e", the
3 difference shall be paid from lottery revenues in the
4 manner provided in section 99G.39, subsection 3.

5 Sec. ____ . NEW SECTION. 12.91 GENERAL AND
6 SPECIFIC BONDING POWERS.

7 1. The treasurer of state may issue bonds for the
8 purpose of funding the grow Iowa values fund created
9 in section 15G.108. The treasurer of state shall have
10 all of the powers which are necessary to issue and
11 secure bonds and carry out the purposes of the fund.
12 The treasurer of state may issue bonds in principal
13 amounts which are necessary to provide sufficient
14 funds for the grow Iowa values fund, the payment of
15 interest on the bonds, the establishment of reserves
16 to secure the bonds, the costs of issuance of the
17 bonds, other expenditures of the treasurer of state
18 incident to and necessary or convenient to carry out
19 the bond issue for the fund, and all other
20 expenditures of the board necessary or convenient to
21 administer the fund. The bonds are investment
22 securities and negotiable instruments within the
23 meaning of and for purposes of the uniform commercial
24 code.

25 2. Bonds issued under this section are payable
26 solely and only out of the moneys, assets, or revenues
27 of the grow Iowa values fund and any bond reserve
28 funds established pursuant to section 12.92, all of
29 which may be deposited with trustees or depositories
30 in accordance with bond or security documents and
31 pledged to the payment thereof. Bonds issued under
32 this section shall contain on their face a statement
33 that the bonds do not constitute an indebtedness of
34 the state. The treasurer of state shall not pledge
35 the credit or taxing power of this state or any
36 political subdivision of the state or make bonds
37 issued pursuant to this section payable out of any
38 moneys except those in the grow Iowa values fund.

39 3. The proceeds of bonds issued by the treasurer
40 of state and not required for immediate disbursement
41 may be deposited with a trustee or depository as
42 provided in the bond documents and invested or
43 reinvested in any investment as directed by the
44 treasurer of state and specified in the trust
45 indenture, resolution, or other instrument pursuant to
46 which the bonds are issued without regard to any
47 limitation otherwise provided by law.

48 4. The bonds shall be:

49 a. In a form, issued in denominations, executed in
50 a manner, and payable over terms and with rights of

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1 redemption, and be subject to the terms, conditions,
2 and covenants providing for the payment of the
3 principal of, redemption premiums, if any, interest
4 which may be fixed or variable during any period the
5 bonds are outstanding, and such other terms and
6 conditions as prescribed in the trust indenture,
7 resolution, or other instrument authorizing their
8 issuance.

9 b. Negotiable instruments under the laws of the
10 state and may be sold at prices, at public or private
11 sale, and in a manner, as prescribed by the treasurer
12 of state. Chapters 73A, 74, 74A, and 75 do not apply
13 to the sale or issuance of the bonds.

14 c. Subject to the terms, conditions, and covenants
15 providing for the payment of the principal, redemption
16 premiums, if any, interest, and other terms,
17 conditions, covenants, and protective provisions
18 safeguarding payment, not inconsistent with this
19 section and as determined by the trust indenture,
20 resolution, or other instrument authorizing their
21 issuance.

22 5. The bonds are securities in which public
23 officers and bodies of this state, political
24 subdivisions of this state, insurance companies and
25 associations and other persons carrying on an
26 insurance business, banks, trust companies, savings
27 associations, savings and loan associations, and
28 investment companies; administrators, guardians,
29 executors, trustees, and other fiduciaries; and other
30 persons authorized to invest in bonds or other
31 obligations of the state may properly and legally
32 invest funds, including capital, in their control or
33 belonging to them.

34 6. Bonds must be authorized by a trust indenture,
35 resolution, or other instrument of the treasurer of
36 state.

37 7. Neither the resolution, trust indenture, nor
38 any other instrument by which a pledge is created
39 needs to be recorded or filed under the Iowa uniform
40 commercial code to be valid, binding, or effective.

41 8. Bonds issued under the provisions of this
42 section are declared to be issued for a general public
43 and governmental purpose and all bonds issued under
44 this section shall be exempt from taxation by the
45 state of Iowa and the interest on the bonds shall be
46 exempt from the state income tax and the state
47 inheritance and estate tax.

48 9. Subject to the terms of any bond documents,
49 moneys in the grow Iowa values fund may be expended
50 for administration expenses.

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1 10. The treasurer of state may issue bonds for the
2 purpose of refunding any bonds issued pursuant to this
3 section then outstanding, including the payment of any
4 redemption premiums thereon and any interest accrued
5 or to accrue to the date of redemption of the
6 outstanding bonds. Until the proceeds of bonds issued
7 for the purpose of refunding outstanding bonds are
8 applied to the purchase or retirement of outstanding
9 bonds or the redemption of outstanding bonds, the
10 proceeds may be placed in escrow and be invested and
11 reinvested in accordance with the provisions of this
12 section. The interest, income, and profits earned or
13 realized on an investment may also be applied to the
14 payment of the outstanding bonds to be refunded by
15 purchase, retirement, or redemption. After the terms
16 of the escrow have been fully satisfied and carried
17 out, any balance of proceeds and interest earned or
18 realized on the investments may be returned to the
19 treasurer of state for deposit in the grow Iowa values
20 fund established in section 15G.108. All refunding
21 bonds shall be issued and secured and subject to the
22 provisions of this chapter in the same manner and to
23 the same extent as other bonds issued pursuant to this
24 section.

25 11. The treasurer of state shall have all of the
26 powers which are necessary to issue and secure bonds,
27 including but not limited to the power to procure
28 insurance, other credit enhancements, and other
29 financing arrangements, and to execute instruments and
30 contracts and to enter into agreements convenient or
31 necessary to facilitate financing arrangements with
32 respect to the bonds and to carry out the purposes of
33 the fund, including but not limited to such
34 arrangements, instruments, contracts, and agreements
35 as municipal bond insurance, self-insurance or
36 liquidity trusts, accounts, pools or other
37 arrangements, liquidity facilities or covenants,
38 letters of credit, and interest rate agreements.

39 12. For purposes of this section and sections
40 12.92 through 12.95, the term "bonds" means bonds,
41 notes, and other obligations and financing
42 arrangements issued or entered into by the treasurer
43 of state and the term "interest rate agreement" means
44 an interest rate swap or exchange agreement, an
45 agreement establishing an interest rate floor or
46 ceiling or both, or any similar agreement. Any such
47 agreement may include the option to enter into or
48 cancel the agreement or to reverse or extend the
49 agreement.

50 Sec. ____ . NEW SECTION. 12.92 GROW IOWA VALUES

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1 FUND ACCOUNTS AND RESERVE FUNDS.

2 1. The treasurer of state shall establish such
3 accounts within the grow Iowa values fund created in
4 section 15G.108 as may be appropriate, including debt
5 service accounts for the purpose of paying the
6 principal of, redemption premium, if any, and interest
7 on bonds payable therefrom. Moneys in the debt
8 service accounts shall not be subject to appropriation
9 for any other purpose by the general assembly, but
10 shall be used only for the purposes of paying the
11 principal of, redemption premium, if any, and interest
12 on the bonds payable therefrom.

13 2. Revenue for the grow Iowa values fund shall
14 include, but is not limited to, the following, which
15 shall be deposited with the treasurer of state or its
16 designee as provided by any bond or security documents
17 and credited to the debt service account:

18 a. The proceeds of bonds issued to capitalize and
19 pay the costs of the fund and investment earnings on
20 the proceeds.

21 b. Interest attributable to investment of moneys
22 in the fund or an account of the fund.

23 c. Moneys in the form of a devise, gift, bequest,
24 donation, federal or other grant, reimbursement,
25 repayment, judgment, transfer, payment, or
26 appropriation from any source intended to be used for
27 the purposes of the fund or account.

28 3. a. The treasurer of state may create and
29 establish one or more special funds, to be known as
30 "bond reserve funds", to secure one or more issues of
31 bonds issued pursuant to section 12.91. The treasurer
32 of state shall pay into each bond reserve fund any
33 moneys appropriated and made available by the state or
34 treasurer of state for the purpose of the fund, any
35 proceeds of sale of bonds to the extent provided in
36 the resolutions or trust indentures authorizing their
37 issuance, and any other moneys which may be available
38 to the treasurer of state for the purpose of the fund
39 from any other sources. All moneys held in a bond
40 reserve fund, except as otherwise provided in this
41 chapter, shall be used as required solely for the
42 payment of the principal of bonds secured in whole or
43 in part by the fund or of the sinking fund payments
44 with respect to the bonds, the purchase or redemption
45 of the bonds, the payment of interest on the bonds, or
46 the payments of any redemption premium required to be
47 paid when the bonds are redeemed prior to maturity.

48 b. Moneys in a bond reserve fund shall not be
49 withdrawn from it at any time in an amount that will
50 reduce the amount of the fund to less than the bond

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1 reserve fund requirement established for the fund, as
2 provided in this subsection, except for the purpose of
3 making, with respect to bonds secured in whole or in
4 part by the fund, payment when due of principal,
5 interest, redemption premiums, and the sinking fund
6 payments with respect to the bonds for the payment of
7 which other moneys of the treasurer of state are not
8 available.

9 Any income or interest earned by, or incremental
10 to, a bond reserve fund due to the investment of it
11 may be transferred by the treasurer of state to other
12 funds or accounts to the extent the transfer does not
13 reduce the amount of that bond reserve fund below the
14 bond reserve fund requirement for it.

15 c. The treasurer of state shall not at any time
16 issue bonds, secured in whole or in part by a bond
17 reserve fund, if, upon the issuance of the bonds, the
18 amount in the bond reserve fund will be less than the
19 bond reserve fund requirement for the fund, unless the
20 treasurer of state at the time of issuance of the
21 bonds deposits in the fund from the proceeds of the
22 bonds issued or from other sources an amount which,
23 together with the amount then in the fund, will not be
24 less than the bond reserve fund requirement for the
25 fund. For the purposes of this subsection, the term
26 "bond reserve fund requirement" means, as of any
27 particular date of computation, an amount of money, as
28 provided in the resolutions or trust indentures
29 authorizing the bonds with respect to which the fund
30 is established.

31 d. To assure the continued solvency of any bonds
32 secured by the bond reserve fund, provision is made in
33 paragraph "a" for the accumulation in each bond
34 reserve fund of an amount equal to the bond reserve
35 requirement for the fund. In order to further assure
36 maintenance of the bond reserve funds, the treasurer
37 of state shall, on or before January 1 of each
38 calendar year, make and deliver to the governor the
39 treasurer of state's certificate stating the sum, if
40 any, required to restore each bond reserve fund to the
41 bond reserve fund requirement for that fund. Within
42 thirty days after the beginning of the session of the
43 general assembly next following the delivery of the
44 certificate, the governor shall submit to both houses
45 printed copies of a budget including the sum, if any,
46 required to restore each bond reserve fund to the bond
47 reserve fund requirement for that fund. Any sums
48 appropriated by the general assembly and paid to the
49 treasurer of state pursuant to this subsection shall
50 be deposited by the treasurer of state in the

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1 applicable bond reserve fund.

2 Sec. ____ . NEW SECTION. 12.93 PLEDGES.

3 1. It is the intention of the general assembly
4 that a pledge made in respect of bonds shall be valid
5 and binding from the time the pledge is made, that the
6 moneys or property so pledged and received after the
7 pledge by the treasurer of state shall immediately be
8 subject to the lien of the pledge without physical
9 delivery or further act, and that the lien of the
10 pledge shall be valid and binding as against all
11 parties having claims of any kind in tort, contract,
12 or otherwise against the treasurer of state whether or
13 not the parties have notice of the lien.

14 2. The moneys set aside in a fund or funds pledged
15 for any series or issue of bonds shall be held for the
16 sole benefit of the series or issue separate and apart
17 from moneys pledged for another series or issue of
18 bonds of the treasurer of state. Bonds may be issued
19 in series under one or more resolutions or trust
20 indentures and may be fully open-ended, thus providing
21 for the unlimited issuance of additional series, or
22 partially open-ended, limited as to additional series.

23 Sec. ____ . NEW SECTION. 12.94 LIMITATIONS.

24 Bonds issued pursuant to section 12.91 are not
25 debts of the state, or of any political subdivision of
26 the state, and do not constitute a pledge of the faith
27 and credit of the state or a charge against the
28 general credit or general fund of the state. The
29 issuance of any bonds pursuant to section 12.91 by the
30 treasurer of state does not directly, indirectly, or
31 contingently obligate the state or a political
32 subdivision of the state to apply moneys, or to levy
33 or pledge any form of taxation whatever, to the
34 payment of the bonds. Bonds issued under section
35 12.91 are payable solely and only from the sources and
36 special fund and accounts provided in section 12.92.

37 Sec. ____ . NEW SECTION. 12.95 CONSTRUCTION.

38 Sections 12.91 through 12.94, being necessary for
39 the welfare of this state and its inhabitants, shall
40 be liberally construed to effect its purposes.

41 Sec. ____ . Section 15G.108, Code Supplement 2003,
42 is amended to read as follows:

43 15G.108 GROW IOWA VALUES FUND.

44 A grow Iowa values fund is created and established
45 as a separate and distinct fund in the state treasury
46 ~~under the control of the grow Iowa values board~~
47 ~~consisting of moneys appropriated to the grow Iowa~~
48 ~~values board.~~ Moneys in the fund are not subject to
49 section 8.33. Notwithstanding section 12C.7, interest
50 or earnings on moneys in the fund shall be credited to

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1 the fund. Moneys in the fund shall not be subject to
2 appropriation for any other purposes by the general
3 assembly other than as provided in this Act and 2003
4 Iowa Acts, First Extraordinary Session, chapter 2, but
5 shall be used only for the purposes of the grow Iowa
6 values fund. The treasurer of state shall act as
7 custodian of the fund and disburse moneys contained in
8 the fund as directed by the grow Iowa values board,
9 including automatic disbursements of moneys received
10 pursuant to the terms of bond indentures and documents
11 and security provisions to trustees. The fund shall
12 be administered by the grow Iowa values board, which
13 shall make expenditures from the fund consistent with
14 this chapter and pertinent Acts of the general
15 assembly. Any financial assistance provided using
16 moneys from the fund may be provided over a period of
17 time of more than one year. Payments of interest,
18 repayments of moneys loaned pursuant to this chapter,
19 and recaptures of grants or loans shall be deposited
20 in the fund.

21 Sec. _____. Section 15G.110, Code Supplement 2003,
22 is amended to read as follows:

23 15G.110 FUTURE CONSIDERATION.

24 Not later than February 1, 2007, the legislative
25 services agency shall prepare and deliver to the
26 secretary of the senate and the chief clerk of the
27 house of representatives identical bills that repeal
28 the provisions of this chapter, with the exception of
29 sections 15G.101, 15G.102, 15G.103, and 15G.108. It
30 is the intent of this section that the general
31 assembly shall bring the bill to a vote in either the
32 senate or the house of representatives expeditiously.
33 It is further the intent of this chapter that if the
34 bill is approved by the first house in which it is
35 considered, it shall expeditiously be brought to a
36 vote in the second house.

37 Sec. _____. Section 99G.39, subsection 3, paragraph
38 a, Code Supplement 2003, is amended to read as
39 follows:

40 a. Notwithstanding subsection 1, if gaming
41 revenues under sections 99D.17 and 99F.11 are
42 insufficient in a fiscal year to meet the total amount
43 of such revenues directed to be deposited in the grow
44 Iowa values fund, the vision Iowa fund, and the school
45 infrastructure fund during the fiscal year pursuant to
46 section 8.57, subsection 5, paragraph "e", the
47 difference shall be paid from lottery revenues prior
48 to deposit of the lottery revenues in the general
49 fund. If lottery revenues are insufficient during the
50 fiscal year to pay the difference, the remaining

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1 difference shall be paid from lottery revenues in
2 subsequent fiscal years as such revenues become
3 available.

4 Sec. _____. 2003 Iowa Acts, First Extraordinary
5 Session, chapter 1, section 114, is amended to read as
6 follows:

7 SEC. 114. The divisions of this Act designated the
8 grow Iowa values board and fund, with the exception of
9 sections 15G.101, 15G.102, 15G.103, and 15G.108, Code
10 Supplement 2003, the value-added agricultural products
11 and processes financial assistance program, the endow
12 Iowa grants, the technology transfer advisors, the
13 Iowa economic development loan and credit guarantee
14 fund, the economic development assistance and data
15 collection, the cultural and entertainment districts,
16 the workforce issues, and the university-based
17 research utilization program, are repealed effective
18 June 30, 2010.

19 Sec. _____. 2003 Iowa Acts, First Extraordinary
20 Session, chapter 2, section 75, subsection 1, is
21 amended to read as follows:

22 1. There is appropriated from the general fund of
23 the state from moneys credited to the general fund of
24 the state as a result of entering into the streamlined
25 sales and use tax agreement, for the fiscal period
26 year beginning July 1, 2003, and ending June 30, 2010
27 2004, the following amounts amount to be used for the
28 purpose designated:

29 For deposit in the grow Iowa values fund created in
30 section 15G.107, if enacted by 2003 Iowa Acts, House
31 File 692 or another Act 15G.108:

32	FY 2003-2004.....	\$ 5,000,000
33	FY 2004-2005.....	\$ 23,000,000
34	FY 2005-2006.....	\$ 75,000,000
35	FY 2006-2007.....	\$ 75,000,000
36	FY 2007-2008.....	\$ 75,000,000
37	FY 2008-2009.....	\$ 75,000,000
38	FY 2009-2010.....	\$ 75,000,000"

39 3. By renumbering as necessary.

By HOGG of Linn
BELL of Jasper
BERRY of Black Hawk
BUKTA of Clinton
COHOON of Des Moines
CONNORS of Polk
DANDEKAR of Linn
DAVITT of Warren
FOEGE of Linn
FORD of Polk
FREVERT of Palo Alto
GASKILL of Wapello
GREIMANN of Story
HEDDENS of Story
HUNTER of Polk
JACOBY of Johnson
JOCHUM of Dubuque
KUHN of Floyd
LENSING of Johnson
LYKAM of Scott
MASCHER of Johnson

MERTZ of Kossuth
MILLER of Webster
MURPHY of Dubuque
OLDSON of Polk
D. OLSON of Boone
OSTERHAUS of Jackson
QUIRK of Chickasaw
REASONER of Union
SHOMSHOR of Pottawattamie
SHOULTZ of Black Hawk
SMITH of Marshall
STEVENS of Dickinson
SWAIM of Davis
D. TAYLOR of Linn
T. TAYLOR of Linn
THOMAS of Clayton
WENDT of Woodbury
WHITAKER of Van Buren
WHITEAD of Woodbury
WINCKLER of Scott
WISE of Lee

H-8469 FILED APRIL 12, 2004

LOST

SENATE FILE 2298

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1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 29, line 10, by inserting after the word
4 "infrastructure" the following: "and through the use
5 of community cluster rural development".

6 2. Page 37, by inserting after line 4 the
7 following:

8 "Sec. ____ . Section 28E.35, Code 2003, is amended
9 to read as follows:

10 28E.35 DEFINITIONS.

11 As used in this division unless the context
12 otherwise requires:

13 1. "Community cluster" means a cooperative
14 community unit established pursuant to this chapter
15 for the joint exercise of powers by two or more
16 governmental units and for sharing one or more
17 governmental functions between two or more
18 governmental units participating in a community
19 cluster.

20 2. "Governing board" means the governing board of
21 a community cluster appointed pursuant to section
22 28E.37.

23 ~~2.~~ 3. "Governmental unit" means a city, county,
24 township, school district, merged area as defined in
25 section 260C.2, or special taxing district.

26 4. "Shared governmental function" includes, but is
27 not limited to, joint delivery of services, joint
28 operation of facilities, joint development of
29 infrastructure, or joint fostering of economic
30 development.

31 Sec. ____ . Section 28E.36, Code 2003, is amended to
32 read as follows:

33 28E.36 ESTABLISHMENT OF COMMUNITY CLUSTER.

34 Two or more governmental units located in the state
35 may, by resolution of each governmental unit,
36 establish a community cluster by entering into an
37 agreement for the joint exercise of powers pursuant to
38 this chapter to make more efficient use of their
39 resources by providing for joint functions, services,
40 facilities, development of infrastructure and for
41 revenue sharing, and to foster economic development
42 shared governmental functions between two or more of
43 the governmental units participating in the community
44 cluster.

45 A community cluster and its governing board shall
46 have all the rights, powers, duties, privileges, and
47 immunities of a governmental unit and governmental
48 unit governing body to the extent that such rights,
49 powers, duties, privileges, and immunities relate to
50 shared governmental functions of the governmental

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1 units participating in the community cluster.

2 Sec. _____. Section 28E.37, Code 2003, is amended by
3 striking the section and inserting in lieu thereof the
4 following:

5 28E.37 COMMUNITY CLUSTER GOVERNING BOARD.

6 The governing body of each governmental unit
7 participating in a community cluster shall appoint two
8 of its members to a community cluster governing board.
9 However, an alternative board composition may be
10 agreed upon by the participating governmental units.

11 A member of the governing board shall serve for two
12 years or until the member's term on the governing body
13 of the governmental unit expires, whichever is
14 earlier. A vacancy on the governing board shall be
15 filled in the same manner as the original appointment.
16 A member of the governing board shall not receive
17 compensation for service on the governing board.

18 Sec. _____. Section 28E.38, Code 2003, is amended by
19 striking the section and inserting in lieu thereof the
20 following:

21 28E.38 POWERS AND DUTIES OF GOVERNING BOARD --
22 EXISTING BONDED INDEBTEDNESS -- TAXING AUTHORITY.

23 1. The governing board shall identify governmental
24 functions, services, facilities, development of
25 infrastructure, or economic development efforts that
26 will be shared or jointly provided or operated within
27 the community cluster.

28 2. The governing board shall establish an official
29 name for the community cluster.

30 3. The governing board may provide for the
31 transfer or other disposition of property and other
32 rights, claims, assets, and franchises as they relate
33 to a shared governmental function within the community
34 cluster. A governmental unit participating in a
35 community cluster may make donations of property, real
36 or personal, including gratuitous leases, to the
37 community cluster and the governing board as deemed
38 proper and appropriate in aiding the community cluster
39 and the governing board effectuate their purposes.

40 4. The governing board may provide for the
41 transfer, reorganization, abolition, adjustment, and
42 absorption or merger of existing boards, existing
43 subordinate service districts, local improvement
44 districts, and agencies of the participating
45 governmental units to the extent they relate to a
46 shared governmental function within the community
47 cluster.

48 5. The governing board may determine the
49 boundaries of the service areas within the community
50 cluster and shall provide for administration of the

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1 provision of services in each of the designated
2 service areas.

3 6. The governing board may employ and fix the
4 compensation of administrative, technical,
5 professional, and clerical assistance as necessary to
6 administer a shared governmental function.

7 7. a. The governing board may adopt budgets for
8 shared governmental functions within the community
9 cluster and may levy property taxes to the extent the
10 taxing authority of a participating governmental unit
11 is transferred to the community cluster to fund a
12 shared governmental function. The governing board in
13 its budget shall allocate the revenue responsibilities
14 of each governmental unit participating in the
15 community cluster. The governing board shall follow
16 the same procedures for adoption of a budget as if the
17 community cluster were a city and the governing board
18 a city council.

19 b. The governing board shall devise formulas for
20 the transfer of taxing authority from governmental
21 units that are participating in the community cluster
22 to the governing board of the community cluster to
23 fund a shared governmental function. The maximum
24 rates of taxes authorized to be levied by a
25 governmental unit participating in a community cluster
26 shall be reduced by an amount equal to that portion of
27 the levy rates transferred to the authority of the
28 governing board.

29 c. In lieu of transferring property taxing
30 authority to a governing board, a governmental unit
31 participating in a community cluster may meet its
32 shared revenue obligations by transferring other
33 sources of revenue authorized to be collected by the
34 governmental unit.

35 8. The governing board may accept donations,
36 contributions, grants, or gifts from individuals,
37 associations, municipal and private corporations, and
38 the United States, or any agency or instrumentality of
39 the United States, and may enter into agreements in
40 connection therewith.

41 9. The governing board may issue bonded
42 indebtedness to the extent authorized in section
43 28E.39.

44 10. By December 1 of each year, the governing
45 board shall provide a report relating to shared
46 governmental functions and administration of the
47 community cluster to the governing body of each
48 governmental unit participating in the community
49 cluster.

50 Sec. ____ . Section 28E.39, Code 2003, is amended by

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1 striking the section and inserting in lieu thereof the
2 following:

3 28E.39 ISSUANCE OF BONDS -- APPROVAL BY
4 ELECTORATE.

5 1. The governing board may propose the expenditure
6 of funds, the issuance of revenue bonds, entering into
7 a lease-purchase agreement, or the issuance of general
8 obligation bonds for the following:

9 a. Acquisition of a construction site and
10 construction of a building or facility for common
11 public use by two or more governmental units
12 participating in the community cluster.

13 b. Purchase of an existing building or facility
14 for public use, or conversion of a building or
15 facility previously owned and maintained by a
16 governmental unit for public use by two or more
17 governmental units participating in the community
18 cluster.

19 c. Equipping or furnishing a new or existing
20 building or facility for public use by two or more
21 governmental units participating in the community
22 cluster.

23 d. Operation, maintenance, or improvement of a
24 building or facility for public use by two or more
25 governmental units participating in the community
26 cluster.

27 e. Any other aspect of construction, acquisition,
28 furnishing, operation, or maintenance of a building or
29 facility for public use by two or more governmental
30 units participating in the community cluster, such
31 other aspect having been proposed by the governing
32 board and not otherwise prohibited by law.

33 2. The proposal shall be forwarded to the
34 governing body of each governmental unit participating
35 in the community cluster that is listed in the
36 proposal as being allocated a portion of the cost for
37 any of the purposes in subsection 1, paragraphs "a"
38 through "e". The proposal shall specify the purposes
39 for which the building or facility shall be used, the
40 estimated cost of the building or facility, the
41 estimated amount of the cost to be allocated to each
42 of the participating governmental units, the
43 proportion and method of allocating the expenses of
44 the operation and maintenance of the building or
45 facility or improvement, and the disposition to be
46 made of any revenues to be derived from operation of
47 the building or facility.

48 3. If a proposal for expenditure of funds, for
49 issuance of revenue bonds, or for issuance of general
50 obligation bonds described in the proposal as

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1 essential county purpose bonds or essential corporate
2 purpose bonds is approved by the governing body of
3 each governmental unit named in the proposal, the
4 governing board may include such expenditures in its
5 budget for the following fiscal year. If a proposal
6 for issuance of general obligation bonds described in
7 the proposal as general county purpose bonds or
8 general corporate purpose bonds or for entering into a
9 lease-purchase agreement is approved by the governing
10 body of each governmental unit named in the proposal,
11 the governing board shall direct the county
12 commissioner of elections to submit the proposition at
13 a special election. The special election may be held
14 on the same day as the general election if the county
15 commissioner determines that the elections will not
16 conflict. Only those registered voters living within
17 the governmental units named in the proposal may vote
18 on the proposition. The proposition shall be adopted
19 if the vote in favor of the proposition is equal to at
20 least sixty percent of the vote cast for and against
21 the proposition in each governmental unit named in the
22 proposal.

23 4. The governing board when issuing indebtedness
24 pursuant to this section shall follow the procedures
25 for issuance of debt as if the governing board were a
26 city council or a county board of supervisors and the
27 applicable bonding provisions of chapters 74, 75, 331,
28 and 384 shall apply.

29 5. Indebtedness issued pursuant to this section
30 shall constitute a debt of the governmental units
31 named in the proposal in the same proportion that the
32 cost of the project is allocated to the governmental
33 units and such indebtedness is subject to any
34 statutory or constitutional limitation on issuance of
35 debt if the debt would be subject to such limitation
36 if it were issued by a governmental unit acting alone.

37 Sec. _____. Section 28E.40, Code 2003, is amended by
38 striking the section and inserting in lieu thereof the
39 following:

40 28E.40 JOINING COMMUNITY CLUSTER OR TERMINATING
41 PARTICIPATION.

42 1. A governmental unit, by resolution, may request
43 to join an existing community cluster. The governing
44 body of the governmental unit shall forward the
45 resolution to the governing bodies of each
46 governmental unit participating in the community
47 cluster. If each of the governing bodies approves the
48 resolution, the governmental unit is included in the
49 community cluster and shall appoint two of the members
50 of its governing body to the governing board of the

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1 community cluster.

2 2. A governmental unit, by resolution, may
 3 terminate its participation in a community cluster.
 4 Immediately upon its adoption by the governing body of
 5 the governmental unit seeking termination of its
 6 participation in the community cluster, the resolution
 7 shall be forwarded to the governing board. The
 8 governing board is not empowered to deny termination
 9 but it may set a timetable, not to exceed eighteen
 10 months after adoption of the resolution, for
 11 termination to be fully effective.

12 Sec. _____. Section 331.461, subsection 2, Code
 13 2003, is amended by adding the following new
 14 paragraph:

15 NEW PARAGRAPH. h. Port facilities or port
 16 facilities systems, including without limitation, real
 17 and personal property, water, buildings, improvements,
 18 and equipment useful and suitable for taking care of
 19 the needs of commerce and shipping, and also including
 20 without limitation, wharves, docks, basins, piers,
 21 quay walls, warehouses, tunnels, belt railway
 22 facilities, cranes, dock apparatus, and other
 23 machinery necessary for the convenient and economical
 24 accommodation and handling of watercraft of all kinds
 25 and of freight and passengers."

26 3. By renumbering as necessary.

By WISE of Lee	McCARTHY of Polk
BELL of Jasper	MERTZ of Kossuth
BERRY of Black Hawk	MILLER of Webster
BUKTA of Clinton	MURPHY of Dubuque
COHOON of Des Moines	OLDSON of Polk
CONNORS of Polk	D. OLSON of Boone
DANDEKAR of Linn	OSTERHAUS of Jackson
DAVITT of Warren	PETERSEN of Polk
FOEGE of Linn	QUIRK of Chickasaw
FORD of Polk	REASONER of Union
FREVERT of Palo Alto	SHOMSHOR of Pottawattamie
GASKILL of Wapello	SHOULTZ of Black Hawk
GREIMANN of Story	SMITH of Marshall
HEDDENS of Story	STEVENS of Dickinson
HOGG of Linn	SWAIM of Davis
HUNTER of Polk	D. TAYLOR of Linn
HUSER of Polk	T. TAYLOR of Linn
JACOBY of Johnson	THOMAS of Clayton
JOCHUM of Dubuque	WENDT of Woodbury
KUHN of Floyd	WHITAKER of Van Buren
LENSING of Johnson	WHITEAD of Woodbury
LYKAM of Scott	WINCKLER of Scott
MASCHER of Johnson	

H-8470 FILED APRIL 12, 2004

WITHDRAWN

SENATE FILE 2298

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1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 53, by striking line 9 and inserting the
4 following:

5 "..... \$233,585,069"

6 2. Page 58, by striking line 10 and inserting the
7 following:

8 "..... \$183,936,657"

9 3. Page 59, by striking line 11 and inserting the
10 following:

11 "..... \$ 82,632,493"

12 4. Page 205, by inserting after line 21 the
13 following:

14 "DIVISION

15 GROW IOWA VALUES FUND FUNDING

16 Sec. ____ . GENERAL FUND APPROPRIATION. From the
17 proceeds received from the sale of bonds issued
18 pursuant to section 12.91, there is appropriated from
19 the grow Iowa values fund to the general fund of the
20 state for the fiscal period beginning July 1, 2004,
21 and ending June 30, 2006, the following amount for
22 deposit in the general fund:

23 FY 2004-2005 \$ 39,900,000

24 FY 2005-2006..... \$ 39,900,000

25 Sec. ____ . GENERAL FUND TRANSFER. There is
26 transferred from the grow Iowa values fund created in
27 section 15G.108 to the general fund of the state for
28 the fiscal year beginning July 1, 2004, and ending
29 June 30, 2005, the following amount:

30 From moneys anticipated to be received from the
31 federal government for state and local government
32 fiscal relief under the federal Jobs and Growth Tax
33 Relief Reconciliation Act of 2003:
34 \$ 41,000,000

35 One hundred percent of the amount transferred
36 pursuant to this section shall be added to the state
37 general fund expenditure limitation for fiscal year
38 2004-2005 under section 8.54.

39 Sec. ____ . Section 8.57, subsection 5, paragraph e,
40 Code Supplement 2003, is amended to read as follows:

41 e. Notwithstanding provisions to the contrary in
42 sections 99D.17 and 99F.11, for the fiscal year
43 beginning July 1, ~~2000~~ 2003, and ~~for each fiscal year~~
44 ~~thereafter~~ ending June 30, 2004, not more than a total
45 of sixty million dollars shall be deposited in the
46 general fund of the state in ~~any~~ the fiscal year
47 pursuant to sections 99D.17 and 99F.11; for the fiscal
48 period beginning July 1, 2004, and ending June 30,
49 2030, not more than a total of thirty-nine million
50 nine hundred thousand dollars of the moneys directed

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1 to be deposited in the general fund of the state in a
2 fiscal year pursuant to sections 99D.17 and 99F.11
3 shall be deposited in the grow Iowa values fund
4 created in section 15G.108 in any fiscal year, and not
5 more than a total of twenty million one hundred
6 thousand dollars shall be deposited in the general
7 fund in any fiscal year; and for the fiscal year
8 beginning July 1, 2030, and for each fiscal year
9 thereafter, not more than a total of sixty million
10 dollars shall be deposited in the general fund of the
11 state in any fiscal year pursuant to sections 99D.17
12 and 99F.11. The next fifteen million dollars of the
13 moneys directed to be deposited in the general fund of
14 the state in a fiscal year pursuant to sections 99D.17
15 and 99F.11 shall be deposited in the vision Iowa fund
16 created in section 12.72 for the fiscal year beginning
17 July 1, 2000, and for each fiscal year through the
18 fiscal year beginning July 1, 2019. The next five
19 million dollars of the moneys directed to be deposited
20 in the general fund of the state in a fiscal year
21 pursuant to sections 99D.17 and 99F.11 shall be
22 deposited in the school infrastructure fund created in
23 section 12.82 for the fiscal year beginning July 1,
24 2000, and for each fiscal year thereafter until the
25 principal and interest on all bonds issued by the
26 treasurer of state pursuant to section 12.81 are paid,
27 as determined by the treasurer of state. The total
28 moneys in excess of the moneys deposited in the
29 general fund of the state, the grow Iowa values fund,
30 the vision Iowa fund, and the school infrastructure
31 fund in a fiscal year shall be deposited in the
32 rebuild Iowa infrastructure fund and shall be used as
33 provided in this section, notwithstanding section
34 8.60.

35 If the total amount of moneys directed to be
36 deposited in the general fund of the state under
37 sections 99D.17 and 99F.11 in a fiscal year is less
38 than the total amount of moneys directed to be
39 deposited in the grow Iowa values fund, the vision
40 Iowa fund, and the school infrastructure fund in the
41 fiscal year pursuant to this paragraph "e", the
42 difference shall be paid from lottery revenues in the
43 manner provided in section 99G.39, subsection 3.

44 Sec. ____ . NEW SECTION. 12.91 GENERAL AND
45 SPECIFIC BONDING POWERS.

46 1. The treasurer of state may issue bonds for the
47 purpose of funding the grow Iowa values fund created
48 in section 15G.108. The treasurer of state shall have
49 all of the powers which are necessary to issue and
50 secure bonds and carry out the purposes of the fund.

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1 The treasurer of state may issue bonds in principal
2 amounts which are necessary to provide sufficient
3 funds for the grow Iowa values fund, the payment of
4 interest on the bonds, the establishment of reserves
5 to secure the bonds, the costs of issuance of the
6 bonds, other expenditures of the treasurer of state
7 incident to and necessary or convenient to carry out
8 the bond issue for the fund, and all other
9 expenditures of the board necessary or convenient to
10 administer the fund. The bonds are investment
11 securities and negotiable instruments within the
12 meaning of and for purposes of the uniform commercial
13 code.

14 2. Bonds issued under this section are payable
15 solely and only out of the moneys, assets, or revenues
16 of the grow Iowa values fund and any bond reserve
17 funds established pursuant to section 12.92, all of
18 which may be deposited with trustees or depositories
19 in accordance with bond or security documents and
20 pledged to the payment thereof. Bonds issued under
21 this section shall contain on their face a statement
22 that the bonds do not constitute an indebtedness of
23 the state. The treasurer of state shall not pledge
24 the credit or taxing power of this state or any
25 political subdivision of the state or make bonds
26 issued pursuant to this section payable out of any
27 moneys except those in the grow Iowa values fund.

28 3. The proceeds of bonds issued by the treasurer
29 of state and not required for immediate disbursement
30 may be deposited with a trustee or depository as
31 provided in the bond documents and invested or
32 reinvested in any investment as directed by the
33 treasurer of state and specified in the trust
34 indenture, resolution, or other instrument pursuant to
35 which the bonds are issued without regard to any
36 limitation otherwise provided by law.

37 4. The bonds shall be:

38 a. In a form, issued in denominations, executed in
39 a manner, and payable over terms and with rights of
40 redemption, and be subject to the terms, conditions,
41 and covenants providing for the payment of the
42 principal of, redemption premiums, if any, interest
43 which may be fixed or variable during any period the
44 bonds are outstanding, and such other terms and
45 conditions as prescribed in the trust indenture,
46 resolution, or other instrument authorizing their
47 issuance.

48 b. Negotiable instruments under the laws of the
49 state and may be sold at prices, at public or private
50 sale, and in a manner, as prescribed by the treasurer

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1 of state. Chapters 73A, 74, 74A, and 75 do not apply
2 to the sale or issuance of the bonds.

3 c. Subject to the terms, conditions, and covenants
4 providing for the payment of the principal, redemption
5 premiums, if any, interest, and other terms,
6 conditions, covenants, and protective provisions
7 safeguarding payment, not inconsistent with this
8 section and as determined by the trust indenture,
9 resolution, or other instrument authorizing their
10 issuance.

11 5. The bonds are securities in which public
12 officers and bodies of this state, political
13 subdivisions of this state, insurance companies and
14 associations and other persons carrying on an
15 insurance business, banks, trust companies, savings
16 associations, savings and loan associations, and
17 investment companies; administrators, guardians,
18 executors, trustees, and other fiduciaries; and other
19 persons authorized to invest in bonds or other
20 obligations of the state may properly and legally
21 invest funds, including capital, in their control or
22 belonging to them.

23 6. Bonds must be authorized by a trust indenture,
24 resolution, or other instrument of the treasurer of
25 state.

26 7. Neither the resolution, trust indenture, nor
27 any other instrument by which a pledge is created
28 needs to be recorded or filed under the Iowa uniform
29 commercial code to be valid, binding, or effective.

30 8. Bonds issued under the provisions of this
31 section are declared to be issued for a general public
32 and governmental purpose and all bonds issued under
33 this section shall be exempt from taxation by the
34 state of Iowa and the interest on the bonds shall be
35 exempt from the state income tax and the state
36 inheritance and estate tax.

37 9. Subject to the terms of any bond documents,
38 moneys in the grow Iowa values fund may be expended
39 for administration expenses.

40 10. The treasurer of state may issue bonds for the
41 purpose of refunding any bonds issued pursuant to this
42 section then outstanding, including the payment of any
43 redemption premiums thereon and any interest accrued
44 or to accrue to the date of redemption of the
45 outstanding bonds. Until the proceeds of bonds issued
46 for the purpose of refunding outstanding bonds are
47 applied to the purchase or retirement of outstanding
48 bonds or the redemption of outstanding bonds, the
49 proceeds may be placed in escrow and be invested and
50 reinvested in accordance with the provisions of this

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1 section. The interest, income, and profits earned or
2 realized on an investment may also be applied to the
3 payment of the outstanding bonds to be refunded by
4 purchase, retirement, or redemption. After the terms
5 of the escrow have been fully satisfied and carried
6 out, any balance of proceeds and interest earned or
7 realized on the investments may be returned to the
8 treasurer of state for deposit in the grow Iowa values
9 fund established in section 15G.108. All refunding
10 bonds shall be issued and secured and subject to the
11 provisions of this chapter in the same manner and to
12 the same extent as other bonds issued pursuant to this
13 section.

14 11. The treasurer of state shall have all of the
15 powers which are necessary to issue and secure bonds,
16 including but not limited to the power to procure
17 insurance, other credit enhancements, and other
18 financing arrangements, and to execute instruments and
19 contracts and to enter into agreements convenient or
20 necessary to facilitate financing arrangements with
21 respect to the bonds and to carry out the purposes of
22 the fund, including but not limited to such
23 arrangements, instruments, contracts, and agreements
24 as municipal bond insurance, self-insurance or
25 liquidity trusts, accounts, pools or other
26 arrangements, liquidity facilities or covenants,
27 letters of credit, and interest rate agreements.

28 12. For purposes of this section and sections
29 12.92 through 12.95, the term "bonds" means bonds,
30 notes, and other obligations and financing
31 arrangements issued or entered into by the treasurer
32 of state and the term "interest rate agreement" means
33 an interest rate swap or exchange agreement, an
34 agreement establishing an interest rate floor or
35 ceiling or both, or any similar agreement. Any such
36 agreement may include the option to enter into or
37 cancel the agreement or to reverse or extend the
38 agreement.

39 Sec. ____ . NEW SECTION. 12.92 GROW IOWA VALUES
40 FUND ACCOUNTS AND RESERVE FUNDS.

41 1. The treasurer of state shall establish such
42 accounts within the grow Iowa values fund created in
43 section 15G.108 as may be appropriate, including debt
44 service accounts for the purpose of paying the
45 principal of, redemption premium, if any, and interest
46 on bonds payable therefrom. Moneys in the debt
47 service accounts shall not be subject to appropriation
48 for any other purpose by the general assembly, but
49 shall be used only for the purposes of paying the
50 principal of, redemption premium, if any, and interest

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1 on the bonds payable therefrom.

2 2. Revenue for the grow Iowa values fund shall
3 include, but is not limited to, the following, which
4 shall be deposited with the treasurer of state or its
5 designee as provided by any bond or security documents
6 and credited to the debt service account:

7 a. The proceeds of bonds issued to capitalize and
8 pay the costs of the fund and investment earnings on
9 the proceeds.

10 b. Interest attributable to investment of moneys
11 in the fund or an account of the fund.

12 c. Moneys in the form of a devise, gift, bequest,
13 donation, federal or other grant, reimbursement,
14 repayment, judgment, transfer, payment, or
15 appropriation from any source intended to be used for
16 the purposes of the fund or account.

17 3. a. The treasurer of state may create and
18 establish one or more special funds, to be known as
19 "bond reserve funds", to secure one or more issues of
20 bonds issued pursuant to section 12.91. The treasurer
21 of state shall pay into each bond reserve fund any
22 moneys appropriated and made available by the state or
23 treasurer of state for the purpose of the fund, any
24 proceeds of sale of bonds to the extent provided in
25 the resolutions or trust indentures authorizing their
26 issuance, and any other moneys which may be available
27 to the treasurer of state for the purpose of the fund
28 from any other sources. All moneys held in a bond
29 reserve fund, except as otherwise provided in this
30 chapter, shall be used as required solely for the
31 payment of the principal of bonds secured in whole or
32 in part by the fund or of the sinking fund payments
33 with respect to the bonds, the purchase or redemption
34 of the bonds, the payment of interest on the bonds, or
35 the payments of any redemption premium required to be
36 paid when the bonds are redeemed prior to maturity.

37 b. Moneys in a bond reserve fund shall not be
38 withdrawn from it at any time in an amount that will
39 reduce the amount of the fund to less than the bond
40 reserve fund requirement established for the fund, as
41 provided in this subsection, except for the purpose of
42 making, with respect to bonds secured in whole or in
43 part by the fund, payment when due of principal,
44 interest, redemption premiums, and the sinking fund
45 payments with respect to the bonds for the payment of
46 which other moneys of the treasurer of state are not
47 available.

48 Any income or interest earned by, or incremental
49 to, a bond reserve fund due to the investment of it
50 may be transferred by the treasurer of state to other

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1 funds or accounts to the extent the transfer does not
2 reduce the amount of that bond reserve fund below the
3 bond reserve fund requirement for it.

4 c. The treasurer of state shall not at any time
5 issue bonds, secured in whole or in part by a bond
6 reserve fund, if, upon the issuance of the bonds, the
7 amount in the bond reserve fund will be less than the
8 bond reserve fund requirement for the fund, unless the
9 treasurer of state at the time of issuance of the
10 bonds deposits in the fund from the proceeds of the
11 bonds issued or from other sources an amount which,
12 together with the amount then in the fund, will not be
13 less than the bond reserve fund requirement for the
14 fund. For the purposes of this subsection, the term
15 "bond reserve fund requirement" means, as of any
16 particular date of computation, an amount of money, as
17 provided in the resolutions or trust indentures
18 authorizing the bonds with respect to which the fund
19 is established.

20 d. To assure the continued solvency of any bonds
21 secured by the bond reserve fund, provision is made in
22 paragraph "a" for the accumulation in each bond
23 reserve fund of an amount equal to the bond reserve
24 requirement for the fund. In order to further assure
25 maintenance of the bond reserve funds, the treasurer
26 of state shall, on or before January 1 of each
27 calendar year, make and deliver to the governor the
28 treasurer of state's certificate stating the sum, if
29 any, required to restore each bond reserve fund to the
30 bond reserve fund requirement for that fund. Within
31 thirty days after the beginning of the session of the
32 general assembly next following the delivery of the
33 certificate, the governor shall submit to both houses
34 printed copies of a budget including the sum, if any,
35 required to restore each bond reserve fund to the bond
36 reserve fund requirement for that fund. Any sums
37 appropriated by the general assembly and paid to the
38 treasurer of state pursuant to this subsection shall
39 be deposited by the treasurer of state in the
40 applicable bond reserve fund.

41 Sec. ____ . NEW SECTION. 12.93 PLEDGES.

42 1. It is the intention of the general assembly
43 that a pledge made in respect of bonds shall be valid
44 and binding from the time the pledge is made, that the
45 moneys or property so pledged and received after the
46 pledge by the treasurer of state shall immediately be
47 subject to the lien of the pledge without physical
48 delivery or further act, and that the lien of the
49 pledge shall be valid and binding as against all
50 parties having claims of any kind in tort, contract,

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1 or otherwise against the treasurer of state whether or
2 not the parties have notice of the lien.

3 2. The moneys set aside in a fund or funds pledged
4 for any series or issue of bonds shall be held for the
5 sole benefit of the series or issue separate and apart
6 from moneys pledged for another series or issue of
7 bonds of the treasurer of state. Bonds may be issued
8 in series under one or more resolutions or trust
9 indentures and may be fully open-ended, thus providing
10 for the unlimited issuance of additional series, or
11 partially open-ended, limited as to additional series.

12 Sec. ____ . NEW SECTION. 12.94 LIMITATIONS.

13 Bonds issued pursuant to section 12.91 are not
14 debts of the state, or of any political subdivision of
15 the state, and do not constitute a pledge of the faith
16 and credit of the state or a charge against the
17 general credit or general fund of the state. The
18 issuance of any bonds pursuant to section 12.91 by the
19 treasurer of state does not directly, indirectly, or
20 contingently obligate the state or a political
21 subdivision of the state to apply moneys, or to levy
22 or pledge any form of taxation whatever, to the
23 payment of the bonds. Bonds issued under section
24 12.91 are payable solely and only from the sources and
25 special fund and accounts provided in section 12.92.

26 Sec. ____ . NEW SECTION. 12.95 CONSTRUCTION.

27 Sections 12.91 through 12.94, being necessary for
28 the welfare of this state and its inhabitants, shall
29 be liberally construed to effect its purposes.

30 Sec. ____ . Section 15G.108, Code Supplement 2003,
31 is amended to read as follows:

32 15G.108 GROW IOWA VALUES FUND.

33 A grow Iowa values fund is created and established
34 as a separate and distinct fund in the state treasury
35 under the control of the grow Iowa values board
36 consisting of moneys appropriated to the grow Iowa
37 values board. Moneys in the fund are not subject to
38 section 8.33. Notwithstanding section 12C.7, interest
39 or earnings on moneys in the fund shall be credited to
40 the fund. Moneys in the fund shall not be subject to
41 appropriation for any other purposes by the general
42 assembly other than as provided in this Act and 2003
43 Iowa Acts, First Extraordinary Session, chapter 2, but
44 shall be used only for the purposes of the grow Iowa
45 values fund. The treasurer of state shall act as
46 custodian of the fund and disburse moneys contained in
47 the fund as directed by the grow Iowa values board,
48 including automatic disbursements of moneys received
49 pursuant to the terms of bond indentures and documents
50 and security provisions to trustees. The fund shall

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1 be administered by the grow Iowa values board, which
2 shall make expenditures from the fund consistent with
3 this chapter and pertinent Acts of the general
4 assembly. Any financial assistance provided using
5 moneys from the fund may be provided over a period of
6 time of more than one year. Payments of interest,
7 repayments of moneys loaned pursuant to this chapter,
8 and recaptures of grants or loans shall be deposited
9 in the fund.

10 Sec. _____. Section 15G.110, Code Supplement 2003,
11 is amended to read as follows:

12 15G.110 FUTURE CONSIDERATION.

13 Not later than February 1, 2007, the legislative
14 services agency shall prepare and deliver to the
15 secretary of the senate and the chief clerk of the
16 house of representatives identical bills that repeal
17 the provisions of this chapter, with the exception of
18 sections 15G.101, 15G.102, 15G.103, and 15G.108. It
19 is the intent of this section that the general
20 assembly shall bring the bill to a vote in either the
21 senate or the house of representatives expeditiously.
22 It is further the intent of this chapter that if the
23 bill is approved by the first house in which it is
24 considered, it shall expeditiously be brought to a
25 vote in the second house.

26 Sec. _____. Section 99G.39, subsection 3, paragraph
27 a, Code Supplement 2003, is amended to read as
28 follows:

29 a. Notwithstanding subsection 1, if gaming
30 revenues under sections 99D.17 and 99F.11 are
31 insufficient in a fiscal year to meet the total amount
32 of such revenues directed to be deposited in the grow
33 Iowa values fund, the vision Iowa fund, and the school
34 infrastructure fund during the fiscal year pursuant to
35 section 8.57, subsection 5, paragraph "e", the
36 difference shall be paid from lottery revenues prior
37 to deposit of the lottery revenues in the general
38 fund. If lottery revenues are insufficient during the
39 fiscal year to pay the difference, the remaining
40 difference shall be paid from lottery revenues in
41 subsequent fiscal years as such revenues become
42 available.

43 Sec. _____. 2003 Iowa Acts, First Extraordinary
44 Session, chapter 1, section 114, is amended to read as
45 follows:

46 SEC. 114. The divisions of this Act designated the
47 grow Iowa values board and fund, with the exception of
48 sections 15G.101, 15G.102, 15G.103, and 15G.108, Code
49 Supplement 2003, the value-added agricultural products
50 and processes financial assistance program, the endow

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1 Iowa grants, the technology transfer advisors, the
2 Iowa economic development loan and credit guarantee
3 fund, the economic development assistance and data
4 collection, the cultural and entertainment districts,
5 the workforce issues, and the university-based
6 research utilization program, are repealed effective
7 June 30, 2010.

8 Sec. _____. 2003 Iowa Acts, First Extraordinary
9 Session, chapter 2, section 75, subsection 1, is
10 amended to read as follows:

11 1. There is appropriated from the general fund of
12 the state from moneys credited to the general fund of
13 the state as a result of entering into the streamlined
14 sales and use tax agreement, for the fiscal period
15 year beginning July 1, 2003, and ending June 30, 2010
16 2004, the following ~~amounts~~ amount to be used for the
17 purpose designated:

18 For deposit in the grow Iowa values fund created in
19 section 15G.107, if enacted by 2003 Iowa Acts, House
20 File 692 or another Act 15G.108:

21	FY 2003-2004.....	\$ 5,000,000
22	FY 2004-2005.....	\$ 23,000,000
23	FY 2005-2006.....	\$ 75,000,000
24	FY 2006-2007.....	\$ 75,000,000
25	FY 2007-2008.....	\$ 75,000,000
26	FY 2008-2009.....	\$ 75,000,000
27	FY 2009-2010.....	\$ 75,000,000"

28 5. By renumbering as necessary.

By MASCHER of Johnson	HEDDENS of Story
GREIMANN of Story	FOEGE of Linn
BERRY of Black Hawk	JACOBY of Johnson
LENSING of Johnson	

H-8471 FILED APRIL 12, 2004

A-LOST B-WITHDRAWN

SENATE FILE 2298

H-8472

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 31, line 23, by striking the figure
4 "2,363,557" and inserting the following: "2,998,502".

5 2. Page 31, line 26, by striking the figure
6 "550,000" and inserting the following: "1,184,945".

7 3. Page 31, line 32, by inserting after the word
8 "subsection." the following: "Of the amount allocated
9 in this subsection, up to \$25,000 shall be used to
10 establish a program to provide technical assistance to
11 businesses that have lost employees who were called to
12 military service."

13 4. Page 48, by striking line 32 and inserting the
14 following:

15 "..... \$ 47,363,894

16 . JOBS FOR AMERICA'S GRADUATES

17 For school districts to provide direct services to
18 the most at-risk senior high school students enrolled
19 in school districts through direct intervention by a
20 "jobs for America's graduates" specialist:

21 \$ 400,000

22 . EARLY CHILDHOOD PROGRAMS

23 For purposes of early childhood programs, including
24 but not limited to the early childhood programs grants
25 and the school ready children grant program
26 established pursuant to chapter 28, and the shared
27 vision program administered by the child development
28 coordinating council in accordance with chapter 256A:

29 \$ 1,500,000

30 . PROFESSIONAL DEVELOPMENT

31 For professional development of teachers and
32 improvement of student achievement:

33 \$ 10,000,000

34 Funds appropriated in this subsection shall be
35 distributed as follows:

36 a. The amount of \$555,000 shall be used to
37 implement the highest priority recommendations of the
38 achievement gap task force. Priority shall be given
39 to the recommendations that are research-based and
40 have the highest probability of improving student
41 achievement.

42 b. Funds remaining after distribution as provided
43 in paragraph "a" shall be distributed for professional
44 development purposes in accordance with the formula
45 specified in section 284.13, subsection 1, paragraph
46 "f", to each school district that applies to the
47 department and provides a total general fund budget
48 demonstrating that the district intends to increase
49 the proportion of its total expenditures for
50 instruction compared to the proportion expended in the

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1 prior year. Increased proportionate expenditures, not
2 including funds received under this lettered
3 paragraph, must be achieved through proportionate
4 decreases in administration and administrative
5 services as defined by the department.

6 c. A school district shall expend the funds
7 received as provided in paragraph "b" for the
8 following purposes:

9 (1) Compensating staff for professional
10 development time that occurs outside of the regular
11 contract.

12 (2) Substitute teacher costs that provide training
13 or development time for teachers.

14 (3) Costs for trainers or providers of
15 professional development.

16 (4) Professional development supplies and
17 materials, including software or courseware. However,
18 not more than ten percent of the funds received by a
19 school district under paragraph "b" may be used for
20 professional development supplies and materials."

21 5. Page 185, by striking lines 10 through 31.

22 6. Page 204, line 18, by striking the word
23 "sections" and inserting the following: "section".

24 7. Page 204, line 19, by striking the word
25 "sections" and inserting the following: "section".

26 8. Page 204, line 19, by striking the words and
27 figure "and 257.35 are" and inserting the following:
28 "is".

29 9. Page 205, by inserting after line 21 the
30 following:

31 "DIVISION

32 GROW IOWA VALUES FUND FUNDING

33 Sec. ____ . GENERAL FUND APPROPRIATION. From the
34 proceeds received from the sale of bonds issued
35 pursuant to section 12.91, there is appropriated from
36 the grow Iowa values fund to the general fund of the
37 state for the fiscal period beginning July 1, 2004,
38 and ending June 30, 2006, the following amount for
39 deposit in the general fund:

40	FY 2004-2005	\$ 39,900,000
41	FY 2005-2006.....	\$ 39,900,000

42 Sec. ____ . GENERAL FUND TRANSFER. There is
43 transferred from the grow Iowa values fund created in
44 section 15G.108 to the general fund of the state for
45 the fiscal year beginning July 1, 2004, and ending
46 June 30, 2005, the following amount:

47 From moneys anticipated to be received from the
48 federal government for state and local government
49 fiscal relief under the federal Jobs and Growth Tax
50 Relief Reconciliation Act of 2003:

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1 \$ 41,000,000
 2 One hundred percent of the amount transferred
 3 pursuant to this section shall be added to the state
 4 general fund expenditure limitation for fiscal year
 5 2004-2005 under section 8.54.

6 Sec. ____ . Section 8.57, subsection 5, paragraph e,
 7 Code Supplement 2003, is amended to read as follows:

8 e. Notwithstanding provisions to the contrary in
 9 sections 99D.17 and 99F.11, for the fiscal year
 10 beginning July 1, ~~2000~~ 2003, and ~~for each fiscal year~~
 11 ~~thereafter~~ ending June 30, 2004, not more than a total
 12 of sixty million dollars shall be deposited in the
 13 general fund of the state in ~~any~~ the fiscal year
 14 pursuant to sections 99D.17 and 99F.11; for the fiscal
 15 period beginning July 1, 2004, and ending June 30,
 16 2030, not more than a total of thirty-nine million
 17 nine hundred thousand dollars of the moneys directed
 18 to be deposited in the general fund of the state in a
 19 fiscal year pursuant to sections 99D.17 and 99F.11
 20 shall be deposited in the grow Iowa values fund
 21 created in section 15G.108 in any fiscal year, and not
 22 more than a total of twenty million one hundred
 23 thousand dollars shall be deposited in the general
 24 fund in any fiscal year; and for the fiscal year
 25 beginning July 1, 2030, and for each fiscal year
 26 thereafter, not more than a total of sixty million
 27 dollars shall be deposited in the general fund of the
 28 state in any fiscal year pursuant to sections 99D.17
 29 and 99F.11. The next fifteen million dollars of the
 30 moneys directed to be deposited in the general fund of
 31 the state in a fiscal year pursuant to sections 99D.17
 32 and 99F.11 shall be deposited in the vision Iowa fund
 33 created in section 12.72 for the fiscal year beginning
 34 July 1, 2000, and for each fiscal year through the
 35 fiscal year beginning July 1, 2019. The next five
 36 million dollars of the moneys directed to be deposited
 37 in the general fund of the state in a fiscal year
 38 pursuant to sections 99D.17 and 99F.11 shall be
 39 deposited in the school infrastructure fund created in
 40 section 12.82 for the fiscal year beginning July 1,
 41 2000, and for each fiscal year thereafter until the
 42 principal and interest on all bonds issued by the
 43 treasurer of state pursuant to section 12.81 are paid,
 44 as determined by the treasurer of state. The total
 45 moneys in excess of the moneys deposited in the
 46 general fund of the state, the grow Iowa values fund,
 47 the vision Iowa fund, and the school infrastructure
 48 fund in a fiscal year shall be deposited in the
 49 rebuild Iowa infrastructure fund and shall be used as
 50 provided in this section, notwithstanding section

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1 8.60.

2 If the total amount of moneys directed to be
3 deposited in the general fund of the state under
4 sections 99D.17 and 99F.11 in a fiscal year is less
5 than the total amount of moneys directed to be
6 deposited in the grow Iowa values fund, the vision
7 Iowa fund, and the school infrastructure fund in the
8 fiscal year pursuant to this paragraph "e", the
9 difference shall be paid from lottery revenues in the
10 manner provided in section 99G.39, subsection 3.

11 Sec. ____ . NEW SECTION. 12.91 GENERAL AND
12 SPECIFIC BONDING POWERS.

13 1. The treasurer of state may issue bonds for the
14 purpose of funding the grow Iowa values fund created
15 in section 15G.108. The treasurer of state shall have
16 all of the powers which are necessary to issue and
17 secure bonds and carry out the purposes of the fund.
18 The treasurer of state may issue bonds in principal
19 amounts which are necessary to provide sufficient
20 funds for the grow Iowa values fund, the payment of
21 interest on the bonds, the establishment of reserves
22 to secure the bonds, the costs of issuance of the
23 bonds, other expenditures of the treasurer of state
24 incident to and necessary or convenient to carry out
25 the bond issue for the fund, and all other
26 expenditures of the board necessary or convenient to
27 administer the fund. The bonds are investment
28 securities and negotiable instruments within the
29 meaning of and for purposes of the uniform commercial
30 code.

31 2. Bonds issued under this section are payable
32 solely and only out of the moneys, assets, or revenues
33 of the grow Iowa values fund and any bond reserve
34 funds established pursuant to section 12.92, all of
35 which may be deposited with trustees or depositories
36 in accordance with bond or security documents and
37 pledged to the payment thereof. Bonds issued under
38 this section shall contain on their face a statement
39 that the bonds do not constitute an indebtedness of
40 the state. The treasurer of state shall not pledge
41 the credit or taxing power of this state or any
42 political subdivision of the state or make bonds
43 issued pursuant to this section payable out of any
44 moneys except those in the grow Iowa values fund.

45 3. The proceeds of bonds issued by the treasurer
46 of state and not required for immediate disbursement
47 may be deposited with a trustee or depository as
48 provided in the bond documents and invested or
49 reinvested in any investment as directed by the
50 treasurer of state and specified in the trust

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1 indenture, resolution, or other instrument pursuant to
2 which the bonds are issued without regard to any
3 limitation otherwise provided by law.

4 4. The bonds shall be:

5 a. In a form, issued in denominations, executed in
6 a manner, and payable over terms and with rights of
7 redemption, and be subject to the terms, conditions,
8 and covenants providing for the payment of the
9 principal of, redemption premiums, if any, interest
10 which may be fixed or variable during any period the
11 bonds are outstanding, and such other terms and
12 conditions as prescribed in the trust indenture,
13 resolution, or other instrument authorizing their
14 issuance.

15 b. Negotiable instruments under the laws of the
16 state and may be sold at prices, at public or private
17 sale, and in a manner, as prescribed by the treasurer
18 of state. Chapters 73A, 74, 74A, and 75 do not apply
19 to the sale or issuance of the bonds.

20 c. Subject to the terms, conditions, and covenants
21 providing for the payment of the principal, redemption
22 premiums, if any, interest, and other terms,
23 conditions, covenants, and protective provisions
24 safeguarding payment, not inconsistent with this
25 section and as determined by the trust indenture,
26 resolution, or other instrument authorizing their
27 issuance.

28 5. The bonds are securities in which public
29 officers and bodies of this state, political
30 subdivisions of this state, insurance companies and
31 associations and other persons carrying on an
32 insurance business, banks, trust companies, savings
33 associations, savings and loan associations, and
34 investment companies; administrators, guardians,
35 executors, trustees, and other fiduciaries; and other
36 persons authorized to invest in bonds or other
37 obligations of the state may properly and legally
38 invest funds, including capital, in their control or
39 belonging to them.

40 6. Bonds must be authorized by a trust indenture,
41 resolution, or other instrument of the treasurer of
42 state.

43 7. Neither the resolution, trust indenture, nor
44 any other instrument by which a pledge is created
45 needs to be recorded or filed under the Iowa uniform
46 commercial code to be valid, binding, or effective.

47 8. Bonds issued under the provisions of this
48 section are declared to be issued for a general public
49 and governmental purpose and all bonds issued under
50 this section shall be exempt from taxation by the

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1 state of Iowa and the interest on the bonds shall be
2 exempt from the state income tax and the state
3 inheritance and estate tax.

4 9. Subject to the terms of any bond documents,
5 moneys in the grow Iowa values fund may be expended
6 for administration expenses.

7 10. The treasurer of state may issue bonds for the
8 purpose of refunding any bonds issued pursuant to this
9 section then outstanding, including the payment of any
10 redemption premiums thereon and any interest accrued
11 or to accrue to the date of redemption of the
12 outstanding bonds. Until the proceeds of bonds issued
13 for the purpose of refunding outstanding bonds are
14 applied to the purchase or retirement of outstanding
15 bonds or the redemption of outstanding bonds, the
16 proceeds may be placed in escrow and be invested and
17 reinvested in accordance with the provisions of this
18 section. The interest, income, and profits earned or
19 realized on an investment may also be applied to the
20 payment of the outstanding bonds to be refunded by
21 purchase, retirement, or redemption. After the terms
22 of the escrow have been fully satisfied and carried
23 out, any balance of proceeds and interest earned or
24 realized on the investments may be returned to the
25 treasurer of state for deposit in the grow Iowa values
26 fund established in section 15G.108. All refunding
27 bonds shall be issued and secured and subject to the
28 provisions of this chapter in the same manner and to
29 the same extent as other bonds issued pursuant to this
30 section.

31 11. The treasurer of state shall have all of the
32 powers which are necessary to issue and secure bonds,
33 including but not limited to the power to procure
34 insurance, other credit enhancements, and other
35 financing arrangements, and to execute instruments and
36 contracts and to enter into agreements convenient or
37 necessary to facilitate financing arrangements with
38 respect to the bonds and to carry out the purposes of
39 the fund, including but not limited to such
40 arrangements, instruments, contracts, and agreements
41 as municipal bond insurance, self-insurance or
42 liquidity trusts, accounts, pools or other
43 arrangements, liquidity facilities or covenants,
44 letters of credit, and interest rate agreements.

45 12. For purposes of this section and sections
46 12.92 through 12.95, the term "bonds" means bonds,
47 notes, and other obligations and financing
48 arrangements issued or entered into by the treasurer
49 of state and the term "interest rate agreement" means
50 an interest rate swap or exchange agreement, an

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1 agreement establishing an interest rate floor or
2 ceiling or both, or any similar agreement. Any such
3 agreement may include the option to enter into or
4 cancel the agreement or to reverse or extend the
5 agreement.

6 Sec. ____ . NEW SECTION. 12.92 GROW IOWA VALUES
7 FUND ACCOUNTS AND RESERVE FUNDS.

8 1. The treasurer of state shall establish such
9 accounts within the grow Iowa values fund created in
10 section 15G.108 as may be appropriate, including debt
11 service accounts for the purpose of paying the
12 principal of, redemption premium, if any, and interest
13 on bonds payable therefrom. Moneys in the debt
14 service accounts shall not be subject to appropriation
15 for any other purpose by the general assembly, but
16 shall be used only for the purposes of paying the
17 principal of, redemption premium, if any, and interest
18 on the bonds payable therefrom.

19 2. Revenue for the grow Iowa values fund shall
20 include, but is not limited to, the following, which
21 shall be deposited with the treasurer of state or its
22 designee as provided by any bond or security documents
23 and credited to the debt service account:

24 a. The proceeds of bonds issued to capitalize and
25 pay the costs of the fund and investment earnings on
26 the proceeds.

27 b. Interest attributable to investment of moneys
28 in the fund or an account of the fund.

29 c. Moneys in the form of a devise, gift, bequest,
30 donation, federal or other grant, reimbursement,
31 repayment, judgment, transfer, payment, or
32 appropriation from any source intended to be used for
33 the purposes of the fund or account.

34 3. a. The treasurer of state may create and
35 establish one or more special funds, to be known as
36 "bond reserve funds", to secure one or more issues of
37 bonds issued pursuant to section 12.91. The treasurer
38 of state shall pay into each bond reserve fund any
39 moneys appropriated and made available by the state or
40 treasurer of state for the purpose of the fund, any
41 proceeds of sale of bonds to the extent provided in
42 the resolutions or trust indentures authorizing their
43 issuance, and any other moneys which may be available
44 to the treasurer of state for the purpose of the fund
45 from any other sources. All moneys held in a bond
46 reserve fund, except as otherwise provided in this
47 chapter, shall be used as required solely for the
48 payment of the principal of bonds secured in whole or
49 in part by the fund or of the sinking fund payments
50 with respect to the bonds, the purchase or redemption

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1 of the bonds, the payment of interest on the bonds, or
2 the payments of any redemption premium required to be
3 paid when the bonds are redeemed prior to maturity.

4 b. Moneys in a bond reserve fund shall not be
5 withdrawn from it at any time in an amount that will
6 reduce the amount of the fund to less than the bond
7 reserve fund requirement established for the fund, as
8 provided in this subsection, except for the purpose of
9 making, with respect to bonds secured in whole or in
10 part by the fund, payment when due of principal,
11 interest, redemption premiums, and the sinking fund
12 payments with respect to the bonds for the payment of
13 which other moneys of the treasurer of state are not
14 available.

15 Any income or interest earned by, or incremental
16 to, a bond reserve fund due to the investment of it
17 may be transferred by the treasurer of state to other
18 funds or accounts to the extent the transfer does not
19 reduce the amount of that bond reserve fund below the
20 bond reserve fund requirement for it.

21 c. The treasurer of state shall not at any time
22 issue bonds, secured in whole or in part by a bond
23 reserve fund, if, upon the issuance of the bonds, the
24 amount in the bond reserve fund will be less than the
25 bond reserve fund requirement for the fund, unless the
26 treasurer of state at the time of issuance of the
27 bonds deposits in the fund from the proceeds of the
28 bonds issued or from other sources an amount which,
29 together with the amount then in the fund, will not be
30 less than the bond reserve fund requirement for the
31 fund. For the purposes of this subsection, the term
32 "bond reserve fund requirement" means, as of any
33 particular date of computation, an amount of money, as
34 provided in the resolutions or trust indentures
35 authorizing the bonds with respect to which the fund
36 is established.

37 d. To assure the continued solvency of any bonds
38 secured by the bond reserve fund, provision is made in
39 paragraph "a" for the accumulation in each bond
40 reserve fund of an amount equal to the bond reserve
41 requirement for the fund. In order to further assure
42 maintenance of the bond reserve funds, the treasurer
43 of state shall, on or before January 1 of each
44 calendar year, make and deliver to the governor the
45 treasurer of state's certificate stating the sum, if
46 any, required to restore each bond reserve fund to the
47 bond reserve fund requirement for that fund. Within
48 thirty days after the beginning of the session of the
49 general assembly next following the delivery of the
50 certificate, the governor shall submit to both houses

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1 printed copies of a budget including the sum, if any,
2 required to restore each bond reserve fund to the bond
3 reserve fund requirement for that fund. Any sums
4 appropriated by the general assembly and paid to the
5 treasurer of state pursuant to this subsection shall
6 be deposited by the treasurer of state in the
7 applicable bond reserve fund.

8 Sec. ____ . NEW SECTION. 12.93 PLEDGES.

9 1. It is the intention of the general assembly
10 that a pledge made in respect of bonds shall be valid
11 and binding from the time the pledge is made, that the
12 moneys or property so pledged and received after the
13 pledge by the treasurer of state shall immediately be
14 subject to the lien of the pledge without physical
15 delivery or further act, and that the lien of the
16 pledge shall be valid and binding as against all
17 parties having claims of any kind in tort, contract,
18 or otherwise against the treasurer of state whether or
19 not the parties have notice of the lien.

20 2. The moneys set aside in a fund or funds pledged
21 for any series or issue of bonds shall be held for the
22 sole benefit of the series or issue separate and apart
23 from moneys pledged for another series or issue of
24 bonds of the treasurer of state. Bonds may be issued
25 in series under one or more resolutions or trust
26 indentures and may be fully open-ended, thus providing
27 for the unlimited issuance of additional series, or
28 partially open-ended, limited as to additional series.

29 Sec. ____ . NEW SECTION. 12.94 LIMITATIONS.

30 Bonds issued pursuant to section 12.91 are not
31 debts of the state, or of any political subdivision of
32 the state, and do not constitute a pledge of the faith
33 and credit of the state or a charge against the
34 general credit or general fund of the state. The
35 issuance of any bonds pursuant to section 12.91 by the
36 treasurer of state does not directly, indirectly, or
37 contingently obligate the state or a political
38 subdivision of the state to apply moneys, or to levy
39 or pledge any form of taxation whatever, to the
40 payment of the bonds. Bonds issued under section
41 12.91 are payable solely and only from the sources and
42 special fund and accounts provided in section 12.92.

43 Sec. ____ . NEW SECTION. 12.95 CONSTRUCTION.

44 Sections 12.91 through 12.94, being necessary for
45 the welfare of this state and its inhabitants, shall
46 be liberally construed to effect its purposes.

47 Sec. ____ . Section 15G.108, Code Supplement 2003,
48 is amended to read as follows:

49 15G.108 GROW IOWA VALUES FUND.

50 A grow Iowa values fund is created and established

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1 as a separate and distinct fund in the state treasury
2 under the control of the grow Iowa values board
3 consisting of moneys appropriated to the grow Iowa
4 values board. Moneys in the fund are not subject to
5 section 8.33. Notwithstanding section 12C.7, interest
6 or earnings on moneys in the fund shall be credited to
7 the fund. Moneys in the fund shall not be subject to
8 appropriation for any other purposes by the general
9 assembly other than as provided in this Act and 2003
10 Iowa Acts, First Extraordinary Session, chapter 2, but
11 shall be used only for the purposes of the grow Iowa
12 values fund. The treasurer of state shall act as
13 custodian of the fund and disburse moneys contained in
14 the fund as directed by the grow Iowa values board,
15 including automatic disbursements of moneys received
16 pursuant to the terms of bond indentures and documents
17 and security provisions to trustees. The fund shall
18 be administered by the grow Iowa values board, which
19 shall make expenditures from the fund consistent with
20 this chapter and pertinent Acts of the general
21 assembly. Any financial assistance provided using
22 moneys from the fund may be provided over a period of
23 time of more than one year. Payments of interest,
24 repayments of moneys loaned pursuant to this chapter,
25 and recaptures of grants or loans shall be deposited
26 in the fund.

27 Sec. _____. Section 15G.110, Code Supplement 2003,
28 is amended to read as follows:

29 15G.110 FUTURE CONSIDERATION.

30 Not later than February 1, 2007, the legislative
31 services agency shall prepare and deliver to the
32 secretary of the senate and the chief clerk of the
33 house of representatives identical bills that repeal
34 the provisions of this chapter, with the exception of
35 sections 15G.101, 15G.102, 15G.103, and 15G.108. It
36 is the intent of this section that the general
37 assembly shall bring the bill to a vote in either the
38 senate or the house of representatives expeditiously.
39 It is further the intent of this chapter that if the
40 bill is approved by the first house in which it is
41 considered, it shall expeditiously be brought to a
42 vote in the second house.

43 Sec. _____. Section 99G.39, subsection 3, paragraph
44 a, Code Supplement 2003, is amended to read as
45 follows:

46 a. Notwithstanding subsection 1, if gaming
47 revenues under sections 99D.17 and 99F.11 are
48 insufficient in a fiscal year to meet the total amount
49 of such revenues directed to be deposited in the grow
50 Iowa values fund, the vision Iowa fund, and the school

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1 infrastructure fund during the fiscal year pursuant to
2 section 8.57, subsection 5, paragraph "e", the
3 difference shall be paid from lottery revenues prior
4 to deposit of the lottery revenues in the general
5 fund. If lottery revenues are insufficient during the
6 fiscal year to pay the difference, the remaining
7 difference shall be paid from lottery revenues in
8 subsequent fiscal years as such revenues become
9 available.

10 Sec. _____. 2003 Iowa Acts, First Extraordinary
11 Session, chapter 1, section 114, is amended to read as
12 follows:

13 SEC. 114. The divisions of this Act designated the
14 grow Iowa values board and fund, with the exception of
15 sections 15G.101, 15G.102, 15G.103, and 15G.108, Code
16 Supplement 2003, the value-added agricultural products
17 and processes financial assistance program, the endow
18 Iowa grants, the technology transfer advisors, the
19 Iowa economic development loan and credit guarantee
20 fund, the economic development assistance and data
21 collection, the cultural and entertainment districts,
22 the workforce issues, and the university-based
23 research utilization program, are repealed effective
24 June 30, 2010.

25 Sec. _____. 2003 Iowa Acts, First Extraordinary
26 Session, chapter 2, section 75, subsection 1, is
27 amended to read as follows:

28 1. There is appropriated from the general fund of
29 the state from moneys credited to the general fund of
30 the state as a result of entering into the streamlined
31 sales and use tax agreement, for the fiscal period
32 year beginning July 1, 2003, and ending June 30, 2010
33 2004, the following amounts amount to be used for the
34 purpose designated:

35 For deposit in the grow Iowa values fund created in
36 section 15G.107, if enacted by 2003 Iowa Acts, House
37 File 692 or another Act 15G.108:

38	FY 2003-2004.....	\$ 5,000,000
39	FY 2004-2005.....	\$ 23,000,000
40	FY 2005-2006.....	\$ 75,000,000
41	FY 2006-2007.....	\$ 75,000,000
42	FY 2007-2008.....	\$ 75,000,000
43	FY 2008-2009.....	\$ 75,000,000
44	FY 2009-2010.....	\$ 75,000,000"

45 10. By renumbering as necessary.

By KUHN of Floyd
BELL of Jasper
BERRY of Black Hawk
BUKTA of Clinton
COHOON of Des Moines
CONNORS of Polk
DANDEKAR of Linn
DAVITT of Warren
FOEGE of Linn
FORD of Polk
FREVERT of Palo Alto
GASKILL of Wapello
GREIMANN of Story
HEDDENS of Story
HOGG of Linn
HUNTER of Polk
JACOBY of Johnson
JOCHUM of Dubuque
LENSING of Johnson
LYKAM of Scott
MASCHER of Johnson
McCARTHY of Polk

MERTZ of Kossuth
MILLER of Webster
MURPHY of Dubuque
OLDSON of Polk
D. OLSON of Boone
OSTERHAUS of Jackson
PETERSEN of Polk
QUIRK of Chickasaw
REASONER of Union
SHOMSHOR of Pottawattamie
SHOULTZ of Black Hawk
SMITH of Marshall
STEVENS of Dickinson
SWAIM of Davis
D. TAYLOR of Linn
T. TAYLOR of Linn
THOMAS of Clayton
WENDT of Woodbury
WHITAKER of Van Buren
WHITEAD of Woodbury
WINCKLER of Scott
WISE of Lee

H-8472 FILED APRIL 12, 2004

A-LOST

SENATE FILE 2298

H-8473

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 37, by inserting after line 4 the
4 following:

5 "Sec. ____ . ECONOMIC DEVELOPMENT REGION FINANCIAL
6 ASSISTANCE APPROPRIATION.

7 1. There is appropriated from the grow Iowa values
8 fund created in section 15G.108 to the department of
9 economic development for the fiscal year beginning
10 July 1, 2004, and ending June 30, 2005, the following
11 amount, or so much thereof as is necessary, to be used
12 for the purpose designated:

13 For providing financial assistance under section
14 15E.232, subsections 3, 4, 5, and 6, and under section
15 15E.233:

16 \$ 20,000,000

17 2. Notwithstanding section 8.33, moneys that
18 remain unexpended at the end of a fiscal year shall
19 not revert to any fund but shall remain available for
20 expenditure for the designated purposes during the
21 succeeding fiscal year.

22 Sec. ____ . REHABILITATION PROJECT TAX CREDITS
23 APPROPRIATION.

24 1. There is appropriated from the grow Iowa values
25 fund to the general fund of the state for each fiscal
26 year of the fiscal period beginning July 1, 2004, and
27 ending June 30, 2006, the following amounts, or so
28 much thereof as is necessary, to be used for the
29 purpose designated:

30 For payment of tax credits approved pursuant to
31 section 404A.4 for projects located in certified
32 cultural and entertainment districts:

33 FY 2004-2005 \$ 1,500,000

34 FY 2005-2006 \$ 1,500,000

35 2. Notwithstanding section 8.33, moneys that
36 remain unexpended at the end of a fiscal year shall
37 not revert to any fund but shall remain available for
38 expenditure for the designated purposes during the
39 succeeding fiscal year.

40 Sec. ____ . COMMUNITY ATTRACTION AND TOURISM
41 PROGRAM.

42 1. There is appropriated from the grow Iowa values
43 fund to the office of the treasurer of state for each
44 fiscal year of the fiscal period beginning July 1,
45 2004, and ending June 30, 2007, the following amounts,
46 or so much thereof as is necessary, to be used for the
47 purpose designated:

48 For deposit in the community attraction and tourism
49 fund:

50 FY 2004-2005 \$ 15,000,000

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1	FY 2005-2006	\$ 15,000,000
2	FY 2006-2007	\$ 15,000,000

3 2. Notwithstanding section 8.33, moneys that
 4 remain unexpended at the end of a fiscal year shall
 5 not revert to any fund but shall remain available for
 6 expenditure for the designated purposes during the
 7 succeeding fiscal year.

8 Sec. ____ . STATE PARKS.

9 1. There is appropriated from the grow Iowa values
 10 fund to the grow Iowa values board for each fiscal
 11 year of the fiscal period beginning July 1, 2004, and
 12 ending June 30, 2006, the following amounts, or so
 13 much thereof as is necessary, to be used for the
 14 purpose designated:

15 For the purpose of providing financial assistance
 16 for projects in targeted state parks and destination
 17 parks:

18	FY 2004-2005	\$ 3,000,000
19	FY 2005-2006	\$ 3,000,000

20 2. Notwithstanding section 8.33, moneys that
 21 remain unexpended at the end of a fiscal year shall
 22 not revert to any fund but shall remain available for
 23 expenditure for the designated purposes during the
 24 succeeding fiscal year.

25 Sec. ____ . IOWA CULTURAL TRUST FUND.

26 1. There is appropriated from the grow Iowa values
 27 fund to the office of the treasurer of state for each
 28 fiscal year of the fiscal period beginning July 1,
 29 2004, and ending June 30, 2006, the following amounts,
 30 or so much thereof as is necessary, to be used for the
 31 purpose designated:

32 For deposit in the Iowa cultural trust fund created
 33 in section 303A.4:

34	FY 2004-2005	\$ 2,000,000
35	FY 2005-2006	\$ 2,000,000

36 2. Notwithstanding section 8.33, moneys that
 37 remain unexpended at the end of a fiscal year shall
 38 not revert to any fund but shall remain available for
 39 expenditure for the designated purposes during the
 40 succeeding fiscal year.

41 Sec. ____ . GENERAL FUND APPROPRIATION. From the
 42 proceeds received from the sale of bonds issued
 43 pursuant to section 12.91, there is appropriated from
 44 the grow Iowa values fund to the general fund of the
 45 state for the fiscal period beginning July 1, 2004,
 46 and ending June 30, 2006, the following amounts for
 47 deposit in the general fund:

48	FY 2004-2005.....	\$ 43,600,000
49	FY 2005-2006.....	\$ 43,600,000

50 Sec. ____ . VALUE-ADDED AGRICULTURAL PRODUCTS AND

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1 PROCESSES FINANCIAL ASSISTANCE FUND APPROPRIATION. In
 2 addition to any moneys allocated from moneys
 3 appropriated pursuant to 2003 Iowa Acts, First
 4 Extraordinary Session, chapter 2, section 66, there is
 5 appropriated from the grow Iowa values fund to the
 6 department of economic development for the fiscal year
 7 beginning July 1, 2004, and ending June 30, 2005, the
 8 following amount, or so much thereof as is necessary,
 9 to be used for the purpose designated:

10 For deposit in the value-added agricultural
 11 products and processes financial assistance fund:
 12 \$ 2,000,000

13 Sec. ____ . COMMUNITY ECONOMIC BETTERMENT PROGRAM
 14 ACCOUNT APPROPRIATION. In addition to any moneys
 15 allocated from moneys appropriated pursuant to 2003
 16 Iowa Acts, First Extraordinary Session, chapter 2,
 17 section 66, there is appropriated from the grow Iowa
 18 values fund to the department of economic development
 19 for the fiscal year beginning July 1, 2004, and ending
 20 June 30, 2005, the following amount, or so much
 21 thereof as is necessary, to be used for the purpose
 22 designated:

23 For deposit in the community economic betterment
 24 program account:
 25 \$ 2,000,000

26 Sec. ____ . Section 8.57, subsection 5, paragraph e,
 27 Code Supplement 2003, is amended to read as follows:

28 e. Notwithstanding provisions to the contrary in
 29 sections 99D.17 and 99F.11, for the fiscal year
 30 beginning July 1, ~~2000~~ 2003, and ~~for each fiscal year~~
 31 ~~thereafter~~ ending June 30, 2004, not more than a total
 32 of sixty million dollars shall be deposited in the
 33 general fund of the state in any the fiscal year
 34 pursuant to sections 99D.17 and 99F.11; for the fiscal
 35 period beginning July 1, 2004, and ending June 30,
 36 2030, not more than a total of forty-three million six
 37 hundred thousand dollars of the moneys directed to be
 38 deposited in the general fund of the state in a fiscal
 39 year pursuant to sections 99D.17 and 99F.11 shall be
 40 deposited in the grow Iowa values fund created in
 41 section 15G.108 in any fiscal year, and not more than
 42 a total of sixteen million four hundred thousand
 43 dollars shall be deposited in the general fund in any
 44 fiscal year; and for the fiscal year beginning July 1,
 45 2030, and for each fiscal year thereafter, not more
 46 than a total of sixty million dollars shall be
 47 deposited in the general fund of the state in any
 48 fiscal year pursuant to sections 99D.17 and 99F.11.

49 The next fifteen million dollars of the moneys
 50 directed to be deposited in the general fund of the

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1 state in a fiscal year pursuant to sections 99D.17 and
2 99F.11 shall be deposited in the vision Iowa fund
3 created in section 12.72 for the fiscal year beginning
4 July 1, 2000, and for each fiscal year through the
5 fiscal year beginning July 1, 2019. The next five
6 million dollars of the moneys directed to be deposited
7 in the general fund of the state in a fiscal year
8 pursuant to sections 99D.17 and 99F.11 shall be
9 deposited in the school infrastructure fund created in
10 section 12.82 for the fiscal year beginning July 1,
11 2000, and for each fiscal year thereafter until the
12 principal and interest on all bonds issued by the
13 treasurer of state pursuant to section 12.81 are paid,
14 as determined by the treasurer of state. The total
15 moneys in excess of the moneys deposited in the
16 general fund of the state, the grow Iowa values fund,
17 the vision Iowa fund, and the school infrastructure
18 fund in a fiscal year shall be deposited in the
19 rebuild Iowa infrastructure fund and shall be used as
20 provided in this section, notwithstanding section
21 8.60.

22 If the total amount of moneys directed to be
23 deposited in the general fund of the state under
24 sections 99D.17 and 99F.11 in a fiscal year is less
25 than the total amount of moneys directed to be
26 deposited in the grow Iowa values fund, the vision
27 Iowa fund, and the school infrastructure fund in the
28 fiscal year pursuant to this paragraph "e", the
29 difference shall be paid from lottery revenues in the
30 manner provided in section 99G.39, subsection 3.

31 Sec. ____ . NEW SECTION. 12.91 GENERAL AND
32 SPECIFIC BONDING POWERS.

33 1. The treasurer of state may issue bonds for the
34 purpose of funding the grow Iowa values fund created
35 in section 15G.108. The treasurer of state shall have
36 all of the powers which are necessary to issue and
37 secure bonds and carry out the purposes of the fund.
38 The treasurer of state may issue bonds in principal
39 amounts which are necessary to provide sufficient
40 funds for the grow Iowa values fund, the payment of
41 interest on the bonds, the establishment of reserves
42 to secure the bonds, the costs of issuance of the
43 bonds, other expenditures of the treasurer of state
44 incident to and necessary or convenient to carry out
45 the bond issue for the fund, and all other
46 expenditures of the board necessary or convenient to
47 administer the fund. The bonds are investment
48 securities and negotiable instruments within the
49 meaning of and for purposes of the uniform commercial
50 code.

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1 2. Bonds issued under this section are payable
2 solely and only out of the moneys, assets, or revenues
3 of the grow Iowa values fund and any bond reserve
4 funds established pursuant to section 12.92, all of
5 which may be deposited with trustees or depositories
6 in accordance with bond or security documents and
7 pledged to the payment thereof. Bonds issued under
8 this section shall contain on their face a statement
9 that the bonds do not constitute an indebtedness of
10 the state. The treasurer of state shall not pledge
11 the credit or taxing power of this state or any
12 political subdivision of the state or make bonds
13 issued pursuant to this section payable out of any
14 moneys except those in the grow Iowa values fund.

15 3. The proceeds of bonds issued by the treasurer
16 of state and not required for immediate disbursement
17 may be deposited with a trustee or depository as
18 provided in the bond documents and invested or
19 reinvested in any investment as directed by the
20 treasurer of state and specified in the trust
21 indenture, resolution, or other instrument pursuant to
22 which the bonds are issued without regard to any
23 limitation otherwise provided by law.

24 4. The bonds shall be:

25 a. In a form, issued in denominations, executed in
26 a manner, and payable over terms and with rights of
27 redemption, and be subject to the terms, conditions,
28 and covenants providing for the payment of the
29 principal of, redemption premiums, if any, interest
30 which may be fixed or variable during any period the
31 bonds are outstanding, and such other terms and
32 conditions as prescribed in the trust indenture,
33 resolution, or other instrument authorizing their
34 issuance.

35 b. Negotiable instruments under the laws of the
36 state and may be sold at prices, at public or private
37 sale, and in a manner, as prescribed by the treasurer
38 of state. Chapters 73A, 74, 74A, and 75 do not apply
39 to the sale or issuance of the bonds.

40 c. Subject to the terms, conditions, and covenants
41 providing for the payment of the principal, redemption
42 premiums, if any, interest, and other terms,
43 conditions, covenants, and protective provisions
44 safeguarding payment, not inconsistent with this
45 section and as determined by the trust indenture,
46 resolution, or other instrument authorizing their
47 issuance.

48 5. The bonds are securities in which public
49 officers and bodies of this state, political
50 subdivisions of this state, insurance companies and

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1 associations and other persons carrying on an
2 insurance business, banks, trust companies, savings
3 associations, savings and loan associations, and
4 investment companies; administrators, guardians,
5 executors, trustees, and other fiduciaries; and other
6 persons authorized to invest in bonds or other
7 obligations of the state may properly and legally
8 invest funds, including capital, in their control or
9 belonging to them.

10 6. Bonds must be authorized by a trust indenture,
11 resolution, or other instrument of the treasurer of
12 state.

13 7. Neither the resolution, trust indenture, nor
14 any other instrument by which a pledge is created
15 needs to be recorded or filed under the Iowa uniform
16 commercial code to be valid, binding, or effective.

17 8. Bonds issued under the provisions of this
18 section are declared to be issued for a general public
19 and governmental purpose and all bonds issued under
20 this section shall be exempt from taxation by the
21 state of Iowa and the interest on the bonds shall be
22 exempt from the state income tax and the state
23 inheritance and estate tax.

24 9. Subject to the terms of any bond documents,
25 moneys in the grow Iowa values fund may be expended
26 for administration expenses.

27 10. The treasurer of state may issue bonds for the
28 purpose of refunding any bonds issued pursuant to this
29 section then outstanding, including the payment of any
30 redemption premiums thereon and any interest accrued
31 or to accrue to the date of redemption of the
32 outstanding bonds. Until the proceeds of bonds issued
33 for the purpose of refunding outstanding bonds are
34 applied to the purchase or retirement of outstanding
35 bonds or the redemption of outstanding bonds, the
36 proceeds may be placed in escrow and be invested and
37 reinvested in accordance with the provisions of this
38 section. The interest, income, and profits earned or
39 realized on an investment may also be applied to the
40 payment of the outstanding bonds to be refunded by
41 purchase, retirement, or redemption. After the terms
42 of the escrow have been fully satisfied and carried
43 out, any balance of proceeds and interest earned or
44 realized on the investments may be returned to the
45 treasurer of state for deposit in the grow Iowa values
46 fund established in section 15G.108. All refunding
47 bonds shall be issued and secured and subject to the
48 provisions of this chapter in the same manner and to
49 the same extent as other bonds issued pursuant to this
50 section.

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1 11. The treasurer of state shall have all of the
2 powers which are necessary to issue and secure bonds,
3 including but not limited to the power to procure
4 insurance, other credit enhancements, and other
5 financing arrangements, and to execute instruments and
6 contracts and to enter into agreements convenient or
7 necessary to facilitate financing arrangements with
8 respect to the bonds and to carry out the purposes of
9 the fund, including but not limited to such
10 arrangements, instruments, contracts, and agreements
11 as municipal bond insurance, self-insurance or
12 liquidity trusts, accounts, pools or other
13 arrangements, liquidity facilities or covenants,
14 letters of credit, and interest rate agreements.

15 12. For purposes of this section and sections
16 12.92 through 12.95, the term "bonds" means bonds,
17 notes, and other obligations and financing
18 arrangements issued or entered into by the treasurer
19 of state and the term "interest rate agreement" means
20 an interest rate swap or exchange agreement, an
21 agreement establishing an interest rate floor or
22 ceiling or both, or any similar agreement. Any such
23 agreement may include the option to enter into or
24 cancel the agreement or to reverse or extend the
25 agreement.

26 Sec. ____ . NEW SECTION. 12.92 GROW IOWA VALUES
27 FUND ACCOUNTS AND RESERVE FUNDS.

28 1. The treasurer of state shall establish such
29 accounts within the grow Iowa values fund created in
30 section 15G.108 as may be appropriate, including debt
31 service accounts for the purpose of paying the
32 principal of, redemption premium, if any, and interest
33 on bonds payable therefrom. Moneys in the debt
34 service accounts shall not be subject to appropriation
35 for any other purpose by the general assembly, but
36 shall be used only for the purposes of paying the
37 principal of, redemption premium, if any, and interest
38 on the bonds payable therefrom.

39 2. Revenue for the grow Iowa values fund shall
40 include, but is not limited to, the following, which
41 shall be deposited with the treasurer of state or its
42 designee as provided by any bond or security documents
43 and credited to the debt service account:

44 a. The proceeds of bonds issued to capitalize and
45 pay the costs of the fund and investment earnings on
46 the proceeds.

47 b. Interest attributable to investment of moneys
48 in the fund or an account of the fund.

49 c. Moneys in the form of a devise, gift, bequest,
50 donation, federal or other grant, reimbursement,

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1 repayment, judgment, transfer, payment, or
2 appropriation from any source intended to be used for
3 the purposes of the fund or account.

4 3. a. The treasurer of state may create and
5 establish one or more special funds, to be known as
6 "bond reserve funds", to secure one or more issues of
7 bonds issued pursuant to section 12.91. The treasurer
8 of state shall pay into each bond reserve fund any
9 moneys appropriated and made available by the state or
10 treasurer of state for the purpose of the fund, any
11 proceeds of sale of bonds to the extent provided in
12 the resolutions or trust indentures authorizing their
13 issuance, and any other moneys which may be available
14 to the treasurer of state for the purpose of the fund
15 from any other sources. All moneys held in a bond
16 reserve fund, except as otherwise provided in this
17 chapter, shall be used as required solely for the
18 payment of the principal of bonds secured in whole or
19 in part by the fund or of the sinking fund payments
20 with respect to the bonds, the purchase or redemption
21 of the bonds, the payment of interest on the bonds, or
22 the payments of any redemption premium required to be
23 paid when the bonds are redeemed prior to maturity.

24 b. Moneys in a bond reserve fund shall not be
25 withdrawn from it at any time in an amount that will
26 reduce the amount of the fund to less than the bond
27 reserve fund requirement established for the fund, as
28 provided in this subsection, except for the purpose of
29 making, with respect to bonds secured in whole or in
30 part by the fund, payment when due of principal,
31 interest, redemption premiums, and the sinking fund
32 payments with respect to the bonds for the payment of
33 which other moneys of the treasurer of state are not
34 available.

35 Any income or interest earned by, or incremental
36 to, a bond reserve fund due to the investment of it
37 may be transferred by the treasurer of state to other
38 funds or accounts to the extent the transfer does not
39 reduce the amount of that bond reserve fund below the
40 bond reserve fund requirement for it.

41 c. The treasurer of state shall not at any time
42 issue bonds, secured in whole or in part by a bond
43 reserve fund, if, upon the issuance of the bonds, the
44 amount in the bond reserve fund will be less than the
45 bond reserve fund requirement for the fund, unless the
46 treasurer of state at the time of issuance of the
47 bonds deposits in the fund from the proceeds of the
48 bonds issued or from other sources an amount which,
49 together with the amount then in the fund, will not be
50 less than the bond reserve fund requirement for the

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1 fund. For the purposes of this subsection, the term
2 "bond reserve fund requirement" means, as of any
3 particular date of computation, an amount of money, as
4 provided in the resolutions or trust indentures
5 authorizing the bonds with respect to which the fund
6 is established.

7 d. To assure the continued solvency of any bonds
8 secured by the bond reserve fund, provision is made in
9 paragraph "a" for the accumulation in each bond
10 reserve fund of an amount equal to the bond reserve
11 requirement for the fund. In order to further assure
12 maintenance of the bond reserve funds, the treasurer
13 of state shall, on or before January 1 of each
14 calendar year, make and deliver to the governor the
15 treasurer of state's certificate stating the sum, if
16 any, required to restore each bond reserve fund to the
17 bond reserve fund requirement for that fund. Within
18 thirty days after the beginning of the session of the
19 general assembly next following the delivery of the
20 certificate, the governor shall submit to both houses
21 printed copies of a budget including the sum, if any,
22 required to restore each bond reserve fund to the bond
23 reserve fund requirement for that fund. Any sums
24 appropriated by the general assembly and paid to the
25 treasurer of state pursuant to this subsection shall
26 be deposited by the treasurer of state in the
27 applicable bond reserve fund.

28 Sec. ____ . NEW SECTION. 12.93 PLEDGES.

29 1. It is the intention of the general assembly
30 that a pledge made in respect of bonds shall be valid
31 and binding from the time the pledge is made, that the
32 moneys or property so pledged and received after the
33 pledge by the treasurer of state shall immediately be
34 subject to the lien of the pledge without physical
35 delivery or further act, and that the lien of the
36 pledge shall be valid and binding as against all
37 parties having claims of any kind in tort, contract,
38 or otherwise against the treasurer of state whether or
39 not the parties have notice of the lien.

40 2. The moneys set aside in a fund or funds pledged
41 for any series or issue of bonds shall be held for the
42 sole benefit of the series or issue separate and apart
43 from moneys pledged for another series or issue of
44 bonds of the treasurer of state. Bonds may be issued
45 in series under one or more resolutions or trust
46 indentures and may be fully open-ended, thus providing
47 for the unlimited issuance of additional series, or
48 partially open-ended, limited as to additional series.

49 Sec. ____ . NEW SECTION. 12.94 LIMITATIONS.

50 Bonds issued pursuant to section 12.91 are not

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1 debts of the state, or of any political subdivision of
2 the state, and do not constitute a pledge of the faith
3 and credit of the state or a charge against the
4 general credit or general fund of the state. The
5 issuance of any bonds pursuant to section 12.91 by the
6 treasurer of state does not directly, indirectly, or
7 contingently obligate the state or a political
8 subdivision of the state to apply moneys, or to levy
9 or pledge any form of taxation whatever, to the
10 payment of the bonds. Bonds issued under section
11 12.91 are payable solely and only from the sources and
12 special fund and accounts provided in section 12.92.

13 Sec. ____ . NEW SECTION. 12.95 CONSTRUCTION.

14 Sections 12.91 through 12.94, being necessary for
15 the welfare of this state and its inhabitants, shall
16 be liberally construed to effect its purposes.

17 Sec. ____ . NEW SECTION. 15E.231 ECONOMIC
18 DEVELOPMENT REGIONS.

19 1. In order for an economic development region to
20 receive moneys from the grow Iowa values fund created
21 in section 15G.108, the organization of an economic
22 development region must be approved by the grow Iowa
23 values board established in section 15G.102. The
24 board shall approve an economic development region
25 that meets the following criteria:

26 a. The region consists of not less than three
27 contiguous counties. Upon the recommendation of the
28 director of the department of economic development,
29 this paragraph may be waived by the board.

30 b. The region establishes a single, focused
31 economic development effort, approved by the board,
32 that shall include the development of a regional
33 development plan and regional marketing strategies.
34 Regional marketing strategies must be focused on
35 marketing the region collectively.

36 2. An approved economic development region may
37 create an economic development region revolving fund
38 as provided in section 15E.232.

39 Sec. ____ . NEW SECTION. 15E.232 ECONOMIC
40 DEVELOPMENT REGION REVOLVING FUNDS -- TAX CREDITS.

41 1. An economic development region approved
42 pursuant to section 15E.231 may create an economic
43 development region revolving fund.

44 2. An approved economic development region may
45 apply for financial assistance from the Iowa values
46 fund to assist with physical infrastructure needs
47 related to a specific business partner. In order to
48 receive financial assistance pursuant to this
49 subsection, the economic development region must
50 demonstrate all of the following:

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1 a. The ability to provide matching moneys on a one
2 to one basis.

3 b. The commitment of the specific business
4 partner.

5 c. That all other funding alternatives have been
6 exhausted.

7 3. An approved economic development region may
8 apply for financial assistance from the Iowa values
9 fund to assist an existing business located in the
10 economic development region impacted by business
11 consolidation actions. Business consolidation actions
12 include a substantial or total closure of an existing
13 business due to consolidating the existing business
14 out of state. In order to receive financial
15 assistance pursuant to this subsection, the economic
16 development region must demonstrate the ability to
17 provide matching moneys on a one-to-one basis.

18 4. An approved economic development region may
19 apply for financial assistance to implement economic
20 development initiatives unique to the region. In
21 order to receive financial assistance pursuant to this
22 subsection, the economic development region must
23 demonstrate the ability to provide matching moneys on
24 a one-to-one basis.

25 5. An approved economic development region may
26 apply for financial assistance to implement innovative
27 initiatives that do not qualify for assistance under
28 subsection 4.

29 5. The board may establish and administer a
30 regional economic development revenue sharing pilot
31 project for one or more regions. Not more than three
32 pilot projects shall be established. The department
33 of economic development shall provide technical
34 assistance to the regions participating in a pilot
35 project.

36 7. Financial assistance under subsections 2, 3, 4,
37 and 5 and section 15E.233 shall be limited to a total
38 of twenty million dollars.

39 Sec. ____ . NEW SECTION. 15E.233 ECONOMICALLY
40 ISOLATED AREAS.

41 1. An approved economic development region may
42 apply to the Iowa values board for approval to be
43 designated as an economically isolated area. In order
44 to be considered an economically isolated area, the
45 region must have at least one county that meets all of
46 the following criteria:

47 a. A majority of the land area of the county is
48 located at least forty miles away from a major
49 commercial area, as determined by the board. Major
50 commercial areas include all of the following:

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- 1 (1) Burlington.
- 2 (2) Carroll.
- 3 (3) Cedar Rapids.
- 4 (4) Clinton.
- 5 (5) Council Bluffs.
- 6 (6) Davenport.
- 7 (7) Des Moines.
- 8 (8) Dubuque.
- 9 (9) Fort Dodge.
- 10 (10) Iowa City.
- 11 (11) Marshalltown.
- 12 (12) Mason City.
- 13 (13) Ottumwa.
- 14 (14) Sioux City.
- 15 (15) Spencer.
- 16 (16) Storm Lake.
- 17 (17) Waterloo.

18 b. The county has at least one of the following:

19 (1) Per capita income that ranks in the lowest
20 twenty-five counties in the state based on the 2000
21 census.

22 (2) An annualized average weekly wage for
23 employees in private business that ranks in the lowest
24 twenty-five counties in the state in calendar year
25 2000.

26 2. An approved economically isolated area may
27 apply to the department of economic development for up
28 to seven hundred fifty thousand dollars over a five-
29 year period for purposes of economic-development-
30 related marketing assistance for the area. In order
31 to receive financial assistance pursuant to this
32 subsection, the economic development region must
33 demonstrate the ability to provide matching moneys on
34 a one-to-one basis.

35 Sec. _____. Section 15G.108, Code Supplement 2003,
36 is amended to read as follows:

37 15G.108 GROW IOWA VALUES FUND.

38 A grow Iowa values fund is created and established
39 as a separate and distinct fund in the state treasury
40 under the control of the grow Iowa values board
41 consisting of moneys appropriated to the grow Iowa
42 values board. Moneys in the fund are not subject to
43 section 8.33. Notwithstanding section 12C.7, interest
44 or earnings on moneys in the fund shall be credited to
45 the fund. Moneys in the fund shall not be subject to
46 appropriation for any other purposes by the general
47 assembly other than as provided in this Act and 2003
48 Iowa Acts, First Extraordinary Session, chapter 2, but
49 shall be used only for the purposes of the grow Iowa
50 values fund. The treasurer of state shall act as

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1 custodian of the fund and disburse moneys contained in
2 the fund as directed by the grow Iowa values board,
3 including automatic disbursements of moneys received
4 pursuant to the terms of bond indentures and documents
5 and security provisions to trustees. The fund shall
6 be administered by the grow Iowa values board, which
7 shall make expenditures from the fund consistent with
8 this chapter and pertinent Acts of the general
9 assembly. Any financial assistance provided using
10 moneys from the fund may be provided over a period of
11 time of more than one year. Payments of interest,
12 repayments of moneys loaned pursuant to this chapter,
13 and recaptures of grants or loans shall be deposited
14 in the fund.

15 Sec. _____. Section 15G.110, Code Supplement 2003,
16 is amended to read as follows:

17 15G.110 FUTURE CONSIDERATION.

18 Not later than February 1, 2007, the legislative
19 services agency shall prepare and deliver to the
20 secretary of the senate and the chief clerk of the
21 house of representatives identical bills that repeal
22 the provisions of this chapter, with the exception of
23 sections 15G.101, 15G.102, 15G.103, and 15G.108. It
24 is the intent of this section that the general
25 assembly shall bring the bill to a vote in either the
26 senate or the house of representatives expeditiously.
27 It is further the intent of this chapter that if the
28 bill is approved by the first house in which it is
29 considered, it shall expeditiously be brought to a
30 vote in the second house.

31 Sec. _____. Section 99G.39, subsection 3, paragraph
32 a, Code Supplement 2003, is amended to read as
33 follows:

34 a. Notwithstanding subsection 1, if gaming
35 revenues under sections 99D.17 and 99F.11 are
36 insufficient in a fiscal year to meet the total amount
37 of such revenues directed to be deposited in the grow
38 Iowa values fund, the vision Iowa fund, and the school
39 infrastructure fund during the fiscal year pursuant to
40 section 8.57, subsection 5, paragraph "e", the
41 difference shall be paid from lottery revenues prior
42 to deposit of the lottery revenues in the general
43 fund. If lottery revenues are insufficient during the
44 fiscal year to pay the difference, the remaining
45 difference shall be paid from lottery revenues in
46 subsequent fiscal years as such revenues become
47 available.

48 Sec. _____. Section 404A.4, subsection 4, Code
49 Supplement 2003, is amended to read as follows:

50 4. The total amount of tax credits that may be

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1 approved for a fiscal year under this chapter shall
2 not exceed two million four hundred thousand dollars.
3 For the fiscal years ~~beginning July 1, 2005, and year~~
4 beginning July 1, 2004, an additional one million five
5 hundred thousand dollars of tax credits may be
6 approved for purposes of projects located in cultural
7 and entertainment districts certified pursuant to
8 section 303.3B. For the fiscal year beginning July 1,
9 2005, an additional two million dollars of tax credits
10 may be approved for purposes of projects located in
11 cultural and entertainment districts certified
12 pursuant to section 303.3B. For the fiscal year
13 beginning July 1, 2006, an additional five hundred
14 thousand dollars of tax credits may be approved each
15 fiscal year for purposes of projects located in
16 cultural and entertainment districts certified
17 pursuant to section 303.3B. Any of the additional tax
18 credits allocated for projects located in certified
19 cultural and entertainment districts that are not
20 approved during a fiscal year may be carried over to
21 the succeeding fiscal year. Tax credit certificates
22 shall be issued on the basis of the earliest awarding
23 of certifications of completion as provided in
24 subsection 1. The departments of economic development
25 and revenue shall each adopt rules to jointly
26 administer this subsection and shall provide by rule
27 for the method to be used to determine for which
28 fiscal year the tax credits are approved.

29 Sec. _____. 2003 Iowa Acts, First Extraordinary
30 Session, chapter 1, section 114, is amended to read as
31 follows:

32 SEC. 114. The divisions of this Act designated the
33 grow Iowa values board and fund, with the exception of
34 sections 15G.101, 15G.102, 15G.103, and 15G.108, Code
35 Supplement 2003, the value-added agricultural products
36 and processes financial assistance program, the endow
37 Iowa grants, the technology transfer advisors, the
38 Iowa economic development loan and credit guarantee
39 fund, the economic development assistance and data
40 collection, the cultural and entertainment districts,
41 the workforce issues, and the university-based
42 research utilization program, are repealed effective
43 June 30, 2010.

44 Sec. _____. 2003 Iowa Acts, First Extraordinary
45 Session, chapter 2, section 75, subsection 1, is
46 amended to read as follows:

47 1. There is appropriated from the general fund of
48 the state from moneys credited to the general fund of
49 the state as a result of entering into the streamlined
50 sales and use tax agreement, for the fiscal period

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1 year beginning July 1, 2003, and ending June 30, 2010
2 2004, the following amounts amount to be used for the
3 purpose designated:

4 For deposit in the grow Iowa values fund created in
5 section 15G.107, if enacted by 2003 Iowa Acts, House
6 File 692 or another Act 15G.108:

7	FY 2003-2004.....	\$ 5,000,000
8	FY 2004-2005.....	\$ 23,000,000
9	FY 2005-2006.....	\$ 75,000,000
10	FY 2006-2007.....	\$ 75,000,000
11	FY 2007-2008.....	\$ 75,000,000
12	FY 2008-2009.....	\$ 75,000,000
13	FY 2009-2010.....	\$ 75,000,000"

14 2. Page 39, by inserting after line 7 the
15 following:

16 "Sec. ____ . REGULATORY EFFICIENCY COMMISSION.

17 1. A regulatory efficiency commission is
18 established for purposes of identifying unneeded
19 regulations, fines, and fees that hinder business
20 development. The commission shall also identify
21 methods for streamlining access to regulatory
22 information.

23 2. The commission shall consist of seven voting
24 members appointed by the governor and four ex officio
25 members.

26 a. The seven voting members appointed by the
27 governor are subject to the requirements of sections
28 69.16, 69.16A, and 69.19. The seven members shall
29 consist of the following:

30 (1) Two members shall be economic development
31 representatives from two different chambers of
32 commerce. One shall be from a metropolitan area with
33 more than fifty thousand people and one shall be from
34 a metropolitan area with fifty thousand people or
35 less.

36 (2) Two members representing agricultural
37 interests.

38 (3) One member representing the Iowa association
39 of business and industry.

40 (4) Two members representing commercial-based and
41 manufacturing-based businesses.

42 b. The four ex officio members shall be members of
43 the general assembly. Two members shall be from the
44 senate and two members shall be from the house of
45 representatives, with not more than one member from
46 each chamber being from the same political party. The
47 two senators shall be designated by the president of
48 the senate after consultation with the majority and
49 minority leaders of the senate. The two
50 representatives shall be designated by the speaker of

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1 the house of representatives after consultation with
2 the majority and minority leaders of the house of
3 representatives. Legislative members shall serve in
4 an ex officio, nonvoting capacity.

5 3. Meetings of the commission are subject to the
6 provisions of chapter 21.

7 4. By January 10, 2005, the commission shall
8 submit a written report to the governor and the
9 general assembly. The report shall include the
10 findings and legislative recommendations of the
11 commission. The report shall be distributed by the
12 secretary of the senate and the chief clerk of the
13 house of representatives to the chairpersons and
14 members of the administrative rules review committee
15 and the economic growth committees in the senate and
16 the house of representatives.

17 Sec. ____ . PARTNERSHIP COMMISSION.

18 1. A partnership commission is established for
19 purposes of identifying unnecessary public mandates
20 for elimination and providing recommendations designed
21 to encourage city and county governments to share
22 services.

23 2. The commission shall consist of seven voting
24 members appointed by the governor and four ex officio
25 members.

26 a. The seven voting members appointed by the
27 governor are subject to the requirements of sections
28 69.16, 69.16A, and 69.19. The seven members shall
29 consist of representatives from various sized cities
30 and counties.

31 b. The four ex officio members shall be members of
32 the general assembly. Two members shall be from the
33 senate and two members shall be from the house of
34 representatives, with not more than one member from
35 each chamber being from the same political party. The
36 two senators shall be designated by the president of
37 the senate after consultation with the majority and
38 minority leaders of the senate. The two
39 representatives shall be designated by the speaker of
40 the house of representatives after consultation with
41 the majority and minority leaders of the house of
42 representatives. Legislative members shall serve in
43 an ex officio, nonvoting capacity.

44 3. Meetings of the commission are subject to the
45 provisions of chapter 21.

46 4. By January 10, 2005, the commission shall
47 submit a written report to the governor and the
48 general assembly. The report shall include the
49 findings and legislative recommendations of the
50 commission. The report shall be distributed by the

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1 secretary of the senate and the chief clerk of the
2 house of representatives to the chairpersons and
3 members of the administrative rules review committee
4 and the state government committees in the senate and
5 the house of representatives."

By PETERSEN of Polk
BELL of Jasper
BERRY of Black Hawk
BUKTA of Clinton
COHOON of Des Moines
CONNORS of Polk
DANDEKAR of Linn
DAVITT of Warren
FOEGE of Linn
FORD of Polk
FREVERT of Palo Alto
GASKILL of Wapello
GREIMANN of Story
HEDDENS of Story
HOGG of Linn
HUNTER of Polk
JACOBY of Johnson
JOCHUM of Dubuque
KUHN of Floyd
LENSING of Johnson
LYKAM of Scott

MASCHER of Johnson
MERTZ of Kossuth
MILLER of Webster
MURPHY of Dubuque
OLDSON of Polk
D. OLSON of Boone
OSTERHAUS of Jackson
QUIRK of Chickasaw
REASONER of Union
SHOMSHOR of Pottawattamie
SHOULTZ of Black Hawk
SMITH of Marshall
STEVENS of Dickinson
D. TAYLOR of Linn
T. TAYLOR of Linn
THOMAS of Clayton
WENDT of Woodbury
WHITAKER of Van Buren
WHITEAD of Woodbury
WINCKLER of Scott
WISE of Lee

H-8473 FILED APRIL 12, 2004

LOST

SENATE FILE 2298**H-8474**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate as follows:

3 1. Page 166, by inserting after line 19 the
4 following:

5 "The division of criminal investigation and bureau
6 of identification shall conduct a pilot project to
7 evaluate the use of brain fingerprinting as a pretrial
8 investigative technique, including, but not limited
9 to, the effectiveness of brain fingerprinting as a
10 method of reducing investigatory costs by assisting in
11 determining whether a defendant has knowledge of
12 specific information regarding a crime and the
13 effectiveness of brain fingerprinting as a method of
14 reducing trial costs by assisting the county attorney
15 or the defendant in determining the validity of the
16 criminal offense charged. The pilot project shall be
17 conducted pursuant to a contract with an Iowa business
18 that has experience using brain fingerprinting
19 technology in actual criminal cases. The contract
20 shall contain a provision under which the business
21 agrees to forgo reimbursement of its expenses
22 regarding the pilot project up to \$108,000, unless the
23 division determines that, as a result of conducting
24 the pilot project, the state of Iowa realizes a
25 savings of at least \$108,000. The division, in
26 consultation with the contracting business, shall file
27 a report regarding the results of the pilot project
28 with the cochairpersons and ranking members of the
29 joint appropriations subcommittee on the justice
30 system and the legislative services agency by January
31 15, 2005."

By HOFFMAN of Crawford

H-8474 FILED APRIL 12, 2004
WITHDRAWN

SENATE FILE 2298**H-8475**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 167, by inserting after line 31 the
4 following:

5 "In addition to the amount appropriated in this
6 subsection, there is transferred from the moneys
7 credited during the fiscal year beginning July 1,
8 2004, to the depreciation fund maintained by the
9 department of administrative services pursuant to
10 section 8A.365, for purposes of the motor pool, to the
11 vehicle depreciation account maintained by the
12 department of public safety for vehicles utilized by
13 the division of the Iowa state patrol. During the
14 fiscal year the department of administrative services
15 shall credit to the depreciation fund at least
16 \$475,000 for purposes of the motor pool. The moneys
17 shall be transferred to the department of public
18 safety on a monthly basis. Moneys transferred
19 pursuant to this paragraph are appropriated to the
20 department of public safety for purposes of vehicle
21 replacement for the division of the Iowa state patrol.
22 Notwithstanding section 8.33, moneys transferred in
23 this paragraph that remain unencumbered or unobligated
24 at the close of the fiscal year shall not revert but
25 shall remain available for expenditure from the
26 department of public safety's vehicle depreciation
27 account for the purposes designated until the close of
28 the fiscal year that begins July 1, 2005."

By RAECKER of Polk
GIPP of Winneshiek
HORBACH of Tama

H-8475 FILED APRIL 12, 2004
ADOPTED

SENATE FILE 2298

H-8476

- 1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:
- 3 1. Page 134, by inserting after line 12, the
4 following:
- 5 "Sec. ____ . NEW SECTION. 249A.35 MEDICAL
6 ASSISTANCE CRISIS INTERVENTION TEAM.
- 7 1. A medical assistance crisis intervention team
8 is created. The team shall consist of the following
9 members:
- 10 a. The president of the university of Iowa.
11 b. A representative of the Iowa hospital
12 association.
13 c. A representative of the Iowa medical society.
14 d. A representative of the Iowa health care
15 association.
16 e. A representative of the federation of Iowa
17 insurers.
18 f. A representative of the Iowa association of
19 community providers.
20 g. Two members selected by the president of the
21 university of Iowa.
- 22 2. The president of the university of Iowa shall
23 act as the chairperson of the team. Members of the
24 team are entitled to receive reimbursement of actual
25 expenses incurred in the discharge of their duties.
- 26 3. The department of human services shall provide
27 staff to the team as determined by the division
28 administrator of the division of medical services.
- 29 4. The team shall do all of the following:
- 30 a. Provide a projection of medical assistance
31 program and administrative costs through June 30,
32 2008, based on services provided as of June 30, 2004.
33 b. Hold at least four monthly public meetings,
34 beginning in July 2004, in at least four
35 geographically balanced venues around the state. The
36 team shall submit a report of its findings from these
37 meetings to the general assembly on or before December
38 1, 2004.
- 39 5. The team may provide any additional
40 recommendations to the general assembly at any time
41 regarding the medical assistance program including but
42 not limited to recommendations regarding services,
43 eligibility, rates, care management, and program
44 administration.
- 45 6. The department of human services shall assist
46 the team as follows:
- 47 a. On or before July 1, 2004, the department shall
48 submit to the team and make available to the public an
49 initial analysis which includes all of the following
50 data:

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- 1 (1) The number of medical assistance program
2 enrolled eligibles by cohort grouped on the basis of
3 factors such as age, income, disability, and optional
4 eligibility, for the period beginning July 1, 1999,
5 and ending June 30, 2004.
- 6 (2) A projection of the number of medical
7 assistance program enrolled eligibles in each of the
8 cohorts identified in subparagraph (1), for the period
9 beginning July 1, 2005, and ending June 30, 2008. The
10 projection shall be accompanied by a statement of the
11 underlying assumptions.
- 12 (3) The actual cost of all services and of each
13 service for each cohort described in subparagraph (1),
14 for the period beginning July 1, 1999, and ending June
15 30, 2004. The analysis of the data shall identify the
16 total cost for each cohort, the cost per member per
17 month for each cohort, and the twenty most utilized
18 medical procedures or services and the ten most
19 prevalent diagnoses associated within each cohort.
20 The analysis of the data shall identify, to the
21 greatest extent possible, the reason for changes in
22 total costs and the costs per member, per month during
23 the period, including but not limited to rate
24 adjustments, service utilization, and eligibility
25 growth.
- 26 (4) To the extent practical, a comparison of the
27 rates paid by commercial insurers to their Iowa
28 provider network and the rates paid by Medicare, with
29 the rates paid by the medical assistance program for
30 the same services, for the fiscal year beginning July
31 1, 2003, and ending June 30, 2004.
- 32 (5) An estimate of the program costs for the
33 medical assistance program for the period beginning
34 July 1, 2005, and ending June 30, 2008, based on all
35 of the following assumptions:
- 36 (a) The enrollment projections described in
37 subparagraph (2) and assuming reasonable change in
38 service utilization patterns, but no change in
39 provider rates in effect on June 30, 2004. The
40 projection shall include total and total program costs
41 per member, per month for each cohort and total cost
42 and the program cost per member per month for each
43 cohort for the period beginning July 1, 2005, and
44 ending June 30, 2008. The assumptions used in
45 developing the projections shall be clearly stated.
- 46 (b) The enrollment projections described in
47 subparagraph (2) and assuming reasonable change in
48 service utilization patterns, and additionally
49 assuming that all medical assistance program fee for
50 service rates are equal to ninety-eight percent of the

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1 usual and customary charges for such service in the
2 fiscal year beginning July 1, 2003, and ending June
3 30, 2004, and grow at an annual rate of two percent
4 annually through June 30, 2008, and assuming that
5 commensurate changes are made in rates paid to medical
6 assistance program managed care organizations.

7 (6) If the projections for later years exceed the
8 spending standard established in subparagraph (5),
9 subparagraph subdivision (b), a base rate and the
10 annual inflation adjustments that would result in
11 spending being limited to the spending standard
12 established in that paragraph.

13 (7) A description of the cost, member, provider,
14 and service quality impact of all of the following:

15 (a) Application of medical assistance program
16 allowable limits on optional services.

17 (b) Service utilization control strategies
18 including managed care and prior authorization in the
19 pharmacy, medical and behavioral, and long-term care
20 areas that have been utilized in other states or
21 jurisdictions that could potentially be utilized in
22 Iowa. The department shall identify the
23 administrative costs associated with each strategy.

24 (c) Accessible disease management and enhanced
25 primary care case management strategies with
26 particular attention to the timing of costs and
27 benefits.

28 (d) Accessible health promotion strategies and
29 disease prevention activities with particular
30 attention to the timing of costs and benefits.

31 (e) Enhanced surveillance and utilization review,
32 revenue collection, estate recovery, and cost
33 avoidance activities in future years.

34 (f) The federal Prescription Drug and Medicare
35 Improvement Act of 2003.

36 (g) The program options and cost savings
37 potentially associated with reducing the populations
38 of intermediate care facilities for the mentally
39 retarded and nursing facilities due to the
40 availability of home and community-based services,
41 including consumer-directed home care.

42 b. The department shall present the analysis
43 described in paragraph "a" at the initial meeting of
44 the team in July 2004. The department shall adjust,
45 expand, or otherwise modify its analysis based on the
46 requests of the team at its subsequent monthly
47 meetings and shall assist the team in compiling the
48 team's final report to the general assembly.

49 Sec. _____. REPORT -- MEDICAID PROGRAM FINANCING.
50 On or before August 1, 2004, the department of human

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1 services shall submit a report to the chairpersons and
2 ranking members of the joint appropriations
3 subcommittee on health and human services, the
4 legislative services agency, the legislative caucus
5 staffs, and the medical assistance crisis intervention
6 team created in section 249A.35, providing
7 recommendations to reduce costs or provide revenue
8 enhancements to reduce the projected program and
9 administrative costs of the medical assistance program
10 by \$130,000,000 for the fiscal year beginning July 1,
11 2005, and ending June 30, 2006."

12 2. Page 138, by inserting after line 11, the
13 following:

14 "____. The section of this division of this Act
15 creating section 249A.35, relating to the medical
16 assistance crisis intervention team, takes effect upon
17 enactment."

18 3. By renumbering as necessary.

By CARROLL of Poweshiek

H-8476 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298**H-8477**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 199, by inserting before line 28 the
4 following:

5 "Sec. _____. 2004 Iowa Acts, House File 2490,
6 section 8, if enacted, is repealed."

7 2. Page 204, by inserting after line 34 the
8 following:

9 "____. The section of this division of this Act
10 repealing 2004 Iowa Acts, House File 2490, section 8,
11 if enacted, being deemed of immediate importance,
12 takes effect upon enactment."

13 3. By renumbering as necessary.

By JACOBS of Polk

H-8477 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298**H-8478**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 7, by inserting after line 11, the
4 following:
5 "Sec. ____ . ALCOHOLIC BEVERAGES DIVISION -- STATE
6 LIQUOR WAREHOUSE FUNCTIONS. Notwithstanding sections
7 7J.1 and 123.20, subsection 4, and any other
8 applicable provision of law, the alcoholic beverages
9 division of the department of commerce shall not add
10 full-time equivalent positions for purposes of the
11 state assuming the state liquor warehouse functions
12 performed by a private contractor as of April 1, 2004.
13 The division shall issue a request for proposals or
14 otherwise utilize a competitive process to select a
15 successor private contractor to perform the state
16 liquor warehouse functions."
17 2. Page 20, by inserting after line 34 the
18 following:
19 "Sec. ____ . EFFECTIVE DATE. The section of this
20 division of this Act relating to the state liquor
21 warehouse functions, being deemed of immediate
22 importance, takes effect upon enactment."
23 3. By renumbering as necessary.

By DIX of Butler

H-8478 FILED APRIL 12, 2004
ADOPTED

SENATE FILE 2298**H-8481**

1 Amend the amendment, H-8379, to Senate File 2298,
2 as amended, passed, and reprinted by the Senate, as
3 follows:
4 1. Page 1, line 8, by striking the figure "2004"
5 and inserting the following: "2005".
6 2. Page 1, line 9, by striking the word and
7 figure "March 25" and inserting the following: "July
8 1".
9 3. Page 1, line 18, by striking the figure "2004"
10 and inserting the following: "2005".
11 4. Page 1, lines 18 and 19, by striking the word
12 and figure "March 25" and inserting the following:
13 "July 1".

By EICHHORN of Hamilton

H-8481 FILED APRIL 12, 2004
ADOPTED

SENATE FILE 2298

H-8482

1 Amend the amendment, H-8365, to Senate File 2298,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 2, by inserting after line 31 the
5 following:

6 "____. Page 182, by inserting after line 12 the
7 following:

8 "Section 1. NEW SECTION. 91D.2 OVERTIME PAY
9 REQUIREMENTS -- EXEMPTIONS.

10 The overtime pay requirements of the federal Fair
11 Labor Standards Act of 1938, as stated in 29 U.S.C. §
12 207, shall apply to employers and employees in this
13 state, except that the definitions set forth and in
14 place in 29 C.F.R. pt. 541 prior to October 1, 2003,
15 shall be used in determining whether an employee is
16 exempt or nonexempt for purposes of federal overtime
17 pay requirements.""

18 2. By renumbering as necessary.

By MURPHY of Dubuque

LENSING of Johnson

THOMAS of Clayton

PETERSEN of Polk

KUHN of Floyd

WISE of Lee

H-8482 FILED APRIL 12, 2004

NOT GERMANE

SENATE FILE 2298

H-8483

1 Amend the amendment, H-8447, to Senate File 2298,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 2, line 1, by inserting after the word
5 "cluster." the following: "A community cluster and
6 its governing board shall not levy a tax unless
7 specifically authorized by the governing body of each
8 participating governmental unit."

9 2. Page 3, line 11, by inserting after the word
10 "cluster" the following: "by the governing body of
11 that participating governmental unit".

12 3. Page 3, line 15, by inserting after the word
13 "cluster" the following: ", subject to the approval
14 of the governing body of each participating
15 governmental unit".

16 4. Page 3, line 23, by inserting after the word
17 "function" the following: ", subject to the approval
18 of the governing body of each participating
19 governmental unit".

By WISE of Lee

SCHICKEL of Cerro Gordo

HOFFMAN of Crawford

H-8483 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298**H-8484**

1 Amend the amendment, H-8365, to Senate File 2298,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 7, line 38, by inserting before the word
5 "state" the following: "increased".

6 2. Page 7, line 39, by inserting before the word
7 "and" the following: ", income surtax,".

By PAULSEN of Linn

H-8484 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298**H-8485**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 55, line 7, by striking the words
4 "physically deformed, mentally deficient," and
5 inserting the following: "mentally deficient".

By ALONS of Sioux

H-8485 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298**H-8486**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. By striking page 132, line 8, through page
4 133, line 5.

5 2. By renumbering as necessary.

By SHOULTZ of Black Hawk

H-8486 FILED APRIL 12, 2004

LOST

SENATE FILE 2298

H-8487

1 Amend the amendment, H-8418, to Senate File 2298,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 1, by inserting after line 28 the
5 following:

6 "____. Page 64, line 32, by inserting after the
7 word "grants." the following: "From the funds
8 appropriated in this subsection, not more than three
9 million four hundred thousand dollars may be
10 distributed to private institutions whose income is
11 not exempt from taxation under section 501(c) of the
12 Internal Revenue Code and whose students were eligible
13 to receive Iowa tuition grant moneys in the fiscal
14 year beginning July 1, 2003."

15 2. Page 5, by striking lines 11 through 14 and
16 inserting the following:

17 "____. Page 186, by striking lines 3 and 4 and
18 inserting the following: "subdivision of the state,
19 ~~except for county hospitals as provided in paragraph~~
20 ~~"e" of this subsection, and which".~~

21 _____. Page 186, by striking lines 7 and 8 and
22 inserting the following: "g", except that
23 institutions defined in paragraph "c" of this
24 subsection are exempt from the requirements of
25 paragraphs "a" and "b":"

26 3. Page 5, by inserting after line 25 the
27 following:

28 "____. Page 186, line 27, by inserting after the
29 word "chapter." the following: "An institution whose
30 income is not exempt from taxation under section
31 501(c) of the Internal Revenue Code and whose students
32 were eligible to receive Iowa tuition grant money in
33 the fiscal year beginning July 1, 2003, shall meet the
34 match requirements of this paragraph no later than
35 June 30, 2005."

36 4. Page 6, by inserting after line 36 the
37 following:

38 "____. By striking page 204, line 35 through page
39 205, line 21."

40 5. By renumbering as necessary.

By DOLECHECK of Ringgold
DIX of Butler
SCHICKEL of Cerro Gordo

H-8487 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298

H-8488

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 128, by inserting after line 4, the
4 following:

5 "Sec. ____ . ADOPTION SUBSIDY PROGRAM.

6 1. a. It is the intent of the general assembly
7 that the department of human services maximize receipt
8 of the federal funding available for the adoption
9 subsidy program. The department may renegotiate
10 existing adoption agreements solely for the purpose of
11 maximizing federal funding. However, any revision of
12 the existing adoption monthly maintenance payment
13 agreement shall not result in the reduction of
14 benefits to these adoptive families.

15 b. The limitation on attorney fees under the
16 program shall be \$500 per recipient.

17 c. The department of human services shall attempt
18 to develop a method to obtain federal matching funds
19 for adoption subsidy program recipients' out-of-pocket
20 payments to attorneys for the portion of attorney fees
21 that exceed the limitation on attorney fees under the
22 program.

23 d. The department of human services shall attempt
24 to obtain federal matching funds for adoption subsidy
25 program recipients' out-of-pocket payments for child
26 care fees that exceed the applicable reimbursement
27 rate established under the child care assistance
28 program.

29 e. If cost-effective and in compliance with
30 federal law and regulation, the department of human
31 services may implement a sliding benefit scale based
32 upon income, for all or a portion of the adoption
33 presubsidy or preadoptive subsidy agreements entered
34 into on or after July 1, 2004.

35 2. It is the intent of the general assembly that
36 beginning July 1, 2004, adoption subsidy agreements
37 entered into on or after that date shall be
38 administered uniformly throughout the state.

39 3. a. Beginning July 1, 2004, the child care
40 subsidy payments for individuals who enter into
41 presubsidy or preadoptive subsidy agreements shall be
42 governed by the provisions of the department of human
43 services' child care assistance programs.

44 b. (1) Individuals who entered into presubsidy or
45 preadoptive subsidy agreements on or before June 30,
46 2004, shall continue to receive a child care subsidy,
47 notwithstanding any income guidelines specified under
48 the child care assistance program, and shall not be
49 required to meet the specifications of a specialized
50 program as specified in the administrative rules, but

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1 beginning July 1, 2004, the child care subsidy rate
2 shall be governed by the rate ceilings under the
3 department of human services' child care assistance
4 program.

5 (2) The department shall notify these individuals
6 within thirty days of the effective date of this
7 section of this Act of the potential change in the
8 determination of the child care subsidy rate described
9 under this subsection, and the process for requesting
10 an exception to policy.

11 (3) If an individual requests an exception to
12 policy and the exception is approved, the individual
13 shall continue to receive the child care subsidy rate
14 in effect for the individual prior to July 1, 2004,
15 and shall be reimbursed the difference between the
16 prior rate and the new rate for the period of time
17 that the new rate was applied.

18 4. It is the intent of the general assembly that
19 any rules relating to the adoption subsidy program for
20 which the effective date of the rules is delayed
21 pursuant to section 17A.8, subsection 9, shall take
22 effect unless legislation enacted by the general
23 assembly conflicts with such rules.

24 5. The legislative council is requested to
25 establish an interim study committee to review the
26 adoption subsidy program, which includes a review of
27 current practices regarding the determination of
28 subsidy levels, disparities in subsidy levels among
29 regions of the state, program cost and benefits, the
30 fiscal and programmatic impact of projected future
31 program growth, a thorough analysis of the demographic
32 factors of the adoptive families as well as the
33 adoptive children's special needs, and quantification
34 of savings in other programs and services resulting
35 from the utilization of the adoption subsidy program.
36 The interim study committee shall seek input from the
37 department of human services, adoptive parents, and
38 others with experience or expertise relating to the
39 adoption subsidy program and related services and
40 supports. The interim study committee shall submit a
41 report of findings and recommendations to the general
42 assembly not later than December 1, 2004."

43 2. Page 138, by inserting after line 15 the
44 following:

45 "____. The section of this division of this Act
46 relating to the adoption subsidy program."

47 3. By renumbering as necessary.

By HUSER of Polk
KURTENBACH of Story
HEATON of Henry

H-8488 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298

H-8489

1 Amend the amendment, H-8418, to Senate File 2298,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 3, line 41, by inserting after the word
5 "appropriation" the following: "to an executive
6 branch agency other than the state board of regents".

7 2. Page 3, line 46, by striking the words "of
8 that position" and inserting the following: "budgeted
9 for that position".

10 3. Page 6, by inserting after line 36 the
11 following:

12 "____. Page 199, by inserting after line 34 the
13 following:

14 "Sec. ____ . UNFILLED VACANCIES -- STATE BOARD OF
15 REGENTS. The state board of regents shall report on
16 the policies of the institutions under the authority
17 of the state board for addressing the budget
18 ramifications associated with unfilled vacant
19 positions. If a policy does not exist, the state
20 board shall provide for implementation of such a
21 policy and report concerning the policy to the
22 government oversight committees of the senate and
23 house of representatives. The report shall be
24 submitted on or before December 15, 2004.""

25 4. By renumbering as necessary.

By JENKINS of Black Hawk
STRUYK of Pottawattamie

H-8489 FILED APRIL 12, 2004
OUT OF ORDER

SENATE FILE 2298**H-8490**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 165, by inserting after line 22 the
4 following:

5 "The homeland security and emergency management
6 division shall continue working with government
7 contractors involved with homeland security to utilize
8 the Iowa communications network for homeland security
9 first responder communications and technology-related
10 research and development projects as authorized by
11 section 8D.9, as amended by this Act."

12 2. Page 169, by inserting after line 2 the
13 following:

14 "Sec. ____ . Section 8D.2, Code Supplement 2003, is
15 amended by adding the following new subsection:

16 NEW SUBSECTION. 7. "Government contractor" means
17 a contractor involved with the development, testing,
18 and manufacture of homeland security first responder
19 communication and technology-related equipment.

20 Sec. ____ . Section 8D.9, Code Supplement 2003, is
21 amended by adding the following new subsection:

22 NEW SUBSECTION. 4. A government contractor
23 involved with homeland security may utilize the
24 network in working with educational providers and
25 federally funded training centers for homeland
26 security first responder communication and technology
27 related-research and development projects."

28 3. By renumbering as necessary.

By EICHHORN of Hamilton
TJEPKES of Webster

H-8490 FILED APRIL 12, 2004

WITHDRAWN

SENATE FILE 2298**H-8491**

1 Amend the amendment, H-8447, to Senate File 2298,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 2, line 47, by inserting after the word
5 "cluster." the following: "The authority provided in
6 this subsection does not include the authority to
7 merge or consolidate local governments as an
8 alternative form of county government or an
9 alternative form of city government."

By WISE of Lee

H-8491 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298

H-8492

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 7, by inserting after line 11 the
4 following:

5 "Sec. ____ . IOWA HEALTH INSURANCE VALUE INITIATIVE.
6 If 2004 Iowa Acts, House File 2521, is enacted, there
7 is appropriated from the general fund of the state to
8 the department of commerce for the fiscal year
9 beginning July 1, 2004, and ending June 30, 2005, the
10 following amount, or so much thereof as is necessary,
11 to be used for the purpose designated:

12 For the insurance division to conduct a study
13 regarding the costs of health insurance premiums for
14 businesses and individual customers in this state, in
15 accordance with 2004 Iowa Acts, House File 2521:

16 \$ 150,000"

17 2. By renumbering as necessary.

By JENKINS of Black Hawk

H-8492 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298**H-8493**

1 Amend the amendment, H-8418, to Senate File 2298,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 3, by striking lines 38 through 46 and
5 inserting the following:

6 "NEW SUBSECTION. 4. Notwithstanding any provision
7 of this section and sections 8.33 and 8.39 to the
8 contrary, if a full-time equivalent position budgeted
9 for within an appropriation from the general fund of
10 the state to a department or establishment other than
11 the state board of regents is vacant for all or a
12 portion of the fiscal year, an amount equal to the
13 salary and benefits associated with the time of
14 vacancy of the position shall be considered to be
15 encumbered for the period of the vacancy, shall not be
16 used for any other purpose, and the encumbered amount
17 shall revert to the general fund of the state at the
18 close of the fiscal year."

19 2. Page 6, by inserting after line 36 the
20 following:

21 "____. Page 199, by inserting after line 34 the
22 following:

23 "Sec. ____ . UNFILLED VACANCIES -- STATE BOARD OF
24 REGENTS. The state board of regents shall report on
25 the policies of the institutions under the authority
26 of the state board for addressing the budget
27 ramifications associated with unfilled vacant
28 positions. If a policy does not exist, the state
29 board shall provide for implementation of such a
30 policy and report concerning the policy to the
31 government oversight committees of the senate and
32 house of representatives. The report shall be
33 submitted on or before December 15, 2004.""

34 3. By renumbering as necessary.

By JENKINS of Black Hawk
STRUYK of Pottawattamie

H-8493 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298**H-8494**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 192, by striking lines 32 and 33 and
4 inserting the following: "sections, there is
5 appropriated".

By WISE of Lee

H-8494 FILED APRIL 12, 2004

LOST

SENATE FILE 2298

H-8495

1 Amend the amendment, H-8476, to Senate File 2298,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 1, by inserting after line 13, the
5 following:

6 "____. A representative of the Iowa pharmacy
7 association."

8 2. By relettering as necessary.

By CARROLL of Poweshiek

H-8495 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298

H-8496

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 29, by striking line 4 and inserting the
4 following:

5 "..... \$ 5,505,725"

6 2. Page 35, line 9, by inserting after the word
7 "circumstances." the following: "Of the moneys
8 generated by the filing fee allowed under this
9 subsection, the first \$225,000 is appropriated to the
10 department of workforce development to be used for
11 purposes of administering the division of workers'
12 compensation."

By BOGGESS of Page

JENKINS of Black Hawk

H-8496 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298

H-8499

1 Amend the amendment, H-8476, to Senate File 2298,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 1, by inserting after line 19, the
5 following:

6 "____. A representative of the medical assistance
7 advisory council established pursuant to section
8 249A.4, subsection 8."

9 2. By renumbering as necessary.

By CARROLL of Poweshiek

H-8499 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298**H-8497**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 145, by inserting after line 11 the
4 following:

5 "Sec. ____ . Section 331.438, subsection 4,
6 paragraph b, Code 2003, is amended by adding the
7 following new subparagraph:

8 NEW SUBPARAGRAPH. (16) Develop a procedure for
9 each county to disclose to the department of human
10 services information approved by the commission
11 concerning the mental health, mental retardation,
12 developmental disabilities, and brain injury services
13 provided to the individuals served through the county
14 central point of coordination process. The procedure
15 shall incorporate protections to ensure that if
16 individually identified information is disclosed, it
17 is disclosed and maintained in compliance with
18 applicable Iowa and federal confidentiality laws,
19 including but not limited to federal Health Insurance
20 Portability and Accountability Act requirements."

21 2. By renumbering as necessary.

By HEATON of Henry

H-8497 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298**H-8498**

1 Amend Senate File 2298 as amended, passed and
2 reprinted by the Senate, as follows:

3 1. Page 133, by striking lines 9 through 13, and
4 inserting the following: "mental health quality of
5 care improvement committee. The committee membership
6 shall include".

7 2. Page 133, line 24, by inserting after the
8 figure "249A.24," the following: "the contractor for
9 the medical assistance program managed care mental
10 health contract,".

11 3. Page 133, line 33, by inserting after the word
12 "preferences." the following: "This paragraph shall
13 not apply to any prior authorization provision in
14 force on June 30, 2004, imposed under the existing
15 managed care mental health care contract or any
16 extension of that contract."

17 4. Page 134, line 3, by inserting after the word
18 "and" the following: "after a cost-benefit analysis
19 may".

By HEATON of Henry

H-8498 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298**H-8500**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 188, by inserting after line 13 the
4 following:

5 "Sec. ____ . NEW SECTION. 280A.1 IOWA LEARNING
6 TECHNOLOGY INITIATIVE.

7 1. INITIATIVE. The Iowa learning technology
8 initiative is created to provide training and learning
9 opportunities to public and accredited nonpublic
10 school students in grade seven and their teachers
11 located in school districts and accredited nonpublic
12 schools participating in the initiative.

13 2. PILOT PROGRAM. The Iowa learning technology
14 commission created in section 280A.2 shall develop and
15 administer the Iowa learning technology initiative,
16 which shall include a pilot program. A school
17 district or accredited nonpublic school may submit an
18 application to participate in the pilot program to the
19 commission no later than sixty days following receipt
20 or pledge of moneys into the Iowa learning technology
21 fund created in section 280A.4. The application shall
22 include a written statement that indicates a dedicated
23 willingness to participate. School districts or
24 accredited nonpublic schools chosen to participate in
25 the pilot program shall have demonstrated to the
26 commission administrative leadership, teacher
27 willingness to participate, and community support, and
28 shall represent geographically distinct rural, urban,
29 and suburban areas of the state. The commission shall
30 notify applicants of approval or disapproval of
31 applications no later than seventy-five days after the
32 application deadline.

33 3. PUBLIC-PRIVATE PARTNERSHIP.

34 a. The Iowa learning technology commission shall
35 develop and issue no later than forty-five days after
36 the receipt or pledge of moneys into the Iowa learning
37 technology fund, a request for proposals for a private
38 provider who shall partner with the state to implement
39 the pilot program phase of the initiative. No later
40 than forty-five days after the issuance of the request
41 for proposals, the commission shall select finalists
42 from among the proposals submitted. No later than
43 forty-five days after the selection of finalists, the
44 commission shall select the private provider.

45 b. The private provider shall be selected by the
46 commission through a request for proposals process for
47 a total solutions learning technology package that
48 includes, but is not limited to, hardware, software,
49 professional development, and service and support,
50 which shall be managed by a single point of contact

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1 responsible for the overall implementation. The
2 proposal selected by the commission shall achieve
3 significant efficiencies and economies of scale, be
4 interoperable with existing technologies, and be
5 consistent with the state's economic development and
6 education policies. The private provider selected
7 shall possess all of the following:

8 (1) Experience in the development and successful
9 implementation of large-scale, school-based wireless
10 technology projects, and proven technical ability to
11 deliver a total solutions package of learning
12 technology for elementary and secondary students and
13 teachers.

14 (2) Demonstrated financial capability and long-
15 term stability to partner with the state over the term
16 of the private provider contract.

17 (3) Proven result-based education solutions to
18 increase student achievement and advance professional
19 development for teachers.

20 (4) Nationally recognized expertise, experience,
21 and capabilities in education practice and evaluation
22 methods.

23 c. The commission shall conduct, in cooperation
24 with the attorney general, contract negotiations to
25 establish a public-private partnership on behalf of
26 the commission and enter into a contract negotiated
27 with a private provider to establish a four-year
28 learning technology pilot program project to provide a
29 wireless laptop computer to each student, teacher, and
30 relevant administrator in a participating school and
31 implement the use of software, on-line courses, and
32 other appropriate learning technologies that have been
33 shown to improve academic achievement and specified
34 progress measures. The term of the contract shall
35 include the deployment of computers to students and
36 teachers in participating school districts and
37 accredited nonpublic schools in accordance with
38 subsection 2.

39 4. EVALUATION. To measure the effectiveness of
40 the pilot program established pursuant to this
41 subsection 2, the Iowa learning technology commission
42 shall, at a minimum, establish standards and methods
43 of measuring progress in the areas of increased
44 student engagement, decreased disciplinary problems,
45 increased use of computers for writing, analysis, and
46 research, movement toward student-centered classrooms,
47 increased parental involvement, and increases in
48 standardized test scores. The commission shall work
49 cooperatively with the department of education and the
50 state board of regents in establishing an evaluation

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1 process pursuant to this subsection.

2 Sec. ____ . NEW SECTION. 280A.2 COMMISSION --

3 MEMBERS.

4 1. COMMISSION CREATED. An Iowa learning
5 technology commission is created to establish the
6 policies and determine the necessary budget for
7 implementation of the Iowa learning technology
8 initiative.

9 2. MEMBERS. The commission shall initially be
10 appointed no later than July 1, 2004, and shall
11 consist of sixteen members appointed as follows:

12 a. Seven voting members who shall be members of
13 the general public and shall be appointed as follows:

14 (1) One member shall be appointed by the governor.

15 (2) Two members shall be appointed by the
16 president of the senate.

17 (3) One member shall be appointed by the minority
18 leader of the senate.

19 (4) Two members shall be appointed by the speaker
20 of the house of representatives.

21 (5) One member shall be appointed by the minority
22 leader of the house of representatives.

23 b. Nine ex officio, nonvoting members who shall be
24 appointed as follows:

25 (1) One member who is a member of the state board
26 of education shall be appointed by the chairperson of
27 the state board.

28 (2) One member representing public postsecondary
29 education institutions who is employed by a public
30 postsecondary education institution shall be appointed
31 by the governor.

32 (3) Three members representing three different
33 school districts shall be appointed by the governor as
34 follows:

35 (a) One member shall be a teacher employed by a
36 school district or area education agency who is
37 appointed from a list of three names submitted by a
38 certified employee organization representing teachers
39 licensed under chapter 272.

40 (b) One member shall be an administrator employed
41 by a school district who is appointed from a list of
42 three names submitted by a statewide organization
43 representing administrators licensed under chapter
44 272.

45 (c) One member shall be a member of a board of
46 directors of a school district who is appointed by a
47 statewide organization representing school boards.

48 (4) One member who is a member of the senate shall
49 be appointed by the president of the senate.

50 (5) One member who is a member of the senate shall

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1 be appointed by the minority leader of the senate.

2 (6) One member who is a member of the house of
3 representatives shall be appointed by the speaker of
4 the house of representatives.

5 (7) One member who is a member of the house of
6 representatives shall be appointed by the minority
7 leader of the house.

8 3. EXPERIENCE AND SPECIAL KNOWLEDGE. In
9 appointing members to the commission, proper
10 consideration shall be given to persons with
11 experience or special knowledge in one or more of the
12 following areas: education, business, economic
13 development, technology, and finance.

14 4. BALANCE. Commission members shall be appointed
15 in compliance with sections 69.16 and 69.16A.
16 Appointments of public members shall be made to
17 provide broad representation of the various
18 geographical areas of the state insofar as possible.

19 5. CHAIRPERSONS. The commission shall elect a
20 chairperson and a vice chairperson annually from among
21 the voting members of the commission. A member shall
22 not serve as a chairperson or vice chairperson for
23 more than three consecutive years.

24 6. MEETINGS. The commission shall meet at least
25 three times each year.

26 7. QUORUM. A majority of the voting members
27 constitutes a quorum for the transaction of any
28 official business.

29 8. TERMS OF MEMBERS. The members shall be
30 appointed to three-year staggered terms and the terms
31 shall commence and end as provided by section 69.19.
32 If a vacancy occurs, a successor shall be appointed to
33 serve the unexpired term. A successor shall be
34 appointed in the same manner and subject to the same
35 qualifications as the original appointment to serve
36 the unexpired term.

37 9. EXPENSES. Members of the commission are
38 entitled to receive reimbursement for actual expenses
39 incurred while engaged in the performance of official
40 duties from the Iowa learning technology fund created
41 in section 280A.4, except that legislators' expenses
42 shall be paid from funds appropriated by section 2.12.

43 Sec. . NEW SECTION. 280A.3 COMMISSION PLAN --
44 GUIDING PRINCIPLES.

45 1. The Iowa learning technology commission created
46 in section 280A.2 shall develop a learning technology
47 plan to achieve the goal of preparing students for an
48 economy that is increasingly dependent on technology
49 and innovation. The commission shall examine the use
50 of technology in Iowa's and the nation's elementary

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- 1 and secondary classrooms.
- 2 2. The plan developed by the commission shall
3 include, but not be limited to, the following:
- 4 a. The costs and benefits of each component of the
5 plan.
- 6 b. The professional development needed to
7 integrate learning technology into classroom
8 technology.
- 9 c. Strategies for implementation of the plan,
10 including, at a minimum, phasing in the plan over a
11 term of years.
- 12 d. Strategies that coordinate the learning
13 technology in kindergarten through grade twelve with
14 the initiatives and resources of the department of
15 education, Iowa communications network, area education
16 agencies, higher education institutions providing
17 approved practitioner preparation programs, and other
18 accredited postsecondary institutions in the state.
- 19 e. Procedures for data tracking and assessment of
20 the progress in implementing the goals of the
21 initiative and the plan.
- 22 f. Strategies to establish a public-private
23 partnership between state government and a private
24 sector business having relevant knowledge and
25 experience/
- 26 3. The plan shall be consistent with the following
27 guiding principles:
- 28 a. The plan shall promote equal opportunity for
29 and provide meaningful access to wireless and other
30 learning technology resources for all Iowa students
31 regardless of geographic location or economic means.
- 32 b. The plan shall support student achievement
33 through the integration of learning technologies that
34 are content-focused and that add value to existing
35 instructional methods.
- 36 c. The plan shall provide for the future
37 sustainability of learning technology resources by
38 adapting to future educational needs and technological
39 changes.
- 40 d. The plan shall provide professional development
41 and training programs for administrators, teachers and
42 other educators in the use and integration of learning
43 technology tools in curriculum development,
44 instructional methods, and student assessment systems.
- 45 e. The plan shall foster economic development
46 across all regions of the state and the preparation of
47 students for an economy that embraces technology and
48 innovation.
- 49 Sec. ____ . **NEW SECTION. 280A.4 FUND.**
- 50 1. An Iowa learning technology fund is created in

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1 the state treasury. The fund shall consist of moneys
2 including, but not limited to, moneys in the form of a
3 devise, gift, bequest, donation, federal or other
4 grant, reimbursement, repayment, judgment, transfer,
5 payment, or appropriation from any source intended to
6 be used for the purposes of the fund.

7 2. Moneys in the fund are appropriated to the Iowa
8 learning technology commission created in section
9 280A.2 for purposes of an Iowa learning technology
10 initiative created pursuant to section 280A.1. Moneys
11 in the fund shall not be subject to appropriation for
12 any other purpose by the general assembly. However,
13 moneys in the fund may be used for necessary audit
14 services, legal expenses, investment management fees
15 and services, and general administrative expenses
16 related to the management and administration of the
17 Iowa learning technology initiative.

18 3. Moneys in the fund are not subject to section
19 8.33. Notwithstanding section 12C.7, subsection 2,
20 interest or earnings on moneys deposited in the fund
21 shall be credited to the fund.

22 4. The fund shall be administered by the
23 commission, which shall make expenditures from the
24 fund consistent with the purposes of the initiative
25 without further appropriation. The fund shall be
26 administered in a manner that provides for the
27 financially sustainable support, use, and integration
28 of learning technology in Iowa schools through a
29 public-private partnership. Expenditures from the
30 fund shall be made consistent with the purposes of the
31 Iowa learning technology initiative to ensure one-to-
32 one access to and ubiquitous use of fully configured
33 laptop computers in grade seven in public and
34 accredited nonpublic school classrooms located
35 initially in a number of school districts and
36 accredited nonpublic schools in Iowa as determined by
37 the Iowa learning technology commission.

38 Sec. ____ . NEW SECTION. 280A.5 REPEAL.

39 This section is repealed effective July 1, 2009."

40 2. By renumbering as necessary.

By BOAL of Polk

MASCHER of Johnson

ROBERTS of Carroll

WINCKLER of Scott

H-8500 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298

H-8501

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 133, by inserting after line 5 the
4 following:

5 "Sec. _____. Section 232.141, subsection 1, Code
6 2003, is amended to read as follows:

7 1. Except as otherwise provided by law, the court
8 shall inquire into the ability of the child or the
9 child's parent to pay expenses incurred pursuant to
10 ~~subsection subsections 2, and subsection 4, and, after~~
11 8. After giving the parent a reasonable opportunity
12 to be heard, the court may order the parent to pay all
13 or part of the costs of the child's care, examination,
14 treatment, legal expenses, or other expenses. An
15 order entered under this section does not obligate a
16 parent paying child support under a custody decree,
17 except that part of the monthly support payment may be
18 used to satisfy the obligations imposed by the order
19 entered pursuant to this section. If a parent fails
20 to pay as ordered, without good reason, the court may
21 proceed against the parent for contempt and may inform
22 the county attorney who shall proceed against the
23 parent to collect the unpaid amount. Any payment
24 ordered by the court shall be a judgment against each
25 of the child's parents and a lien as provided in
26 section 624.23. If all or part of the amount that the
27 parents are ordered to pay is subsequently paid by the
28 county or state, the judgment and lien shall
29 thereafter be against each of the parents in favor of
30 the county to the extent of the county's payments and
31 in favor of the state to the extent of the state's
32 payments.

33 Sec. _____. Section 234.39, Code 2003, is amended by
34 adding the following new subsection:

35 NEW SUBSECTION. 6. A support obligation for a
36 shelter care placement shall be determined under
37 section 232.141."

38 2. By renumbering as necessary.

By HEATON of Henry

H-8501 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298**H-8502**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 169, by inserting after line 2 the
4 following:
5 "Sec. ____ . Section 8D.9, Code Supplement 2003, is
6 amended by adding the following new subsection:
7 NEW SUBSECTION. 4. A community college receiving
8 federal funding to conduct first responder training
9 and testing regarding homeland security first
10 responder communication and technology-related
11 research and development projects shall be authorized
12 to utilize the network for testing purposes."

By EICHHORN of Hamilton
TJEPKES of Webster
FREEMAN of Buena Vista

H-8502 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298**H-8504**

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 93, line 18, by striking the words
4 "physically deformed, mentally deficient," and
5 inserting the following: "mentally deficient".

By ALONS of Sioux

H-8504 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298**H-8505**

1 Amend the amendment, H-8455, to Senate File 2298,
2 as amended, passed, and reprinted by the Senate, as
3 follows:
4 1. By striking page 1, line 49, through page 2,
5 line 1, and inserting the following: "in a disease
6 management program."
7 2. By renumbering as necessary.

By HEATON of Henry

H-8505 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298

H-8506

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 147, by inserting after line 5 the
4 following:

5 "NEW SUBSECTION. 6. Each county shall submit a
6 report to the Iowa state association of counties to be
7 shared with the legislative services agency on or
8 before January 31, 2005, regarding the unaudited
9 expenditures from the county's mental health, mental
10 retardation, and developmental disabilities services
11 fund."

By HEATON of Henry

H-8506 FILED APRIL 12, 2004

ADOPTED

SENATE FILE 2298

H-8507

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 177, line 33, by striking the figure
4 "2,000,000" and inserting the following: "2,225,000".

By HOGG of Linn

H-8507 FILED APRIL 12, 2004

WITHDRAWN

SENATE FILE 2298

H-8508

1 Amend the amendment, H-8418, to Senate File 2298,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 1, by inserting after line 28 the
5 following:

6 "____. Page 63, by inserting after line 15 the
7 following:

8 "Sec. ____ Section 261.9, subsection 1, paragraph
9 d, subparagraph (2), Code Supplement 2003, is amended
10 to read as follows:

11 (2) Adopt affirmative standards, which shall
12 include, but not limited to, a standard prohibiting
13 discrimination on the basis of race, creed, color,
14 religion, national origin, sex, age, or physical
15 disability."

16 2. By renumbering as necessary.

17 By SMITH of Marshall

18 H-8508

19 WITHDRAWN

SENATE FILE 2298

H-8636

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 179, by inserting after line 19 the
4 following:

5 "Sec. _____. Section 8.22A, subsection 3, Code
6 Supplement 2003, is amended to read as follows:

7 3. By December 15 of each fiscal year the
8 conference shall agree to a revenue estimate for the
9 fiscal year beginning the following July 1. That
10 estimate shall be used by the governor in the
11 preparation of the budget message under section 8.22
12 and by the general assembly in the budget process. If
13 the conference agrees to a different estimate at a
14 later meeting which projects a greater amount of
15 revenue than the initial estimate amount agreed to by
16 December 15, the governor and the general assembly
17 shall continue to use the initial estimate amount in
18 the budget process for that fiscal year. However, if
19 the conference agrees to a different estimate at a
20 later meeting which projects a lesser amount of
21 revenue than the initial estimate amount, the governor
22 and the general assembly shall use the lesser amount
23 in the budget process for that fiscal year. As used
24 in this subsection, "later meeting" means only those
25 later meetings which are held prior to the conclusion
26 of the regular session of the general assembly and, if
27 the general assembly holds an extraordinary session
28 prior to the commencement of the fiscal year to which
29 the estimate applies, those later meetings which are
30 held before or during the extraordinary session.

31 Sec. _____. Section 8.54, subsection 2, Code 2003,
32 is amended to read as follows:

33 2. There is created a state general fund
34 expenditure limitation for each fiscal year ~~beginning~~
35 ~~on or after July 1, 1993,~~ calculated as provided in
36 this section. An expenditure limitation shall be used
37 for the portion of the budget process commencing on
38 the date the revenue estimating conference agrees to a
39 revenue estimate for the following fiscal year in
40 accordance with section 8.22A, subsection 3, and
41 ending with the governor's final approval or
42 disapproval of the appropriations bills applicable to
43 that fiscal year that were passed prior to July 1 of
44 that fiscal year in a regular or extraordinary
45 legislative session."

46 2. By striking page 183, line 32 through page
47 184, line 9, and inserting the following:

48 "Sec _____. Section 257.8, subsection 1, Code
49 Supplement 2003, is amended to read as follows:

50 1. STATE PERCENT OF GROWTH. ~~The state percent of~~

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1 ~~growth for the budget year beginning July 1, 2003, is~~
 2 ~~two percent.~~ The state percent of growth for the
 3 budget year beginning July 1, 2004, is two percent.
 4 The state percent of growth for the budget year
 5 beginning July 1, 2005, is four percent. The state
 6 percent of growth for each subsequent budget year
 7 shall be established by statute which shall be enacted
 8 within thirty days of the submission in ~~the year~~
 9 ~~preceding~~ the base year of the governor's budget under
 10 section 8.21. The establishment of the state percent
 11 of growth for a budget year shall be the only subject
 12 matter of the bill which enacts the state percent of
 13 growth for a budget year."

14 3. Page 204, by inserting after line 34 the
 15 following:

16 "6. The sections of this division of this Act
 17 amending sections 822A and 8.54, being deemed of
 18 immediate importance, take effect upon enactment."

By TYMESON of Madison	HUSEMAN of Cherokee
DOLECHECK of Ringgold	HUTTER of Scott
CHAMBERS of O'Brien	JACOBS of Polk
DIX of Butler	JENKINS of Black Hawk
ALONS of Sioux	JONES of Mills
BOAL of Polk	KRAMER of Polk
BODDICKER of Cedar	LUKAN of Dubuque
BOGGESS of Page	MADDOX of Polk
CARROLL of Poweshiek	MANTERNACH of Jones
DENNIS of Black Hawk	S. OLSON of Clinton
DRAKE of Pottawattamie	RAECKER of Polk
ELGIN of Linn	ROBERTS of Carroll
FREEMAN of Buena Vista	SCHICKEL of Cerro Gordo
GRANZOW of Hardin	STRUYK of Pottawattamie
GREINER of Washington	TJEPKES of Webster
HAHN of Muscatine	UPMEYER of Hancock
HEATON of Henry	J.R. VAN FOSSEN of Scott
HOFFMAN of Crawford	WILDERDYKE of Harrison
HORBACH of Tama	

H-8636 FILED APRIL 19, 2004

ADOPTED

SENATE FILE 2298**H-8637**

1 Amend the amendment, H-8500, to Senate File 2298,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

4 1. By striking page 1, line 5, through page 6,
5 line 39, and inserting the following:

6 "Sec. ____ . NEW SECTION. 280A.1 IOWA LEARNING
7 TECHNOLOGY INITIATIVE.

8 1. INITIATIVE. The Iowa learning technology
9 initiative is created to provide training and learning
10 opportunities to public and accredited nonpublic
11 school students in grade seven and their
12 administrators and teachers.

13 2. PILOT PROGRAM. The Iowa learning technology
14 commission created in section 280A.2 shall develop and
15 administer the Iowa learning technology initiative,
16 which shall include a pilot program. Upon the receipt
17 or pledge of sufficient moneys, as determined by the
18 commission, for deposit in the Iowa learning
19 technology fund created in section 280A.4, the pilot
20 program shall be implemented. A school district or
21 accredited nonpublic school may submit an application
22 to participate in the pilot program to the commission
23 no later than sixty days following receipt or pledge
24 of moneys into the Iowa learning technology fund. The
25 application shall include a written statement that
26 indicates a dedicated willingness to participate.
27 School districts or accredited nonpublic schools
28 chosen to participate in the pilot program shall have
29 demonstrated to the commission administrative
30 leadership, teacher willingness to participate, and
31 community support, and shall represent geographically
32 distinct rural, urban, and suburban areas of the
33 state. The commission shall notify applicants of
34 approval or disapproval of applications no later than
35 seventy-five days after the application deadline.

36 3. PUBLIC-PRIVATE PARTNERSHIP.

37 a. The Iowa learning technology commission shall,
38 in consultation with the department of education and
39 the department of administrative services, develop and
40 issue no later than forty-five days after the receipt
41 or pledge of moneys into the Iowa learning technology
42 fund, a request for proposals for one or more private
43 providers who shall partner with the state to
44 implement the pilot program phase of the initiative.
45 No later than forty-five days after the issuance of
46 the request for proposals, the commission shall select
47 finalists from among the proposals submitted. No
48 later than forty-five days after the selection of
49 finalists, the commission shall select one or more
50 private providers.

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1 b. One or more private providers shall be selected
2 by the commission through a request for proposals
3 process for a total solutions learning technology
4 package that includes, but is not limited to,
5 hardware, software, professional development, and
6 service and support, which shall be managed by a
7 single point of contact responsible for the overall
8 implementation. The proposal selected by the
9 commission shall achieve significant efficiencies and
10 economies of scale, be interoperable with existing
11 technologies, and be consistent with the state's
12 economic development and education policies. In
13 selecting a private provider, the commission shall
14 consider all of the following with respect to the
15 private provider:

16 (1) Experience in the development and successful
17 implementation of large-scale, school-based wireless
18 and other learning technology projects, and the
19 technical ability to deliver a total solutions package
20 of learning technology for elementary and secondary
21 students and teachers.

22 (2) Demonstrated financial capability and long-
23 term stability to partner with the state over the term
24 of the private provider contract.

25 (3) Expertise, experience, and capabilities in
26 education practice and evaluation methods.

27 c. The commission shall conduct, in cooperation
28 with the attorney general, contract negotiations to
29 establish a public-private partnership on behalf of
30 the commission and enter into a contract negotiated
31 with one or more private providers to establish a
32 four-year learning technology pilot program to provide
33 a wireless laptop computer to each student, teacher,
34 and relevant administrator in a participating school
35 and implement the use of software, on-line courses,
36 and other appropriate learning technologies that have
37 been shown to improve academic achievement and
38 specified progress measures. The term of the contract
39 shall include the deployment of computers to students
40 and teachers in participating school districts and
41 accredited nonpublic schools in accordance with
42 subsection 2.

43 4. EVALUATION. To measure the effectiveness of
44 the pilot program established pursuant to subsection
45 2, the Iowa learning technology commission shall, at a
46 minimum, establish standards and methods of measuring
47 progress in the areas of increased student engagement,
48 decreased disciplinary problems, increased use of
49 computers for writing, analysis, and research,
50 movement toward student-centered classrooms, increased

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1 parental involvement, and increases in standardized
2 test scores. The commission shall work cooperatively
3 with the department of education and the state board
4 of regents in establishing an evaluation process
5 pursuant to this subsection.

6 Sec. ____ . NEW SECTION. 280A.2 COMMISSION --
7 MEMBERS.

8 1. COMMISSION CREATED. An Iowa learning
9 technology commission is created to establish the
10 policies and determine the necessary budget for
11 implementation of the Iowa learning technology
12 initiative.

13 2. MEMBERS. The commission shall initially be
14 appointed no later than July 1, 2004, and shall
15 consist of eighteen members appointed as follows:

16 a. Nine voting members who shall be members of the
17 general public and shall be appointed as follows:

18 (1) Two members shall be appointed by the
19 governor.

20 (2) Two members shall be appointed by the
21 president of the senate.

22 (3) One member shall be appointed by the minority
23 leader of the senate.

24 (4) Two members shall be appointed by the speaker
25 of the house of representatives.

26 (5) One member shall be appointed by the minority
27 leader of the house of representatives.

28 (6) One member who is a member of the state board
29 of education shall be appointed by the chairperson of
30 the state board.

31 b. Nine ex officio, nonvoting members who shall be
32 appointed as follows:

33 (1) One member representing public postsecondary
34 education institutions who is employed by a public
35 postsecondary education institution shall be appointed
36 by the governor.

37 (2) Three members representing three different
38 school districts shall be appointed by the governor as
39 follows:

40 (a) One member shall be a teacher employed by a
41 school district or area education agency who is
42 appointed from a list of three names submitted by a
43 certified employee organization representing teachers
44 licensed under chapter 272.

45 (b) One member shall be an administrator employed
46 by a school district who is appointed from a list of
47 three names submitted by a statewide organization
48 representing administrators licensed under chapter
49 272.

50 (c) One member shall be a member of a board of

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1 directors of a school district who is appointed by a
2 statewide organization representing school boards.

3 (3) One member representing area education
4 agencies shall be appointed by the governor from a
5 list of three names submitted by area education agency
6 administrators.

7 (4) One member who is a member of the senate shall
8 be appointed by the president of the senate.

9 (5) One member who is a member of the senate shall
10 be appointed by the minority leader of the senate.

11 (6) One member who is a member of the house of
12 representatives shall be appointed by the speaker of
13 the house of representatives.

14 (7) One member who is a member of the house of
15 representatives shall be appointed by the minority
16 leader of the house.

17 3. EXPERIENCE AND SPECIAL KNOWLEDGE. In
18 appointing members to the commission, proper
19 consideration shall be given to persons with
20 experience or special knowledge in one or more of the
21 following areas: education, business, economic
22 development, technology, and finance.

23 4. BALANCE. Commission members shall be appointed
24 in compliance with sections 69.16 and 69.16A.
25 Appointments of public members shall be made to
26 provide broad representation of the various
27 geographical areas of the state insofar as possible.

28 5. CHAIRPERSONS. The commission shall elect a
29 chairperson and a vice chairperson annually from among
30 the voting members of the commission. A member shall
31 not serve as a chairperson or vice chairperson for
32 more than three consecutive years.

33 6. MEETINGS. The commission shall meet at least
34 three times each year.

35 7. QUORUM. A majority of the voting members
36 constitutes a quorum for the transaction of any
37 official business.

38 8. TERMS OF MEMBERS. The members shall be
39 appointed to three-year staggered terms and the terms
40 shall commence and end as provided by section 69.19.
41 If a vacancy occurs, a successor shall be appointed to
42 serve the unexpired term. A successor shall be
43 appointed in the same manner and subject to the same
44 qualifications as the original appointment to serve
45 the unexpired term.

46 9. EXPENSES. Members of the commission are
47 entitled to receive reimbursement for actual expenses
48 incurred while engaged in the performance of official
49 duties from the Iowa learning technology fund created
50 in section 280A.4, except that legislators' expenses

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1 shall be paid from funds appropriated by section 2.12.
2 Sec. ____ . NEW SECTION. 280A.3 COMMISSION PLAN --
3 GUIDING PRINCIPLES.

4 1. The Iowa learning technology commission created
5 in section 280A.2 shall develop a learning technology
6 plan to achieve the goal of preparing students for an
7 economy that is increasingly dependent on technology
8 and innovation. The commission shall examine the use
9 of technology in Iowa's and the nation's elementary
10 and secondary classrooms.

11 2. The plan developed by the commission shall
12 include, but not be limited to, the following:

13 a. The costs and benefits of each component of the
14 plan.

15 b. The professional development needed to
16 integrate learning technology into classroom
17 technology.

18 c. Strategies for implementation of the plan,
19 including, at a minimum, phasing in the plan over a
20 term of years.

21 d. Strategies that coordinate the learning
22 technology in kindergarten through grade twelve with
23 the initiatives and resources of the department of
24 education, Iowa communications network, area education
25 agencies, higher education institutions providing
26 approved practitioner preparation programs, and other
27 accredited postsecondary institutions in the state.

28 e. Procedures for data tracking and assessment of
29 the progress in implementing the goals of the
30 initiative and the plan.

31 f. Strategies to establish a public-private
32 partnership between state government and a private
33 sector business having relevant knowledge and
34 experience.

35 3. The plan shall be consistent with the following
36 guiding principles:

37 a. The plan shall promote equal opportunity for
38 and provide meaningful access to wireless and other
39 learning technology resources for all Iowa students
40 regardless of geographic location or economic means.

41 b. The plan shall support student achievement
42 through the integration of learning technologies that
43 are content-focused and that add value to existing
44 instructional methods.

45 c. The plan shall provide for the future
46 sustainability of learning technology resources by
47 adapting to future educational needs and technological
48 changes.

49 d. The plan shall provide professional development
50 and training programs for administrators, teachers and

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1 other educators in the use and integration of learning
2 technology tools in curriculum development,
3 instructional methods, and student assessment systems.

4 e. The plan shall foster economic development
5 across all regions of the state and the preparation of
6 students for an economy that embraces technology and
7 innovation.

8 4. The plan shall be submitted to the general
9 assembly on or before December 15, 2004.

10 Sec. ____ . NEW SECTION. 280A.4 FUND.

11 1. An Iowa learning technology fund is created in
12 the state treasury. The fund shall consist of moneys
13 including, but not limited to, moneys in the form of a
14 devise, gift, bequest, donation, federal or other
15 grant, reimbursement, repayment, judgment, transfer,
16 payment, or appropriation from any source intended to
17 be used for the purposes of the fund.

18 2. Moneys in the fund are appropriated to the Iowa
19 learning technology commission created in section
20 280A.2 for purposes of an Iowa learning technology
21 initiative created pursuant to section 280A.1. Moneys
22 in the fund shall not be subject to appropriation for
23 any other purpose by the general assembly. However,
24 moneys in the fund may be used for necessary audit
25 services, legal expenses, investment management fees
26 and services, and general administrative expenses
27 related to the management and administration of the
28 Iowa learning technology initiative.

29 3. Moneys in the fund are not subject to section
30 8.33. Notwithstanding section 12C.7, subsection 2,
31 interest or earnings on moneys deposited in the fund
32 shall be credited to the fund.

33 4. The fund shall be administered by the
34 commission, which shall make expenditures from the
35 fund consistent with the purposes of the initiative
36 without further appropriation. The fund shall be
37 administered in a manner that provides for the
38 financially sustainable support, use, and integration
39 of learning technology in Iowa schools through a
40 public-private partnership. Expenditures from the
41 fund shall be made consistent with the purposes of the
42 Iowa learning technology initiative to ensure one-to-
43 one access to and ubiquitous use of fully configured
44 laptop computers in grade seven in public and
45 accredited nonpublic school classrooms located
46 initially in a number of school districts and
47 accredited nonpublic schools in Iowa as determined by
48 the Iowa learning technology commission.

49 Sec. ____ . NEW SECTION. 280A.5 REPEAL.

50 This chapter is repealed effective July 1, 2009."

By BOAL of Polk

ROBERTS of Carroll

MASCHER of Johnson

WINCKLER of Scott

H-8637 FILED APRIL 19, 2004

ADOPTED

SENATE FILE 2298

H-8638

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 48, by striking line 32 and inserting the
4 following:

5 "..... \$ 45,283,894"

6 2. Page 48, by inserting after line 32 the
7 following:

8 "___ . JOBS FOR AMERICA'S GRADUATES

9 For school districts to provide direct services to
10 the most at-risk senior high school students enrolled
11 in school districts through direct intervention by a
12 jobs for America's graduates specialist:

13 \$ 400,000"

14 3. Page 48, by inserting before line 33 the
15 following:

16 "___ . CLOSING THE ACHIEVEMENT GAP GRANTS

17 For competitive grants to be awarded in no more
18 than four school districts:

19 \$ 500,000

20 a. The department shall establish a competitive
21 grant program that supports school district efforts to
22 address the achievement gap. Priority shall be given
23 to school districts using research-based strategies
24 that have the highest probability of improving student
25 achievement. A grant in the amount of \$125,000 shall
26 be awarded no later than October 1, 2004, to a school
27 district in each of the following size school
28 districts:

29 (1) A school district with an enrollment of 1199
30 or less.

31 (2) A school district with an enrollment of more
32 than 1199, but not more than 4749.

33 (3) A school district with an enrollment of more
34 than 4749.

35 (4) A school district with any enrollment.

36 b. Grant moneys may be used by recipient school
37 districts for purposes including, but not limited to,
38 assigning highly skilled teachers to high-need
39 students and highly skilled administrators to high-
40 need buildings, maintaining a commitment to cultural
41 competency training, sustaining high expectations for
42 all children, and creating partnerships between
43 schools, communities, and businesses."

44 4. By renumbering as necessary.

By DOLECHECK of Ringgold

H-8638 FILED APRIL 19, 2004

ADOPTED

SENATE FILE 2298

H-8639

1 Amend Senate File 2298, as amended, passed, and
 2 reprinted by the Senate, as follows:
 3 1. Page 18, by inserting after line 6 the
 4 following:
 5 "____. PROPERTY TAX IMPLEMENTATION COMMITTEE
 6 To administer the property tax implementation
 7 committee and to purchase data deemed necessary by the
 8 committee:

9 \$ 50,000"

By DIX of Butler

H-8639 FILED APRIL 19, 2004

ADOPTED

SENATE FILE 2298

H-8640

1 Amend Senate File 2298, as amended, passed, and
 2 reprinted by the Senate, as follows:
 3 1. Page 12, line 13, by striking the figure
 4 "1,752,780" and inserting the following: "1,952,780".
 5 2. Page 19, by inserting after line 22 the
 6 following:
 7 "Sec. ____ . Section 10A.104, subsection 2, Code
 8 Supplement 2003, is amended to read as follows:
 9 2. Appoint the administrators of the divisions
 10 within the department and all other personnel deemed
 11 necessary for the administration of this chapter,
 12 except the state public defender, assistant state
 13 public defenders, administrator of the racing and
 14 gaming commission, and members of the employment
 15 appeal board, ~~and administrator of the child advocacy~~
 16 ~~board created in section 237.16.~~ All persons
 17 appointed and employed in the department are covered
 18 by the provisions of chapter 8A, subchapter IV, but
 19 persons not appointed by the director are exempt from
 20 the merit system provisions of chapter 8A, subchapter
 21 IV.
 22 Sec. ____ . Section 237.18, subsection 5, Code
 23 Supplement 2003, is amended to read as follows:
 24 5. Employ appropriate staff, except for the state
 25 board administrator, in accordance with available
 26 funding. The board shall coordinate with the
 27 department of inspections and appeals regarding
 28 administrative functions of the board."
 29 3. By renumbering as necessary.

By HEATON of Henry

H-8640 FILED APRIL 19, 2004

ADOPTED

SENATE FILE 2298

H-8641

1 Amend the amendment, H-8636, to Senate File 2298,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

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

6 "____. Page 49, by inserting after line 18 the
7 following:

8 "Sec. ____ . STUDENT ACHIEVEMENT AND TEACHER QUALITY
9 PROGRAM. It is the intent of the general assembly
10 that the appropriation for the student achievement and
11 teacher quality program established in section 284.1
12 for the fiscal year beginning July 1, 2005, shall be
13 increased by at least \$44 million over the amount
14 appropriated for the program for the fiscal year
15 beginning July 1, 2004.""

16 2. Page 2, lines 8 and 9, by striking the words
17 "~~the year preceding~~" and inserting the following:
18 "the year preceding".

19 3. By renumbering as necessary.

By WENDT of Woodbury

H-8641 FILED APRIL 19, 2004

LOST

**EIGHTIETH GENERAL ASSEMBLY
2004 REGULAR SESSION
DAILY
SENATE CLIP SHEET**

APRIL 20, 2004

**HOUSE AMENDMENT TO
SENATE FILE 2298**

S-5383

1 Amend Senate File 2298, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 1, line 12, by striking the figure
4 "4,564,351" and inserting the following: "4,616,351".
5 2. Page 2, line 27, by striking the words "For
6 start-up", and inserting the following:
7 "a. If 2004 Iowa Acts, House File 2482 is not
8 enacted, then for start-up".
9 3. Page 2, line 31, by striking the word
10 "Notwithstanding", and inserting the following: "For
11 purposes of this lettered paragraph and
12 notwithstanding".
13 4. Page 2, by inserting after line 35 the
14 following:
15 "b. If 2004 Iowa Acts, House File 2482 is enacted,
16 then for start-up funding for revolving funds under
17 the control of the department of administrative
18 services and for salaries, support, maintenance, and
19 miscellaneous purposes:
20 \$ 1,889,610
21 For purposes of this lettered paragraph and
22 notwithstanding any provision of this section to the
23 contrary, the department of administrative services
24 shall deposit \$1,889,610 in the general fund of the
25 state from moneys in departmental revolving funds and
26 internal service funds at the end of the fiscal year."
27 5. Page 4, line 13, by striking the figure
28 "1,144,755" and inserting the following: "1,092,755".
29 6. Page 6, by inserting after line 10 the
30 following:
31 "c. The insurance division shall allocate \$10,000
32 from the examination receipts for the payment of its
33 fees to the national council of insurance
34 legislators."
35 7. Page 7, by inserting after line 11, the
36 following:
37 "Sec. ____ . ALCOHOLIC BEVERAGES DIVISION -- STATE
38 LIQUOR WAREHOUSE FUNCTIONS. Notwithstanding sections
39 7J.1 and 123.20, subsection 4, and any other
40 applicable provision of law, the alcoholic beverages
41 division of the department of commerce shall not add
42 full-time equivalent positions for purposes of the
43 state assuming the state liquor warehouse functions
44 performed by a private contractor as of April 1, 2004.
45 The division shall issue a request for proposals or
46 otherwise utilize a competitive process to select a
47 successor private contractor to perform the state
48 liquor warehouse functions."
49 8. Page 7, by inserting after line 11 the
50 following:

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Page 2

1 "Sec. ____ . IOWA HEALTH INSURANCE VALUE INITIATIVE.
 2 If 2004 Iowa Acts, House File 2521, is enacted, there
 3 is appropriated from the general fund of the state to
 4 the department of commerce for the fiscal year
 5 beginning July 1, 2004, and ending June 30, 2005, the
 6 following amount, or so much thereof as is necessary,
 7 to be used for the purpose designated:

8 For the insurance division to conduct a study
 9 regarding the costs of health insurance premiums for
 10 businesses and individual customers in this state, in
 11 accordance with 2004 Iowa Acts, House File 2521:

12 \$ 150,000"

13 9. Page 12, line 13, by striking the figure
 14 "1,752,780" and inserting the following: "1,952,780".

15 10. Page 18, by inserting after line 6 the
 16 following:

17 " ____ . PROPERTY TAX IMPLEMENTATION COMMITTEE
 18 To administer the property tax implementation
 19 committee and to purchase data deemed necessary by the
 20 committee:

21 \$ 50,000"

22 11. Page 19, by inserting after line 22 the
 23 following:

24 "Sec. ____ . Section 10A.104, subsection 2, Code
 25 Supplement 2003, is amended to read as follows:

26 2. Appoint the administrators of the divisions
 27 within the department and all other personnel deemed
 28 necessary for the administration of this chapter,
 29 except the state public defender, assistant state
 30 public defenders, administrator of the racing and
 31 gaming commission, and members of the employment
 32 appeal board, ~~and administrator of the child advocacy~~
 33 ~~board created in section 237.16.~~ All persons
 34 appointed and employed in the department are covered
 35 by the provisions of chapter 8A, subchapter IV, but
 36 persons not appointed by the director are exempt from
 37 the merit system provisions of chapter 8A, subchapter
 38 IV.

39 Sec. ____ . Section 237.18, subsection 5, Code
 40 Supplement 2003, is amended to read as follows:

41 5. Employ appropriate staff, except for the state
 42 board administrator, in accordance with available
 43 funding. The board shall coordinate with the
 44 department of inspections and appeals regarding
 45 administrative functions of the board."

46 12. Page 20, by inserting after line 34 the
 47 following:

48 "Sec. ____ . EFFECTIVE DATE. The section of this
 49 division of this Act relating to the state liquor
 50 warehouse functions, being deemed of immediate

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1 importance, takes effect upon enactment."

2 13. Page 28, line 15, by striking the figure
3 "5,784,500", and inserting the following:
4 "6,084,500".

5 14. Page 29, by striking line 4 and inserting the
6 following:

7 "..... \$ 5,505,725"

8 15. Page 29, line 10, by inserting after the word
9 "infrastructure" the following: "and through the use
10 of community cluster rural development".

11 16. Page 34, by striking lines 33 and 34 and
12 inserting the following:

13 "..... \$ 4,889,124
14 FTEs 94.20"

15 17. Page 35, line 9, by inserting after the word
16 "circumstances." the following: "Of the moneys
17 generated by the filing fee allowed under this
18 subsection, the first \$225,000 is appropriated to the
19 department of workforce development to be used for
20 purposes of administering the division of workers'
21 compensation."

22 18. Page 35, by striking lines 15 through 20.

23 19. Page 37, by inserting after line 4 the
24 following:

25 "Sec. _____. Section 28E.35, Code 2003, is amended
26 to read as follows:

27 28E.35 DEFINITIONS.

28 As used in this division unless the context
29 otherwise requires:

30 1. "Community cluster" means a cooperative
31 community unit established pursuant to this chapter
32 for the joint exercise of powers by two or more
33 governmental units and for sharing one or more
34 governmental functions between two or more
35 governmental units participating in a community
36 cluster.

37 2. "Governing board" means the governing board of
38 a community cluster appointed pursuant to section
39 28E.37.

40 ~~2.~~ 3. "Governmental unit" means a city, county,
41 township, school district, merged area as defined in
42 section 260C.2, or special taxing district.

43 4. "Shared governmental function" includes, but is
44 not limited to, joint delivery of services, joint
45 operation of facilities, joint development of
46 infrastructure, or joint fostering of economic
47 development.

48 Sec. _____. Section 28E.36, Code 2003, is amended to
49 read as follows:

50 28E.36 ESTABLISHMENT OF COMMUNITY CLUSTER.

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1 Two or more governmental units located in the state
2 may, by resolution of each governmental unit,
3 establish a community cluster ~~by entering into an~~
4 ~~agreement~~ for the joint exercise of powers pursuant to
5 this chapter to make more efficient use of their
6 resources by providing for ~~joint functions, services,~~
7 ~~facilities, development of infrastructure and for~~
8 ~~revenue sharing, and to foster economic development~~
9 shared governmental functions between two or more of
10 the governmental units participating in the community
11 cluster.

12 A community cluster and its governing board shall
13 have all the rights, powers, duties, privileges, and
14 immunities of a governmental unit and governmental
15 unit governing body to the extent that such rights,
16 powers, duties, privileges, and immunities relate to
17 shared governmental functions of the governmental
18 units participating in the community cluster. A
19 community cluster and its governing board shall not
20 levy a tax unless specifically authorized by the
21 governing body of each participating governmental
22 unit.

23 Sec. _____. Section 28E.37, Code 2003, is amended by
24 striking the section and inserting in lieu thereof the
25 following:

26 28E.37 COMMUNITY CLUSTER GOVERNING BOARD.

27 The governing body of each governmental unit
28 participating in a community cluster shall appoint two
29 of its members to a community cluster governing board.
30 However, an alternative board composition may be
31 agreed upon by the participating governmental units.
32 A member of the governing board shall serve for two
33 years or until the member's term on the governing body
34 of the governmental unit expires, whichever is
35 earlier. A vacancy on the governing board shall be
36 filled in the same manner as the original appointment.
37 A member of the governing board shall not receive
38 compensation for service on the governing board.

39 Sec. _____. Section 28E.38, Code 2003, is amended by
40 striking the section and inserting in lieu thereof the
41 following:

42 28E.38 POWERS AND DUTIES OF GOVERNING BOARD --
43 EXISTING BONDED INDEBTEDNESS -- TAXING AUTHORITY.

44 1. The governing board shall identify governmental
45 functions, services, facilities, development of
46 infrastructure, or economic development efforts that
47 will be shared or jointly provided or operated within
48 the community cluster.

49 2. The governing board shall establish an official
50 name for the community cluster.

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1 3. The governing board may provide for the
2 transfer or other disposition of property and other
3 rights, claims, assets, and franchises as they relate
4 to a shared governmental function within the community
5 cluster. A governmental unit participating in a
6 community cluster may make donations of property, real
7 or personal, including gratuitous leases, to the
8 community cluster and the governing board as deemed
9 proper and appropriate in aiding the community cluster
10 and the governing board effectuate their purposes.

11 4. The governing board may provide for the
12 transfer, reorganization, abolition, adjustment, and
13 absorption or merger of existing boards, existing
14 subordinate service districts, local improvement
15 districts, and agencies of the participating
16 governmental units to the extent they relate to a
17 shared governmental function within the community
18 cluster. The authority provided in this subsection
19 does not include the authority to merge or consolidate
20 local governments as an alternative form of county
21 government or an alternative form of city government.

22 5. The governing board may determine the
23 boundaries of the service areas within the community
24 cluster and shall provide for administration of the
25 provision of services in each of the designated
26 service areas.

27 6. The governing board may employ and fix the
28 compensation of administrative, technical,
29 professional, and clerical assistance as necessary to
30 administer a shared governmental function.

31 7. a. The governing board may adopt budgets for
32 shared governmental functions within the community
33 cluster and may levy property taxes to the extent the
34 taxing authority of a participating governmental unit
35 is transferred to the community cluster by the
36 governing body of that participating governmental unit
37 to fund a shared governmental function. The governing
38 board in its budget shall allocate the revenue
39 responsibilities of each governmental unit
40 participating in the community cluster, subject to the
41 approval of the governing body of each participating
42 governmental unit. The governing board shall follow
43 the same procedures for adoption of a budget as if the
44 community cluster were a city and the governing board
45 a city council.

46 b. The governing board shall devise formulas for
47 the transfer of taxing authority from governmental
48 units that are participating in the community cluster
49 to the governing board of the community cluster to
50 fund a shared governmental function, subject to the

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1 approval of the governing body of each participating
2 governmental unit. The maximum rates of taxes
3 authorized to be levied by a governmental unit
4 participating in a community cluster shall be reduced
5 by an amount equal to that portion of the levy rates
6 transferred to the authority of the governing board.

7 c. In lieu of transferring property taxing
8 authority to a governing board, a governmental unit
9 participating in a community cluster may meet its
10 shared revenue obligations by transferring other
11 sources of revenue authorized to be collected by the
12 governmental unit.

13 8. The governing board may accept donations,
14 contributions, grants, or gifts from individuals,
15 associations, municipal and private corporations, and
16 the United States, or any agency or instrumentality of
17 the United States, and may enter into agreements in
18 connection therewith.

19 9. The governing board may issue bonded
20 indebtedness to the extent authorized in section
21 28E.39.

22 10. By December 1 of each year, the governing
23 board shall provide a report relating to shared
24 governmental functions and administration of the
25 community cluster to the governing body of each
26 governmental unit participating in the community
27 cluster.

28 Sec. _____. Section 28E.39, Code 2003, is amended by
29 striking the section and inserting in lieu thereof the
30 following:

31 28E.39 ISSUANCE OF BONDS -- APPROVAL BY
32 ELECTORATE.

33 1. The governing board may propose the expenditure
34 of funds, the issuance of revenue bonds, entering into
35 a lease-purchase agreement, or the issuance of general
36 obligation bonds for the following:

37 a. Acquisition of a construction site and
38 construction of a building or facility for common
39 public use by two or more governmental units
40 participating in the community cluster.

41 b. Purchase of an existing building or facility
42 for public use, or conversion of a building or
43 facility previously owned and maintained by a
44 governmental unit for public use by two or more
45 governmental units participating in the community
46 cluster.

47 c. Equipping or furnishing a new or existing
48 building or facility for public use by two or more
49 governmental units participating in the community
50 cluster.

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1 d. Operation, maintenance, or improvement of a
2 building or facility for public use by two or more
3 governmental units participating in the community
4 cluster.

5 e. Any other aspect of construction, acquisition,
6 furnishing, operation, or maintenance of a building or
7 facility for public use by two or more governmental
8 units participating in the community cluster, such
9 other aspect having been proposed by the governing
10 board and not otherwise prohibited by law.

11 2. The proposal shall be forwarded to the
12 governing body of each governmental unit participating
13 in the community cluster that is listed in the
14 proposal as being allocated a portion of the cost for
15 any of the purposes in subsection 1, paragraphs "a"
16 through "e". The proposal shall specify the purposes
17 for which the building or facility shall be used, the
18 estimated cost of the building or facility, the
19 estimated amount of the cost to be allocated to each
20 of the participating governmental units, the
21 proportion and method of allocating the expenses of
22 the operation and maintenance of the building or
23 facility or improvement, and the disposition to be
24 made of any revenues to be derived from operation of
25 the building or facility.

26 3. If a proposal for expenditure of funds, for
27 issuance of revenue bonds, or for issuance of general
28 obligation bonds described in the proposal as
29 essential county purpose bonds or essential corporate
30 purpose bonds is approved by the governing body of
31 each governmental unit named in the proposal, the
32 governing board may include such expenditures in its
33 budget for the following fiscal year. If a proposal
34 for issuance of general obligation bonds described in
35 the proposal as general county purpose bonds or
36 general corporate purpose bonds or for entering into a
37 lease-purchase agreement is approved by the governing
38 body of each governmental unit named in the proposal,
39 the governing board shall direct the county
40 commissioner of elections to submit the proposition at
41 a special election. The special election may be held
42 on the same day as the general election if the county
43 commissioner determines that the elections will not
44 conflict. Only those registered voters living within
45 the governmental units named in the proposal may vote
46 on the proposition. The proposition shall be adopted
47 if the vote in favor of the proposition is equal to at
48 least sixty percent of the vote cast for and against
49 the proposition in each governmental unit named in the
50 proposal.

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1 4. The governing board when issuing indebtedness
2 pursuant to this section shall follow the procedures
3 for issuance of debt as if the governing board were a
4 city council or a county board of supervisors and the
5 applicable bonding provisions of chapters 74, 75, 331,
6 and 384 shall apply.

7 5. Indebtedness issued pursuant to this section
8 shall constitute a debt of the governmental units
9 named in the proposal in the same proportion that the
10 cost of the project is allocated to the governmental
11 units and such indebtedness is subject to any
12 statutory or constitutional limitation on issuance of
13 debt if the debt would be subject to such limitation
14 if it were issued by a governmental unit acting alone.

15 Sec. _____. Section 28E.40, Code 2003, is amended by
16 striking the section and inserting in lieu thereof the
17 following:

18 28E.40 JOINING COMMUNITY CLUSTER OR TERMINATING
19 PARTICIPATION.

20 1. A governmental unit, by resolution, may request
21 to join an existing community cluster. The governing
22 body of the governmental unit shall forward the
23 resolution to the governing bodies of each
24 governmental unit participating in the community
25 cluster. If each of the governing bodies approves the
26 resolution, the governmental unit is included in the
27 community cluster and shall appoint two of the members
28 of its governing body to the governing board of the
29 community cluster.

30 2. A governmental unit, by resolution, may
31 terminate its participation in a community cluster.
32 Immediately upon its adoption by the governing body of
33 the governmental unit seeking termination of its
34 participation in the community cluster, the resolution
35 shall be forwarded to the governing board. The
36 governing board is not empowered to deny termination
37 but it may set a timetable, not to exceed eighteen
38 months after adoption of the resolution, for
39 termination to be fully effective.

40 Sec. _____. Section 331.461, subsection 2, Code
41 2003, is amended by adding the following new
42 paragraph:

43 NEW PARAGRAPH. h. Port facilities or port
44 facilities systems, including without limitation, real
45 and personal property, water, buildings, improvements,
46 and equipment useful and suitable for taking care of
47 the needs of commerce and shipping, and also including
48 without limitation, wharves, docks, basins, piers,
49 quay walls, warehouses, tunnels, belt railway
50 facilities, cranes, dock apparatus, and other

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1 machinery necessary for the convenient and economical
2 accommodation and handling of watercraft of all kinds
3 and of freight and passengers.

4 Sec. ____ . Section 96.7, subsection 2, paragraph d,
5 subparagraph (1), Code Supplement 2003, is amended to
6 read as follows:

7 (1) The current reserve fund ratio is computed by
8 dividing the total funds available for payment of
9 benefits, on the computation date, by the total wages
10 paid in covered employment excluding reimbursable
11 employment wages during the first four calendar
12 quarters of the five calendar quarters immediately
13 preceding the computation date. However, in computing
14 the current reserve fund ratio the following amounts
15 shall be added to the total funds available for
16 payment of benefits on the following computation
17 dates:

18 (a) Twenty million dollars on July 1, 2004.

19 (b) Seventy million dollars on July 1, 2005.

20 (c) One hundred twenty million dollars on July 1,
21 2006.

22 (d) One hundred fifty million dollars on July 1,
23 2007, and on each subsequent computation date.

24 Sec. ____ . Section 96.19, subsection 18, paragraph
25 a, subparagraph (7), subparagraph subdivision (a),
26 Code 2003, is amended to read as follows:

27 (a) A person in agricultural labor when such labor
28 is performed for an employing unit which during any
29 calendar quarter in the calendar year or the preceding
30 calendar year paid remuneration in cash of twenty
31 thousand dollars or more to individuals employed in
32 agricultural labor excluding labor performed before
33 January 1, 1980, by an alien referred to in this
34 subparagraph; or on each of some twenty days during
35 the calendar year or the preceding calendar year, each
36 day being in a different calendar week, employed in
37 agricultural labor for some portion of the day ten or
38 more individuals, excluding labor performed before
39 January 1, 1980, by an alien referred to in this
40 subparagraph; and such labor is not agricultural labor
41 performed before January 1, 1980, by an individual who
42 is an alien admitted to the United States to perform
43 agricultural labor pursuant to sections 214(c) and
44 101(a)(15)(H) of the Immigration and Nationality Act,
45 8 U.S.C. § 1184(c), 1101(a)(15)(H) (1976). For
46 purposes of this subparagraph subdivision, "employed"
47 shall not include services performed by agricultural
48 workers who are aliens admitted to the United States
49 to perform labor pursuant to section
50 101(a)(15)(H)(ii)(a) of the Immigration and

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1 Nationality Act and who are not covered under the
2 Federal Unemployment Tax Act."

3 21. Page 48, by striking line 32 and inserting
4 the following:

5 "..... \$ 45,283,894

6 . JOBS FOR AMERICA'S GRADUATES

7 For school districts to provide direct services to
8 the most at-risk senior high school students enrolled
9 in school districts through direct intervention by a
10 jobs for America's graduates specialist:

11 \$ 400,000

12 . CLOSING THE ACHIEVEMENT GAP GRANTS

13 For competitive grants to be awarded in no more
14 than four school districts:

15 \$ 500,000

16 a. The department shall establish a competitive
17 grant program that supports school district efforts to
18 address the achievement gap. Priority shall be given
19 to school districts using research-based strategies
20 that have the highest probability of improving student
21 achievement. A grant in the amount of \$125,000 shall
22 be awarded no later than October 1, 2004, to a school
23 district in each of the following size school
24 districts:

25 (1) A school district with an enrollment of 1199
26 or less.

27 (2) A school district with an enrollment of more
28 than 1199, but not more than 4749.

29 (3) A school district with an enrollment of more
30 than 4749.

31 (4) A school district with any enrollment.

32 b. Grant moneys may be used by recipient school
33 districts for purposes including, but not limited to,
34 assigning highly skilled teachers to high-need
35 students and highly skilled administrators to high-
36 need buildings, maintaining a commitment to cultural
37 competency training, sustaining high expectations for
38 all children, and creating partnerships between
39 schools, communities, and businesses."

40 22. Page 49, by inserting after line 18 the
41 following:

42 "Sec. . WHOLE-GRADE SHARING AGREEMENT DEADLINE
43 WAIVER. Notwithstanding sections 282.10 and 282.11,
44 the department of education may, at the department's
45 discretion, waive any of the deadline requirements of
46 sections 282.10 and 282.11, relating to the signing of
47 a whole-grade sharing agreement by the boards of two
48 or more school districts involved in the agreement and
49 the public notice and hearing requirements, if one of
50 the districts involved in the agreement has an

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1 enrollment of less than three hundred. This section
2 is repealed July 1, 2004."

3 23. Page 49, by inserting after line 18 the
4 following:

5 "Sec. ____ . STATEWIDE TEACHER INTERN PROGRAM
6 FEASIBILITY STUDY -- FEDERAL GRANT APPLICATION
7 COORDINATION.

8 1. The department of education shall work
9 cooperatively with the state board of regents and
10 other accredited postsecondary institutions with
11 approved practitioner preparation programs to assess
12 the feasibility of the offering of a teacher intern
13 program that will be available statewide and which
14 will meet the standards as provided in 281 IAC 77.
15 The department shall, at minimum, collaborate with the
16 state board of regents and the colleges of education
17 at board's institutions of higher learning, and with
18 other accredited postsecondary institutions with
19 approved practitioner preparation programs. The study
20 shall include the projected enrollment, cost, delivery
21 of the program via technology, and possible time lines
22 for implementation of a statewide teacher intern
23 program. The study shall, at minimum, consider the
24 establishment of a program operated through a regents
25 institution under a cooperative arrangement with other
26 postsecondary institutions, including institutions
27 that do not have approved practitioner preparation
28 programs, or with one or more area education agencies.
29 The department shall submit a report summarizing the
30 results of the study and making recommendations to the
31 chairpersons and ranking members of the house and
32 senate committees on education and the chairpersons
33 and rankings members of the joint appropriations
34 subcommittee on education by January 15, 2005.

35 2. The department shall work cooperatively with
36 the state board of regents and other appropriate
37 eligible grantees to obtain any available federal
38 funding, including grants that may be available for
39 the establishment and operation of a teacher intern
40 program."

41 24. Page 50, lines 21 and 22, by striking the
42 figures "2001-2002" and inserting the following:
43 "2003-2004".

44 25. Page 55, line 7, by striking the words
45 "physically deformed, mentally deficient," and
46 inserting the following: "mentally deficient".

47 26. Page 59, by striking line 29 and inserting
48 the following:

49 "..... \$ 8,468,249"

50 27. Page 59, by striking line 35 and inserting

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1 the following:

2 "..... \$ 4,737,675"

3 28. Page 64, line 32, by inserting after the word
 4 "grants." the following: "From the funds appropriated
 5 in this subsection, not more than three million four
 6 hundred thousand dollars may be distributed to private
 7 institutions whose income is not exempt from taxation
 8 under section 501(c) of the Internal Revenue Code and
 9 whose students were eligible to receive Iowa tuition
 10 grant moneys in the fiscal year beginning July 1,
 11 2003."

12 29. Page 65, line 22, by inserting after the word
 13 "contracts" the following: " , if applicable,".

14 30. Page 65, by inserting after line 30 the
 15 following:

16 "Sec. ____ . Section 284.10, subsection 6, Code
 17 Supplement 2003, is amended to read as follows:

18 6. By July 1, ~~2005~~ 2006, the director shall
 19 develop and implement an evaluator training
 20 certification renewal program for administrators and
 21 other practitioners who need to renew a certificate
 22 issued pursuant to this section.

23 Sec. ____ . Section 284.13, subsection 1, paragraph
 24 a, Code Supplement 2003, is amended by striking the
 25 paragraph."

26 31. Page 65, line 31, by inserting after the word
 27 "b," the following: "c,".

28 32. Page 65, line 35, by striking the words "one
 29 million seven" and inserting the following: "~~seven~~
 30 one million one".

31 33. Page 66, by inserting after line 2 the
 32 following:

33 "c. For the fiscal year beginning July 1, 2003
 34 2004, and succeeding fiscal years, an amount up to
 35 ~~four~~ three million ~~two~~ five hundred thousand dollars
 36 for first-year and second-year beginning teachers, to
 37 the department of education for distribution to school
 38 districts for purposes of the beginning teacher
 39 mentoring and induction programs. A school district
 40 shall receive one thousand three hundred dollars per
 41 beginning teacher participating in the program. If
 42 the funds appropriated for the program are
 43 insufficient to pay mentors and school districts as
 44 provided in this paragraph, the department shall
 45 prorate the amount distributed to school districts
 46 based upon the amount appropriated. Moneys received
 47 by a school district pursuant to this paragraph shall
 48 be expended to provide each mentor with an award of
 49 five hundred dollars per semester, at a minimum, for
 50 participation in the school district's beginning

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1 teacher mentoring and induction program; to implement
2 the plan; and to pay any applicable costs of the
3 employer's share of contributions to federal social
4 security and the Iowa public employees' retirement
5 system or a pension and annuity retirement system
6 established under chapter 294, for such amounts paid
7 by the district."

8 34. Page 66, by striking lines 15 through 17, and
9 inserting the following: "~~districts for training~~
10 ~~costs~~. A portion of the funds allocated to the
11 department for purposes of this paragraph may be used
12 by the department for administrative purposes."

13 35. Page 66, line 21, by striking the words "one
14 hundred fifty" and inserting the following: "three
15 hundred".

16 36. Page 66, line 27, by striking the word "four"
17 and inserting the following: "two".

18 37. Page 66, line 28, by inserting after the word
19 "~~five~~" the following: "fifty".

20 38. Page 67, by inserting after line 8 the
21 following:

22 "Sec. _____. Section 284.13, subsection 1, Code
23 Supplement 2003, is amended by adding the following
24 new paragraph:

25 NEW PARAGRAPH. i. For the fiscal year beginning
26 July 1, 2004, and ending June 30, 2005, moneys made
27 available for the purposes of implementing paragraphs
28 "d" and "e" may be allocated in the amounts, as
29 determined by the department, needed to implement the
30 purposes of paragraphs "d" and "e".

31 Sec. _____. Section 294A.22, Code Supplement 2003,
32 is amended by adding the following new unnumbered
33 paragraph:

34 NEW UNNUMBERED PARAGRAPH. If funds appropriated
35 are insufficient to pay phase II allocations in full,
36 the department of administrative services shall
37 prorate payments to school districts and area
38 education agencies.

39 Sec. _____. Section 284.11, Code Supplement 2003, is
40 repealed."

41 39. Page 67, by striking line 9 and inserting the
42 following:

43 "Sec. _____. EFFECTIVE DATES.

44 1. The provisions of this division".

45 40. Page 67, by inserting after line 14 the
46 following:

47 "2. The section of this division of this Act,
48 relating to a waiver for whole-grade sharing agreement
49 deadlines, being deemed of immediate importance, takes
50 effect upon enactment and applies from the date of

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1 enactment to June 30, 2004."

2 41. Page 71, line 34, by striking the figure
3 "152.05" and inserting the following: "158.05".

4 42. Page 72, by striking lines 4 and 5 and
5 inserting the following: "committee expense. Before
6 the department expends or".

7 43. Page 74, by inserting after line 15 the
8 following:

9 "i. For the fiscal year beginning July 1, 2004,
10 and ending June 30, 2005, the board of pharmacy
11 examiners may retain and expend 90 percent of the
12 revenues generated from any increase after July 1,
13 2004, in licensing fees pursuant to sections 124.301
14 and 147.80, and chapter 155A, for purposes related to
15 the state board's duties, including but not limited to
16 the addition of full-time equivalent positions. Fees
17 retained by the board pursuant to this lettered
18 paragraph are appropriated to the board of pharmacy
19 examiners for the purposes described in this lettered
20 paragraph."

21 44. Page 75, line 15, by striking the words
22 "pursuant to section 99G.39".

23 45. Page 76, line 8, by striking the words
24 "provided otherwise in".

25 46. Page 76, line 9, by inserting after the
26 figure "2004" the following: "otherwise provides for
27 the deposit of tax revenue received by the state
28 racing and gaming commission pursuant to section
29 99D.15 in the gambling treatment fund".

30 47. Page 77, by inserting after line 20, the
31 following:

32 "Sec. _____. TOBACCO USE PREVENTION AND CONTROL --
33 ADMINISTRATOR. The director of the Iowa department of
34 public health shall employ a division administrator
35 for the division of tobacco use prevention and control
36 as a full-time equivalent position with a salary
37 commensurate with the full-time position.

38 Sec. _____. LEGISLATIVE INTENT -- THE STATE OF IOWA,
39 A HEALTHY COMMUNITY.

40 1. It is the intent of the general assembly that
41 state agencies, local communities, and individuals
42 begin exploring strategies and partnerships to create
43 a statewide community network that supports health
44 promotion, prevention, and chronic disease management.

45 2. It is the expectation of the general assembly
46 that such strategies and partnerships will energize
47 local communities to transform their cultures into
48 those which promote healthy lifestyles and which,
49 collectively, transform the state of Iowa into one
50 healthy community."

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1 48. Page 90, by inserting after line 35, the
2 following:

3 "Sec. _____. FOOD STAMP HEALTHY CHOICES. The
4 department of human services, in cooperation with the
5 Iowa department of public health, shall identify means
6 by which the food stamp program may be utilized to
7 promote good nutrition and healthy choices among
8 recipients of food stamps. The departments shall
9 submit a report of their findings to the general
10 assembly by December 15, 2004."

11 49. Page 93, line 18, by striking the words
12 "physically deformed, mentally deficient," and
13 inserting the following: "mentally deficient".

14 50. Page 96, line 26, by striking the word "The"
15 and inserting the following: "a. The".

16 51. Page 96, by inserting after line 35, the
17 following:

18 "b. Of the funds appropriated in this section,
19 \$100,000 shall be used for participation in one or
20 more pilot projects operated by a private provider to
21 allow the individual or individuals to receive service
22 in the community in accordance with principles
23 established in the *Olmstead v. L.C.* 527 U.S. 581
24 (1999) for the purpose of providing medical assistance
25 or other assistance to individuals with special needs
26 who become ineligible to continue receiving services
27 under the early and periodic screening, diagnosis, and
28 treatment program under the medical assistance program
29 due to becoming twenty-one years of age, who have been
30 approved for additional assistance through the
31 department's exception to policy provisions, but who
32 have health care needs in excess of the funding
33 available through the exception to the policy
34 provisions."

35 52. Page 100, by inserting after line 10, the
36 following:

37 "_____. Determine or enter a contract to identify
38 the incidence of chronic disease within the Iowa
39 medical assistance program population in order to most
40 effectively utilize disease management programs under
41 the medical assistance program. The department may
42 procure a sole source contract to implement this
43 subsection."

44 53. Page 121, by striking lines 11 and 12 and
45 inserting the following: "support, maintenance, and
46 miscellaneous purposes:"

47 54. Page 121, by striking line 14.

48 55. Page 127, line 20, by inserting after the
49 word "rate." the following: "Notwithstanding section
50 232.141, subsection 8, for the fiscal year beginning

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1 July 1, 2004, the amount of the statewide average of
2 the actual and allowable rates for reimbursement of
3 juvenile shelter care homes that is utilized for the
4 limitation on recovery of unpaid costs shall remain at
5 the same amount in effect for this purpose in the
6 preceding fiscal year."

7 56. Page 128, by inserting after line 4, the
8 following:

9 "Sec. ____ . ADOPTION SUBSIDY PROGRAM.

10 1. a. It is the intent of the general assembly
11 that the department of human services maximize receipt
12 of the federal funding available for the adoption
13 subsidy program. The department may renegotiate
14 existing adoption agreements solely for the purpose of
15 maximizing federal funding. However, any revision of
16 the existing adoption monthly maintenance payment
17 agreement shall not result in the reduction of
18 benefits to these adoptive families.

19 b. The limitation on attorney fees under the
20 program shall be \$500 per recipient.

21 c. The department of human services shall attempt
22 to develop a method to obtain federal matching funds
23 for adoption subsidy program recipients' out-of-pocket
24 payments to attorneys for the portion of attorney fees
25 that exceed the limitation on attorney fees under the
26 program.

27 d. The department of human services shall attempt
28 to obtain federal matching funds for adoption subsidy
29 program recipients' out-of-pocket payments for child
30 care fees that exceed the applicable reimbursement
31 rate established under the child care assistance
32 program.

33 e. If cost-effective and in compliance with
34 federal law and regulation, the department of human
35 services may implement a sliding benefit scale based
36 upon income, for all or a portion of the adoption
37 presubsidy or preadoptive subsidy agreements entered
38 into on or after July 1, 2004.

39 2. It is the intent of the general assembly that
40 beginning July 1, 2004, adoption subsidy agreements
41 entered into on or after that date shall be
42 administered uniformly throughout the state.

43 3. a. Beginning July 1, 2004, the child care
44 subsidy payments for individuals who enter into
45 presubsidy or preadoptive subsidy agreements shall be
46 governed by the provisions of the department of human
47 services' child care assistance programs.

48 b. (1) Individuals who entered into presubsidy or
49 preadoptive subsidy agreements on or before June 30,
50 2004, shall continue to receive a child care subsidy,

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1 notwithstanding any income guidelines specified under
2 the child care assistance program, and shall not be
3 required to meet the specifications of a specialized
4 program as specified in the administrative rules, but
5 beginning July 1, 2004, the child care subsidy rate
6 shall be governed by the rate ceilings under the
7 department of human services' child care assistance
8 program.

9 (2) The department shall notify these individuals
10 within thirty days of the effective date of this
11 section of this Act of the potential change in the
12 determination of the child care subsidy rate described
13 under this subsection, and the process for requesting
14 an exception to policy.

15 (3) If an individual requests an exception to
16 policy and the exception is approved, the individual
17 shall continue to receive the child care subsidy rate
18 in effect for the individual prior to July 1, 2004,
19 and shall be reimbursed the difference between the
20 prior rate and the new rate for the period of time
21 that the new rate was applied.

22 4. It is the intent of the general assembly that
23 any rules relating to the adoption subsidy program for
24 which the effective date of the rules is delayed
25 pursuant to section 17A.8, subsection 9, shall take
26 effect unless legislation enacted by the general
27 assembly conflicts with such rules.

28 5. The legislative council is requested to
29 establish an interim study committee to review the
30 adoption subsidy program, which includes a review of
31 current practices regarding the determination of
32 subsidy levels, disparities in subsidy levels among
33 regions of the state, program cost and benefits, the
34 fiscal and programmatic impact of projected future
35 program growth, a thorough analysis of the demographic
36 factors of the adoptive families as well as the
37 adoptive children's special needs, and quantification
38 of savings in other programs and services resulting
39 from the utilization of the adoption subsidy program.
40 The interim study committee shall seek input from the
41 department of human services, adoptive parents, and
42 others with experience or expertise relating to the
43 adoption subsidy program and related services and
44 supports. The interim study committee shall submit a
45 report of findings and recommendations to the general
46 assembly not later than December 1, 2004."

47 57. Page 130, line 2, by inserting after the word
48 "fund." the following: "To the extent allowed under
49 Title XIX of the federal Social Security Act, any
50 hospital qualifying for disproportionate share

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1 hospital reimbursement shall provide evidence to the
2 department that the hospital provides or participates
3 in a disease management program."

4 58. Page 133, by inserting after line 5 the
5 following:

6 "Sec. _____. Section 232.141, subsection 1, Code
7 2003, is amended to read as follows:

8 1. Except as otherwise provided by law, the court
9 shall inquire into the ability of the child or the
10 child's parent to pay expenses incurred pursuant to
11 ~~subsection subsections 2, and subsection 4, and, after~~
12 8. After giving the parent a reasonable opportunity
13 to be heard, the court may order the parent to pay all
14 or part of the costs of the child's care, examination,
15 treatment, legal expenses, or other expenses. An
16 order entered under this section does not obligate a
17 parent paying child support under a custody decree,
18 except that part of the monthly support payment may be
19 used to satisfy the obligations imposed by the order
20 entered pursuant to this section. If a parent fails
21 to pay as ordered, without good reason, the court may
22 proceed against the parent for contempt and may inform
23 the county attorney who shall proceed against the
24 parent to collect the unpaid amount. Any payment
25 ordered by the court shall be a judgment against each
26 of the child's parents and a lien as provided in
27 section 624.23. If all or part of the amount that the
28 parents are ordered to pay is subsequently paid by the
29 county or state, the judgment and lien shall
30 thereafter be against each of the parents in favor of
31 the county to the extent of the county's payments and
32 in favor of the state to the extent of the state's
33 payments.

34 Sec. _____. Section 234.39, Code 2003, is amended by
35 adding the following new subsection:

36 NEW SUBSECTION. 6. A support obligation for a
37 shelter care placement shall be determined under
38 section 232.141."

39 59. Page 133, by striking lines 9 through 13, and
40 inserting the following: "mental health quality of
41 care improvement committee. The committee membership
42 shall include".

43 60. Page 133, line 24, by inserting after the
44 figure "249A.24," the following: "the contractor for
45 the medical assistance program managed care mental
46 health contract,".

47 61. Page 133, line 33, by inserting after the
48 word "preferences." the following: "This paragraph
49 shall not apply to any prior authorization provision
50 in force on June 30, 2004, imposed under the existing

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1 managed care mental health care contract or any
2 extension of that contract."

3 62. Page 134, line 3, by inserting after the word
4 "and" the following: "after a cost-benefit analysis
5 may".

6 63. Page 134, by inserting after line 12, the
7 following:

8 "Sec. ____ . NEW SECTION. 249A.35 MEDICAL
9 ASSISTANCE CRISIS INTERVENTION TEAM.

10 1. A medical assistance crisis intervention team
11 is created. The team shall consist of the following
12 members:

13 a. The president of the university of Iowa.

14 b. A representative of the Iowa hospital
15 association.

16 c. A representative of the Iowa medical society.

17 d. A representative of the Iowa pharmacy
18 association.

19 e. A representative of the Iowa health care
20 association.

21 f. A representative of the federation of Iowa
22 insurers.

23 g. A representative of the Iowa association of
24 community providers.

25 h. A representative of the medical assistance
26 advisory council established pursuant to section
27 249A.4, subsection 8.

28 i. Two members selected by the president of the
29 university of Iowa.

30 2. The president of the university of Iowa shall
31 act as the chairperson of the team. Members of the
32 team are entitled to receive reimbursement of actual
33 expenses incurred in the discharge of their duties.

34 3. The department of human services shall provide
35 staff to the team as determined by the division
36 administrator of the division of medical services.

37 4. The team shall do all of the following:

38 a. Provide a projection of medical assistance
39 program and administrative costs through June 30,
40 2008, based on services provided as of June 30, 2004.

41 b. Hold at least four monthly public meetings,
42 beginning in July 2004, in at least four
43 geographically balanced venues around the state. The
44 team shall submit a report of its findings from these
45 meetings to the general assembly on or before December
46 1, 2004.

47 5. The team may provide any additional
48 recommendations to the general assembly at any time
49 regarding the medical assistance program including but
50 not limited to recommendations regarding services,

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1 eligibility, rates, care management, and program
2 administration.

3 6. The department of human services shall assist
4 the team as follows:

5 a. On or before July 1, 2004, the department shall
6 submit to the team and make available to the public an
7 initial analysis which includes all of the following
8 data:

9 (1) The number of medical assistance program
10 enrolled eligibles by cohort grouped on the basis of
11 factors such as age, income, disability, and optional
12 eligibility, for the period beginning July 1, 1999,
13 and ending June 30, 2004.

14 (2) A projection of the number of medical
15 assistance program enrolled eligibles in each of the
16 cohorts identified in subparagraph (1), for the period
17 beginning July 1, 2005, and ending June 30, 2008. The
18 projection shall be accompanied by a statement of the
19 underlying assumptions.

20 (3) The actual cost of all services and of each
21 service for each cohort described in subparagraph (1),
22 for the period beginning July 1, 1999, and ending June
23 30, 2004. The analysis of the data shall identify the
24 total cost for each cohort, the cost per member per
25 month for each cohort, and the twenty most utilized
26 medical procedures or services and the ten most
27 prevalent diagnoses associated within each cohort.
28 The analysis of the data shall identify, to the
29 greatest extent possible, the reason for changes in
30 total costs and the costs per member, per month during
31 the period, including but not limited to rate
32 adjustments, service utilization, and eligibility
33 growth.

34 (4) To the extent practical, a comparison of the
35 rates paid by commercial insurers to their Iowa
36 provider network and the rates paid by Medicare, with
37 the rates paid by the medical assistance program for
38 the same services, for the fiscal year beginning July
39 1, 2003, and ending June 30, 2004.

40 (5) An estimate of the program costs for the
41 medical assistance program for the period beginning
42 July 1, 2005, and ending June 30, 2008, based on all
43 of the following assumptions:

44 (a) The enrollment projections described in
45 subparagraph (2) and assuming reasonable change in
46 service utilization patterns, but no change in
47 provider rates in effect on June 30, 2004. The
48 projection shall include total and total program costs
49 per member, per month for each cohort and total cost
50 and the program cost per member per month for each

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1 cohort for the period beginning July 1, 2005, and
2 ending June 30, 2008. The assumptions used in
3 developing the projections shall be clearly stated.

4 (b) The enrollment projections described in
5 subparagraph (2) and assuming reasonable change in
6 service utilization patterns, and additionally
7 assuming that all medical assistance program fee for
8 service rates are equal to ninety-eight percent of the
9 usual and customary charges for such service in the
10 fiscal year beginning July 1, 2003, and ending June
11 30, 2004, and grow at an annual rate of two percent
12 annually through June 30, 2008, and assuming that
13 commensurate changes are made in rates paid to medical
14 assistance program managed care organizations.

15 (6) If the projections for later years exceed the
16 spending standard established in subparagraph (5),
17 subparagraph subdivision (b), a base rate and the
18 annual inflation adjustments that would result in
19 spending being limited to the spending standard
20 established in that paragraph.

21 (7) A description of the cost, member, provider,
22 and service quality impact of all of the following:

23 (a) Application of medical assistance program
24 allowable limits on optional services.

25 (b) Service utilization control strategies
26 including managed care and prior authorization in the
27 pharmacy, medical and behavioral, and long-term care
28 areas that have been utilized in other states or
29 jurisdictions that could potentially be utilized in
30 Iowa. The department shall identify the
31 administrative costs associated with each strategy.

32 (c) Accessible disease management and enhanced
33 primary care case management strategies with
34 particular attention to the timing of costs and
35 benefits.

36 (d) Accessible health promotion strategies and
37 disease prevention activities with particular
38 attention to the timing of costs and benefits.

39 (e) Enhanced surveillance and utilization review,
40 revenue collection, estate recovery, and cost
41 avoidance activities in future years.

42 (f) The federal Prescription Drug and Medicare
43 Improvement Act of 2003.

44 (g) The program options and cost savings
45 potentially associated with reducing the populations
46 of intermediate care facilities for the mentally
47 retarded and nursing facilities due to the
48 availability of home and community-based services,
49 including consumer-directed home care.

50 b. The department shall present the analysis

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1 described in paragraph "a" at the initial meeting of
2 the team in July 2004. The department shall adjust,
3 expand, or otherwise modify its analysis based on the
4 requests of the team at its subsequent monthly
5 meetings and shall assist the team in compiling the
6 team's final report to the general assembly.

7 Sec. ____ . REPORT -- MEDICAID PROGRAM FINANCING.
8 On or before August 1, 2004, the department of human
9 services shall submit a report to the chairpersons and
10 ranking members of the joint appropriations
11 subcommittee on health and human services, the
12 legislative services agency, the legislative caucus
13 staffs, and the medical assistance crisis intervention
14 team created in section 249A.35, providing
15 recommendations to reduce costs or provide revenue
16 enhancements to reduce the projected program and
17 administrative costs of the medical assistance program
18 by \$130,000,000 for the fiscal year beginning July 1,
19 2005, and ending June 30, 2006."

20 64. Page 138, by inserting after line 11, the
21 following:

22 "____. The section of this division of this Act
23 creating section 249A.35, relating to the medical
24 assistance crisis intervention team, takes effect upon
25 enactment."

26 65. Page 138, by inserting after line 15 the
27 following:

28 "____. The section of this division of this Act
29 relating to the adoption subsidy program."

30 66. Page 141, by striking lines 1 through 8 and
31 inserting the following:

32 "____. Five million dollars of the moneys
33 appropriated in this subsection shall be transferred
34 to the senior living revolving loan program fund
35 created in section 16.182 for the purposes of that
36 section.

37 ____ . Two million dollars of the moneys
38 appropriated in this subsection shall be transferred
39 to the home and community-based services revolving
40 loan program fund created in section 16.183 for the
41 purposes of that section."

42 67. Page 144, by inserting after line 3 the
43 following:

44 "Sec. ____ . NEW SECTION. 16.182 SENIOR LIVING
45 REVOLVING LOAN PROGRAM FUND.

46 1. A senior living revolving loan program fund is
47 created within the authority to further the goal of
48 the senior living program as specified in section
49 249H.2. The moneys in the senior living revolving
50 loan program fund shall be used by the authority for

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1 the development and operation of a revolving loan
2 program to provide financing to construct affordable
3 assisted living and service-enriched affordable
4 housing for seniors and persons with disabilities,
5 including through new construction or acquisition and
6 rehabilitation.

7 2. Moneys received by the authority from the
8 senior living trust fund, transferred by the authority
9 for deposit in the senior living revolving loan
10 program fund, moneys appropriated to the senior living
11 revolving loan program, and any other moneys available
12 to and obtained or accepted by the authority for
13 placement in the senior living revolving loan program
14 fund shall be deposited in the fund. Additionally,
15 payment of interest, recaptures of awards, and other
16 repayments to the senior living revolving loan program
17 fund shall be deposited in the fund. Notwithstanding
18 section 12C.7, subsection 2, interest or earnings on
19 moneys in the senior living revolving loan program
20 fund shall be credited to the fund. Notwithstanding
21 section 8.33, moneys that remain unencumbered or
22 unobligated at the end of the fiscal year shall not
23 revert but shall remain available for the same purpose
24 in the succeeding fiscal year.

25 3. The authority shall annually allocate moneys
26 available in the senior living revolving loan program
27 fund for the development of affordable assisted living
28 and service-enriched affordable housing for seniors
29 and persons with disabilities. The authority shall
30 develop a joint application process for the allocation
31 of federal low-income housing tax credits and funds
32 available under this section. Moneys allocated to
33 such developments may be in the form of loans, grants,
34 or a combination of loans and grants.

35 4. The authority shall adopt rules pursuant to
36 chapter 17A to administer this section.

37 Sec. ____ . NEW SECTION. 16.183 HOME AND
38 COMMUNITY-BASED SERVICES REVOLVING LOAN PROGRAM FUND.

39 1. A home and community-based services revolving
40 loan program fund is created within the authority to
41 further the goals specified in section 231.3, adult
42 day services, respite services, and congregate meals.
43 The moneys in the home and community-based services
44 revolving loan program fund shall be used by the
45 authority for the development and operation of a
46 revolving loan program to develop and expand
47 facilities and infrastructure that provide adult day
48 services, respite services, and congregate meals that
49 address the needs of persons with low incomes.

50 2. Moneys received by the authority from the

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1 senior living trust fund, transferred by the authority
2 for deposit in the home and community-based services
3 revolving loan program fund, moneys appropriated to
4 the home and community-based services revolving loan
5 program, and any other moneys available to and
6 obtained or accepted by the authority for placement in
7 the home and community-based services revolving loan
8 program fund shall be deposited in the fund.

9 Additionally, payment of interest, recaptures of
10 awards, and other repayments to the senior living
11 revolving loan program fund shall be deposited in the
12 fund. Notwithstanding section 12C.7, subsection 2,
13 interest or earnings on moneys in the home and
14 community-based services revolving loan program fund
15 shall be credited to the fund. Notwithstanding
16 section 8.33, moneys that remain unencumbered or
17 unobligated at the end of the fiscal year shall not
18 revert but shall remain available for the same purpose
19 in the succeeding fiscal year.

20 3. The authority, in cooperation with the
21 department of elder affairs, shall annually allocate
22 moneys available in the home and community-based
23 services revolving loan program fund to develop and
24 expand facilities and infrastructure that provide
25 adult day services, respite services, and congregate
26 meals that address the needs of persons with low
27 incomes.

28 4. The authority shall adopt rules pursuant to
29 chapter 17A to administer this section."

30 68. Page 145, by inserting after line 11 the
31 following:

32 "Sec. _____. Section 331.438, subsection 4,
33 paragraph b, Code 2003, is amended by adding the
34 following new subparagraph:

35 NEW SUBPARAGRAPH. (16) Develop a procedure for
36 each county to disclose to the department of human
37 services information approved by the commission
38 concerning the mental health, mental retardation,
39 developmental disabilities, and brain injury services
40 provided to the individuals served through the county
41 central point of coordination process. The procedure
42 shall incorporate protections to ensure that if
43 individually identified information is disclosed, it
44 is disclosed and maintained in compliance with
45 applicable Iowa and federal confidentiality laws,
46 including but not limited to federal Health Insurance
47 Portability and Accountability Act requirements."

48 69. Page 147, by inserting after line 5 the
49 following:

50 "NEW SUBSECTION. 6. Each county shall submit a

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1 report to the Iowa state association of counties to be
2 shared with the legislative services agency on or
3 before January 31, 2005, regarding the unaudited
4 expenditures from the county's mental health, mental
5 retardation, and developmental disabilities services
6 fund."

7 70. Page 161, by striking lines 2 through 12.

8 71. Page 167, by inserting after line 31 the
9 following:

10 "In addition to the amount appropriated in this
11 subsection, there is transferred from the moneys
12 credited during the fiscal year beginning July 1,
13 2004, to the depreciation fund maintained by the
14 department of administrative services pursuant to
15 section 8A.365, for purposes of the motor pool, to the
16 vehicle depreciation account maintained by the
17 department of public safety for vehicles utilized by
18 the division of the Iowa state patrol. During the
19 fiscal year the department of administrative services
20 shall credit to the depreciation fund at least
21 \$475,000 for purposes of the motor pool. The moneys
22 shall be transferred to the department of public
23 safety on a monthly basis. Moneys transferred
24 pursuant to this paragraph are appropriated to the
25 department of public safety for purposes of vehicle
26 replacement for the division of the Iowa state patrol.
27 Notwithstanding section 8.33, moneys transferred in
28 this paragraph that remain unencumbered or unobligated
29 at the close of the fiscal year shall not revert but
30 shall remain available for expenditure from the
31 department of public safety's vehicle depreciation
32 account for the purposes designated until the close of
33 the fiscal year that begins July 1, 2005."

34 72. Page 169, by inserting after line 2 the
35 following:

36 "Sec. ____ . Section 8D.9, Code Supplement 2003, is
37 amended by adding the following new subsection:

38 NEW SUBSECTION. 4. A community college receiving
39 federal funding to conduct first responder training
40 and testing regarding homeland security first
41 responder communication and technology-related
42 research and development projects shall be authorized
43 to utilize the network for testing purposes."

44 73. Page 169, by striking lines 3 through 16.

45 74. Page 169, line 27, by striking the words "the
46 effective date of this Act" and inserting the
47 following: "July 1, 2004".

48 75. Page 170, by striking lines 1 through 17.

49 76. Page 171, by inserting after line 30 the
50 following:

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1 "Sec. ____ . NEW SECTION. 564.9 DEPARTMENT OF
2 NATURAL RESOURCES -- ACCESS.
3 1. The department of natural resources shall grant
4 the owner of a parcel of land access to a public road
5 if any of the following applies:
6 a. It is otherwise impossible for the owner to
7 access the public road because the parcel is
8 surrounded by land held by the department.
9 b. The parcel is otherwise surrounded by land with
10 a topography that makes access unreasonable.
11 c. Access by another way would cause degradation
12 or destroy the integrity of the land.
13 2. The department may grant access to the owner by
14 the sale, exchange, or other transfer of land or by
15 the grant of an easement.
16 3. A person entitled to access as provided in this
17 section may construct a road for automobile traffic
18 from the parcel to the public road. The owner shall
19 be responsible for constructing and maintaining any
20 private road from the parcel to the public road which
21 shall not be more than twenty feet in width unless
22 otherwise agreed to by the parties."
23 77. By striking page 173, line 28, through page
24 174, line 11.
25 78. Page 177, line 17, by striking the word and
26 figures "13B.4, subsection 2,".
27 79. Page 177, by striking lines 20 through 24.
28 80. Page 179, by inserting after line 19 the
29 following:
30 "Sec. ____ . STATE APPEAL BOARD STREAMLINING. For
31 the fiscal year beginning July 1, 2004, the state
32 appeal board may pay out of any moneys in the state
33 treasury not otherwise appropriated for costs
34 associated with streamlining and improving the state
35 appeal board process."
36 81. Page 179, by inserting after line 19 the
37 following:
38 "Sec. ____ . Section 8.22A, subsection 3, Code
39 Supplement 2003, is amended to read as follows:
40 3. By December 15 of each fiscal year the
41 conference shall agree to a revenue estimate for the
42 fiscal year beginning the following July 1. That
43 estimate shall be used by the governor in the
44 preparation of the budget message under section 8.22
45 and by the general assembly in the budget process. If
46 the conference agrees to a different estimate at a
47 later meeting which projects a greater amount of
48 revenue than the initial estimate amount agreed to by
49 December 15, the governor and the general assembly
50 shall continue to use the initial estimate amount in

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1 the budget process for that fiscal year. However, if
2 the conference agrees to a different estimate at a
3 later meeting which projects a lesser amount of
4 revenue than the initial estimate amount, the governor
5 and the general assembly shall use the lesser amount
6 in the budget process for that fiscal year. As used
7 in this subsection, "later meeting" means only those
8 later meetings which are held prior to the conclusion
9 of the regular session of the general assembly and, if
10 the general assembly holds an extraordinary session
11 prior to the commencement of the fiscal year to which
12 the estimate applies, those later meetings which are
13 held before or during the extraordinary session.

14 Sec. _____. Section 8.54, subsection 2, Code 2003,
15 is amended to read as follows:

16 2. There is created a state general fund
17 expenditure limitation for each fiscal year ~~beginning~~
18 ~~on or after July 1, 1993,~~ calculated as provided in
19 this section. An expenditure limitation shall be used
20 for the portion of the budget process commencing on
21 the date the revenue estimating conference agrees to a
22 revenue estimate for the following fiscal year in
23 accordance with section 8.22A, subsection 3, and
24 ending with the governor's final approval or
25 disapproval of the appropriations bills applicable to
26 that fiscal year that were passed prior to July 1 of
27 that fiscal year in a regular or extraordinary
28 legislative session."

29 82. Page 180, by inserting after line 5 the
30 following:

31 "Sec. _____. Section 8.62, Code Supplement 2003, is
32 amended by adding the following new subsection:

33 NEW SUBSECTION. 4. Notwithstanding any provision
34 of this section and sections 8.33 and 8.39 to the
35 contrary, if a full-time equivalent position budgeted
36 for within an appropriation from the general fund of
37 the state to a department or establishment other than
38 the state board of regents is vacant for all or a
39 portion of the fiscal year, an amount equal to the
40 salary and benefits associated with the time of
41 vacancy of the position shall be considered to be
42 encumbered for the period of the vacancy, shall not be
43 used for any other purpose, and the encumbered amount
44 shall revert to the general fund of the state at the
45 close of the fiscal year."

46 83. Page 181, by inserting after line 15 the
47 following:

48 "Sec. _____. Section 35A.2, Code 2003, is amended to
49 read as follows:

50 35A.2 COMMISSION OF VETERANS AFFAIRS.

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1 1. A commission of veterans affairs is created
2 consisting of ~~seven~~ nine persons who shall be
3 appointed by the governor, subject to confirmation by
4 the senate. Members shall be appointed to staggered
5 terms of four years beginning and ending as provided
6 in section 69.19. The governor shall fill a vacancy
7 for the unexpired portion of the term.

8 2. Six commissioners shall be honorably discharged
9 members of the armed forces of the United States. The
10 American legion of Iowa, disabled American veterans
11 department of Iowa, veterans of foreign wars
12 department of Iowa, American veterans of World War II,
13 Korea, and Vietnam, the Vietnam veterans of America,
14 and the military order of the purple heart, through
15 their department commanders, shall submit two names
16 respectively from their organizations to the governor.
17 The governor shall appoint from each of the
18 organizations one representative to serve as a member
19 of the commission, unless the appointments would
20 conflict with the bipartisan and gender balance
21 provisions of sections 69.16 and 69.16A. In addition,
22 the governor shall appoint ~~one member~~ three members of
23 the public, knowledgeable in the general field of
24 veterans affairs, to serve on the commission."

25 84. Page 182, by inserting after line 2 the
26 following:

27 "Sec. _____. Section 35D.13, subsection 2, Code
28 2003, is amended by striking the subsection and
29 inserting in lieu thereof the following:

30 2. The commandant shall be a licensed nursing home
31 administrator."

32 85. Page 182, by inserting after line 12 the
33 following:

34 "Sec. _____. Section 135C.31A, Code Supplement 2003,
35 is amended to 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 identifying, upon
42 admission of a resident, the resident's eligibility
43 for benefits through the federal department of
44 veterans affairs. The health care facility shall also
45 assist the Iowa commission of veterans affairs in
46 determining such eligibility for residents residing in
47 the facility on July 1, 2003. The department of
48 inspections and appeals, in cooperation with the
49 department of human services, shall adopt rules to
50 administer this section, including a provision that

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1 ensures that if a resident is eligible for benefits
2 through the federal department of veterans affairs or
3 other third-party payor, the payor of last resort for
4 reimbursement to the health care facility is the
5 medical assistance program. This section shall not
6 apply to the admission of an individual to a state
7 mental health institute for acute psychiatric care or
8 to the admission of an individual to the Iowa veterans
9 home."

10 86. Page 182, by inserting after line 12 the
11 following:

12 "Sec. ____ . NEW SECTION. 153.40 MOBILE DENTAL
13 DELIVERY SYSTEM.

14 The Iowa department of public health shall
15 establish and implement a mobile dental delivery
16 system to make available dental supplies, portable
17 dental equipment, and vans to be used in transporting
18 the equipment to provide oral health services to and
19 improve the oral health of low-income persons who live
20 in federal or state-designated health professional
21 shortage areas and have the least access to oral
22 health services. The department shall coordinate the
23 program. Funds available for improving oral health
24 may also be used for loan forgiveness for dental
25 providers or to develop oral health training modules
26 for nursing home staff or other suitable staff who
27 provide oral health services to persons described in
28 this section."

29 87. Page 182, line 27, by inserting after the
30 word "data" the following: "regarding the salaries
31 and benefits of administrators and".

32 88. Page 182, line 28, by striking the words
33 "school year detailing contract settlement" and
34 inserting the following: "contract settlement".

35 89. Page 183, by inserting before line 1 the
36 following:

37 "Sec. ____ . Section 256D.3, subsection 3, Code
38 2003, is amended to read as follows:

39 3. Beginning January 15, ~~2001~~ 2005, the department
40 shall submit an annual report to the chairpersons and
41 ranking members of the senate and house education
42 committees that includes the statewide average school
43 district class size in basic skills instruction in
44 kindergarten through grade three, by grade level and
45 by district size, and describes school district
46 progress toward achieving early intervention block
47 grant program goals and the ways in which school
48 districts are using moneys received pursuant to
49 ~~section 256D.4~~ this chapter and expended as provided
50 in section 256D.2."

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- 1 90. By striking page 183, line 32 through page
2 184, line 9, and inserting the following:
3 "Sec _____. Section 257.8, subsection 1, Code
4 Supplement 2003, is amended to read as follows:
5 1. STATE PERCENT OF GROWTH. ~~The state percent of~~
6 ~~growth for the budget year beginning July 1, 2003, is~~
7 ~~two percent.~~ The state percent of growth for the
8 budget year beginning July 1, 2004, is two percent.
9 The state percent of growth for the budget year
10 beginning July 1, 2005, is four percent. The state
11 percent of growth for each subsequent budget year
12 shall be established by statute which shall be enacted
13 within thirty days of the submission in ~~the year~~
14 ~~preceeding~~ the base year of the governor's budget under
15 section 8.21. The establishment of the state percent
16 of growth for a budget year shall be the only subject
17 matter of the bill which enacts the state percent of
18 growth for a budget year."
19 91. Page 184, by striking lines 19 through 34.
20 92. By striking page 184, line 35, through page
21 185, line 9.
22 93. Page 186, by striking lines 3 and 4 and
23 inserting the following: "subdivision of the state,
24 ~~except for county hospitals as provided in paragraph~~
25 ~~"e" of this subsection, and which".~~
26 94. Page 186, by striking lines 7 and 8 and
27 inserting the following: ""g", except that
28 institutions defined in paragraph "c" of this
29 subsection are exempt from the requirements of
30 paragraphs "a" and "b":"
31 95. Page 186, lines 9 and 10, by striking the
32 words "a through" and inserting the following: "b
33 and".
34 96. Page 186, by striking lines 12 through 15.
35 97. Page 186, line 16, by striking the word
36 "Annually" and inserting the following: "Is
37 accredited by the north central association of
38 colleges and secondary schools accrediting agency
39 based on their requirements, are exempt from taxation
40 under section 501(c)(3) of the Internal Revenue Code,
41 and annually".
42 98. Page 186, line 27, by inserting after the
43 word "chapter." the following: "An institution whose
44 income is not exempt from taxation under section
45 501(c) of the Internal Revenue Code and whose students
46 were eligible to receive Iowa tuition grant money in
47 the fiscal year beginning July 1, 2003, shall meet the
48 match requirements of this paragraph no later than
49 June 30, 2005."
50 99. By striking page 186, line 35 through page

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1 187, line 1 and inserting the following:

2 "NEW SUBSECTION. 23. Submit annually to the
3 department of education data regarding the salaries
4 and benefits of administrators and from the most
5 recent".

6 100. Page 187, by striking lines 21 and 22 and
7 inserting the following: "board shall submit annually
8 to the department of education data regarding the
9 salaries and benefits of administrators and from the
10 most recent contract".

11 101. Page 188, by inserting after line 13 the
12 following:

13 "Sec. ____ . NEW SECTION. 280A.1 IOWA LEARNING
14 TECHNOLOGY INITIATIVE.

15 1. INITIATIVE. The Iowa learning technology
16 initiative is created to provide training and learning
17 opportunities to public and accredited nonpublic
18 school students in grade seven and their
19 administrators and teachers.

20 2. PILOT PROGRAM. The Iowa learning technology
21 commission created in section 280A.2 shall develop and
22 administer the Iowa learning technology initiative,
23 which shall include a pilot program. Upon the receipt
24 or pledge of sufficient moneys, as determined by the
25 commission, for deposit in the Iowa learning
26 technology fund created in section 280A.4, the pilot
27 program shall be implemented. A school district or
28 accredited nonpublic school may submit an application
29 to participate in the pilot program to the commission
30 no later than sixty days following receipt or pledge
31 of moneys into the Iowa learning technology fund. The
32 application shall include a written statement that
33 indicates a dedicated willingness to participate.
34 School districts or accredited nonpublic schools
35 chosen to participate in the pilot program shall have
36 demonstrated to the commission administrative
37 leadership, teacher willingness to participate, and
38 community support, and shall represent geographically
39 distinct rural, urban, and suburban areas of the
40 state. The commission shall notify applicants of
41 approval or disapproval of applications no later than
42 seventy-five days after the application deadline.

43 3. PUBLIC-PRIVATE PARTNERSHIP.

44 a. The Iowa learning technology commission shall,
45 in consultation with the department of education and
46 the department of administrative services, develop and
47 issue no later than forty-five days after the receipt
48 or pledge of moneys into the Iowa learning technology
49 fund, a request for proposals for one or more private
50 providers who shall partner with the state to

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1 implement the pilot program phase of the initiative.
2 No later than forty-five days after the issuance of
3 the request for proposals, the commission shall select
4 finalists from among the proposals submitted. No
5 later than forty-five days after the selection of
6 finalists, the commission shall select one or more
7 private providers.

8 b. One or more private providers shall be selected
9 by the commission through a request for proposals
10 process for a total solutions learning technology
11 package that includes, but is not limited to,
12 hardware, software, professional development, and
13 service and support, which shall be managed by a
14 single point of contact responsible for the overall
15 implementation. The proposal selected by the
16 commission shall achieve significant efficiencies and
17 economies of scale, be interoperable with existing
18 technologies, and be consistent with the state's
19 economic development and education policies. In
20 selecting a private provider, the commission shall
21 consider all of the following with respect to the
22 private provider:

23 (1) Experience in the development and successful
24 implementation of large-scale, school-based wireless
25 and other learning technology projects, and the
26 technical ability to deliver a total solutions package
27 of learning technology for elementary and secondary
28 students and teachers.

29 (2) Demonstrated financial capability and long-
30 term stability to partner with the state over the term
31 of the private provider contract.

32 (3) Expertise, experience, and capabilities in
33 education practice and evaluation methods.

34 c. The commission shall conduct, in cooperation
35 with the attorney general, contract negotiations to
36 establish a public-private partnership on behalf of
37 the commission and enter into a contract negotiated
38 with one or more private providers to establish a
39 four-year learning technology pilot program to provide
40 a wireless laptop computer to each student, teacher,
41 and relevant administrator in a participating school
42 and implement the use of software, on-line courses,
43 and other appropriate learning technologies that have
44 been shown to improve academic achievement and
45 specified progress measures. The term of the contract
46 shall include the deployment of computers to students
47 and teachers in participating school districts and
48 accredited nonpublic schools in accordance with
49 subsection 2.

50 4. EVALUATION. To measure the effectiveness of

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1 the pilot program established pursuant to subsection
2 2, the Iowa learning technology commission shall, at a
3 minimum, establish standards and methods of measuring
4 progress in the areas of increased student engagement,
5 decreased disciplinary problems, increased use of
6 computers for writing, analysis, and research,
7 movement toward student-centered classrooms, increased
8 parental involvement, and increases in standardized
9 test scores. The commission shall work cooperatively
10 with the department of education and the state board
11 of regents in establishing an evaluation process
12 pursuant to this subsection.

13 Sec. ____ . NEW SECTION. 280A.2 COMMISSION --
14 MEMBERS.

15 1. COMMISSION CREATED. An Iowa learning
16 technology commission is created to establish the
17 policies and determine the necessary budget for
18 implementation of the Iowa learning technology
19 initiative.

20 2. MEMBERS. The commission shall initially be
21 appointed no later than July 1, 2004, and shall
22 consist of eighteen members appointed as follows:

23 a. Nine voting members who shall be members of the
24 general public and shall be appointed as follows:

25 (1) Two members shall be appointed by the
26 governor.

27 (2) Two members shall be appointed by the
28 president of the senate.

29 (3) One member shall be appointed by the minority
30 leader of the senate.

31 (4) Two members shall be appointed by the speaker
32 of the house of representatives.

33 (5) One member shall be appointed by the minority
34 leader of the house of representatives.

35 (6) One member who is a member of the state board
36 of education shall be appointed by the chairperson of
37 the state board.

38 b. Nine ex officio, nonvoting members who shall be
39 appointed as follows:

40 (1) One member representing public postsecondary
41 education institutions who is employed by a public
42 postsecondary education institution shall be appointed
43 by the governor.

44 (2) Three members representing three different
45 school districts shall be appointed by the governor as
46 follows:

47 (a) One member shall be a teacher employed by a
48 school district or area education agency who is
49 appointed from a list of three names submitted by a
50 certified employee organization representing teachers

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1 licensed under chapter 272.

2 (b) One member shall be an administrator employed
3 by a school district who is appointed from a list of
4 three names submitted by a statewide organization
5 representing administrators licensed under chapter
6 272.

7 (c) One member shall be a member of a board of
8 directors of a school district who is appointed by a
9 statewide organization representing school boards.

10 (3) One member representing area education
11 agencies shall be appointed by the governor from a
12 list of three names submitted by area education agency
13 administrators.

14 (4) One member who is a member of the senate shall
15 be appointed by the president of the senate.

16 (5) One member who is a member of the senate shall
17 be appointed by the minority leader of the senate.

18 (6) One member who is a member of the house of
19 representatives shall be appointed by the speaker of
20 the house of representatives.

21 (7) One member who is a member of the house of
22 representatives shall be appointed by the minority
23 leader of the house.

24 3. EXPERIENCE AND SPECIAL KNOWLEDGE. In
25 appointing members to the commission, proper
26 consideration shall be given to persons with
27 experience or special knowledge in one or more of the
28 following areas: education, business, economic
29 development, technology, and finance.

30 4. BALANCE. Commission members shall be appointed
31 in compliance with sections 69.16 and 69.16A.
32 Appointments of public members shall be made to
33 provide broad representation of the various
34 geographical areas of the state insofar as possible.

35 5. CHAIRPERSONS. The commission shall elect a
36 chairperson and a vice chairperson annually from among
37 the voting members of the commission. A member shall
38 not serve as a chairperson or vice chairperson for
39 more than three consecutive years.

40 6. MEETINGS. The commission shall meet at least
41 three times each year.

42 7. QUORUM. A majority of the voting members
43 constitutes a quorum for the transaction of any
44 official business.

45 8. TERMS OF MEMBERS. The members shall be
46 appointed to three-year staggered terms and the terms
47 shall commence and end as provided by section 69.19.
48 If a vacancy occurs, a successor shall be appointed to
49 serve the unexpired term. A successor shall be
50 appointed in the same manner and subject to the same

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1 qualifications as the original appointment to serve
2 the unexpired term.

3 9. EXPENSES. Members of the commission are
4 entitled to receive reimbursement for actual expenses
5 incurred while engaged in the performance of official
6 duties from the Iowa learning technology fund created
7 in section 280A.4, except that legislators' expenses
8 shall be paid from funds appropriated by section 2.12.

9 Sec. ____ . NEW SECTION. 280A.3 COMMISSION PLAN --
10 GUIDING PRINCIPLES.

11 1. The Iowa learning technology commission created
12 in section 280A.2 shall develop a learning technology
13 plan to achieve the goal of preparing students for an
14 economy that is increasingly dependent on technology
15 and innovation. The commission shall examine the use
16 of technology in Iowa's and the nation's elementary
17 and secondary classrooms.

18 2. The plan developed by the commission shall
19 include, but not be limited to, the following:

20 a. The costs and benefits of each component of the
21 plan.

22 b. The professional development needed to
23 integrate learning technology into classroom
24 technology.

25 c. Strategies for implementation of the plan,
26 including, at a minimum, phasing in the plan over a
27 term of years.

28 d. Strategies that coordinate the learning
29 technology in kindergarten through grade twelve with
30 the initiatives and resources of the department of
31 education, Iowa communications network, area education
32 agencies, higher education institutions providing
33 approved practitioner preparation programs, and other
34 accredited postsecondary institutions in the state.

35 e. Procedures for data tracking and assessment of
36 the progress in implementing the goals of the
37 initiative and the plan.

38 f. Strategies to establish a public-private
39 partnership between state government and a private
40 sector business having relevant knowledge and
41 experience.

42 3. The plan shall be consistent with the following
43 guiding principles:

44 a. The plan shall promote equal opportunity for
45 and provide meaningful access to wireless and other
46 learning technology resources for all Iowa students
47 regardless of geographic location or economic means.

48 b. The plan shall support student achievement
49 through the integration of learning technologies that
50 are content-focused and that add value to existing

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1 instructional methods.

2 c. The plan shall provide for the future
3 sustainability of learning technology resources by
4 adapting to future educational needs and technological
5 changes.

6 d. The plan shall provide professional development
7 and training programs for administrators, teachers and
8 other educators in the use and integration of learning
9 technology tools in curriculum development,
10 instructional methods, and student assessment systems.

11 e. The plan shall foster economic development
12 across all regions of the state and the preparation of
13 students for an economy that embraces technology and
14 innovation.

15 4. The plan shall be submitted to the general
16 assembly on or before December 15, 2004.

17 Sec. ____ . NEW SECTION. 280A.4 FUND.

18 1. An Iowa learning technology fund is created in
19 the state treasury. The fund shall consist of moneys
20 including, but not limited to, moneys in the form of a
21 devise, gift, bequest, donation, federal or other
22 grant, reimbursement, repayment, judgment, transfer,
23 payment, or appropriation from any source intended to
24 be used for the purposes of the fund.

25 2. Moneys in the fund are appropriated to the Iowa
26 learning technology commission created in section
27 280A.2 for purposes of an Iowa learning technology
28 initiative created pursuant to section 280A.1. Moneys
29 in the fund shall not be subject to appropriation for
30 any other purpose by the general assembly. However,
31 moneys in the fund may be used for necessary audit
32 services, legal expenses, investment management fees
33 and services, and general administrative expenses
34 related to the management and administration of the
35 Iowa learning technology initiative.

36 3. Moneys in the fund are not subject to section
37 8.33. Notwithstanding section 12C.7, subsection 2,
38 interest or earnings on moneys deposited in the fund
39 shall be credited to the fund.

40 4. The fund shall be administered by the
41 commission, which shall make expenditures from the
42 fund consistent with the purposes of the initiative
43 without further appropriation. The fund shall be
44 administered in a manner that provides for the
45 financially sustainable support, use, and integration
46 of learning technology in Iowa schools through a
47 public-private partnership. Expenditures from the
48 fund shall be made consistent with the purposes of the
49 Iowa learning technology initiative to ensure one-to-
50 one access to and ubiquitous use of fully configured

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1 laptop computers in grade seven in public and
2 accredited nonpublic school classrooms located
3 initially in a number of school districts and
4 accredited nonpublic schools in Iowa as determined by
5 the Iowa learning technology commission.

6 Sec. ____ . NEW SECTION. 280A.5 REPEAL.

7 This chapter is repealed effective July 1, 2009."

8 102. Page 190, line 14, by inserting after the
9 word "proposition" the following: "unless the period
10 is extended as provided in section 422E.2, subsection
11 5".

12 103. Page 190, line 16, by striking the word
13 "The".

14 104. Page 190, by striking lines 17 through 20.

15 105. Page 191, by inserting before line 11 the
16 following:

17 "Sec. ____ . Section 422E.2, subsection 5,
18 paragraphs a and b, Code Supplement 2003, are amended
19 to read as follows:

20 a. The tax may be repealed, the period of
21 imposition of the tax may be extended for additional
22 periods up to ten years each, or the rate increased,
23 but not above one percent, or decreased, or the use of
24 the revenues changed after an election at which a
25 majority of those voting on the question of repeal,
26 extension, rate change, or change in use favored the
27 repeal, extension, rate change, or change in use. The
28 election at which the question of repeal, extension,
29 rate change, or change in use is offered shall be
30 called and held in the same manner and under the same
31 conditions as provided in this section for the
32 election on the imposition of the tax. However, an
33 election on the change in use shall only be held in
34 the school district where the change in use is
35 proposed to occur. The election may be held at any
36 time but not sooner than sixty days following
37 publication of the ballot proposition. However, the
38 tax shall not be repealed before it has been in effect
39 for one year.

40 b. Within ten days of the election at which a
41 majority of those voting on the question favors the
42 imposition, repeal, extension, or change in the rate
43 of the tax, the county auditor shall give written
44 notice of the result of the election by sending a copy
45 of the abstract of the votes from the favorable
46 election to the director of revenue. Election costs
47 shall be apportioned among school districts within the
48 county on a pro rata basis in proportion to the number
49 of registered voters in each school district who
50 reside within the county and the total number of

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1 registered voters within the county.

2 Sec. _____. Section 422E.3, subsection 1, Code
3 Supplement 2003, is amended to read as follows:

4 1. If a majority of those voting on the question
5 of imposition of a local sales and services tax for
6 school infrastructure purposes favors imposition of
7 the tax, the tax shall be imposed by the county board
8 of supervisors within the county pursuant to section
9 422E.2, at the rate specified for ~~a ten-year duration~~
10 the period provided in section 422E.1, subsection 2 on
11 the gross receipts taxed by the state under chapter
12 422, division IV.

13 Sec. _____. Section 422E.3A, subsection 2, paragraph
14 a, Code Supplement 2003, is amended to read as
15 follows:

16 a. A school district that is located in whole or
17 in part in a county that voted on and approved prior
18 to April 1, 2003, the local sales and services tax for
19 school infrastructure purposes and that has a sales
20 tax capacity per student above the guaranteed school
21 infrastructure amount shall receive for the remainder
22 of the unextended term of the tax an amount equal to
23 its pro rata share of the local sales and services tax
24 receipts as provided in section 422E.3, subsection 5,
25 paragraph "d", unless the school board passes a
26 resolution by October 1, 2003, agreeing to receive a
27 distribution pursuant to paragraph "b", subparagraph
28 (1).

29 Sec. _____. Section 422E.3A, subsection 2, paragraph
30 b, subparagraphs (1) and (3), Code Supplement 2003,
31 are amended to read as follows:

32 (1) A school district that is located in whole or
33 in part in a county that voted on and approved prior
34 to April 1, 2003, the local sales and services tax for
35 school infrastructure purposes and that has a sales
36 tax capacity per student below its guaranteed school
37 infrastructure amount shall receive for the remainder
38 of the unextended term of the tax an amount equal to
39 its pro rata share of the local sales and services tax
40 receipts as provided in section 422E.3, subsection 5,
41 paragraph "d", plus an amount equal to its
42 supplemental school infrastructure amount, unless the
43 school district passes a resolution by October 1,
44 2003, agreeing to receive only an amount equal to its
45 pro rata share as provided in section 422E.3,
46 subsection 5, paragraph "d", in all subsequent years.

47 (3) A school district that is located in whole or
48 in part in a county that voted on and approved the
49 ~~continuation~~ extension of the tax pursuant to section
50 422E.2, subsection 5, on or after April 1, 2003, the

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1 local sales and services tax for school infrastructure
2 purposes shall receive for any extended period an
3 amount equal to its pro rata share of the local sales
4 and services tax receipts as provided in section
5 422E.3, subsection 5, paragraph "d", not to exceed its
6 guaranteed school infrastructure amount. However, if
7 the school district's pro rata share is less than its
8 guaranteed school infrastructure amount, the district
9 shall receive an additional amount equal to its
10 supplemental school infrastructure amount."

11 106. Page 194, line 2, by inserting after the
12 word "materials," the following: "and after
13 consultation with the public water supply and
14 consideration of all applicable rules relating to
15 remediation,".

16 107. Page 194, lines 9 and 10, by striking the
17 words "are made available" and inserting the
18 following: "do not impose a financial obligation on
19 the part of the public water supply. Funds available
20 to or provided by the public water supply may be used
21 for system improvements made in conjunction with
22 replacement of the source".

23 108. Page 194, by striking lines 15 through 17
24 and inserting the following: "standards. Nothing in
25 this paragraph shall affect the public water supply's
26 right to pursue recovery from a responsible party."

27 109. Page 199, by inserting after line 27 the
28 following:

29 "Sec. _____. 2003 Iowa Acts, chapter 178, section
30 28, unnumbered paragraph 3, is amended to read as
31 follows:

32 Notwithstanding section 8.64, subsection 4, as
33 enacted by this division of this Act, the local
34 government innovation fund committee may provide ~~up to~~
35 ~~20 percent of the any~~ amount appropriated in this
36 section in the form of forgivable loans or as grants
37 for those projects that propose a new and innovative
38 sharing initiative that would serve as an important
39 model for cities and counties.

40 Sec. _____. Notwithstanding section 8.33, moneys
41 appropriated in 2003 Iowa Acts, chapter 178, section
42 62, and 2003 Iowa Acts, chapter 181, section 11,
43 subsection 3, which remain unencumbered or unobligated
44 at the close of the fiscal year beginning July 1,
45 2003, shall not revert but shall remain available for
46 expenditure for the purposes for which they were
47 appropriated for the fiscal year beginning July 1,
48 2004."

49 110. Page 199, by inserting before line 28 the
50 following:

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1 "Sec. _____. 2004 Iowa Acts, House File 2490,
2 section 8, if enacted, is repealed."

3 111. Page 199, by inserting after line 34 the
4 following:

5 "Sec. _____. 2003 Iowa Acts, First Extraordinary
6 Session, chapter 2, section 4, unnumbered paragraph 3,
7 is amended to read as follows:

8 Notwithstanding section 8.64, subsection 4, if
9 enacted by 2003 Iowa Acts, Senate File 453, section
10 27, the local government innovation fund committee may
11 provide ~~up to 20 percent of the~~ any amount
12 appropriated in this section in the form of forgivable
13 loans or as grants for those projects that propose a
14 new and innovative sharing initiative that would serve
15 as an important model for cities and counties."

16 "Sec. _____. UNFILLED VACANCIES -- STATE BOARD OF
17 REGENTS. The state board of regents shall report on
18 the policies of the institutions under the authority
19 of the state board for addressing the budget
20 ramifications associated with unfilled vacant
21 positions. If a policy does not exist, the state
22 board shall provide for implementation of such a
23 policy and report concerning the policy to the
24 government oversight committees of the senate and
25 house of representatives. The report shall be
26 submitted on or before December 15, 2004."

27 112. Page 199, line 34, by inserting after the
28 figure "2004." the following: "Funds appropriated in
29 this section remaining unencumbered or unobligated at
30 the end of the fiscal year beginning July 1, 2004,
31 shall not revert but shall remain available to be used
32 for the purposes designated and for a home ownership
33 assistance program for eligible members of the
34 national guard and reserves of the armed forces of the
35 United States and the members' immediate families."

36 113. Page 203, by inserting after line 16 the
37 following:

38 "Sec. _____. MODIFIED ADDITIONAL ALLOWABLE GROWTH.
39 For the fiscal year beginning July 1, 2004, and ending
40 June 30, 2005, notwithstanding anything contrary in
41 section 257.18, subsection 2, if the board adopts a
42 resolution, not later than April 15, 2004, to increase
43 its participation in the instructional support program
44 under section 257.18 and a petition is not filed or if
45 the question is submitted to the registered voters of
46 the school district and the question is approved, the
47 school budget review committee shall establish
48 modified allowable growth for the school district for
49 the fiscal year beginning July 1, 2004, for the amount
50 of increased spending authority. The modified

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1 allowable growth shall equal the sum of the increased
2 state aid, income surtax, and property tax portion of
3 the instructional support program requested by the
4 district. The district is not eligible for state aid
5 as determined under section 257.20 due to increased
6 participation percent."

7 114. Page 204, by inserting after line 16 the
8 following:

9 "Sec. ____ . APPOINTMENTS. The new appointees to
10 the commission of veterans affairs, pursuant to the
11 increase in the membership of the commission as
12 provided in this division of this Act, shall be
13 appointed by the governor, with one member being
14 appointed for an initial term of two years and one
15 member being appointed for an initial term of four
16 years."

17 115. Page 204, by inserting after line 17 the
18 following:

19 " ____ . The section of this division of this Act
20 enacting section 153.40 takes effect upon receipt of
21 the Iowa department of public health of federal
22 funding to establish a mobile dental delivery system.
23 The director of public health shall notify the Iowa
24 code editor that the funding has been received."

25 116. Page 204, line 19, by striking the figure "
26 257.16,".

27 117. Page 204, line 23, by striking the figure
28 "422E.1,".

29 118. Page 204, by striking lines 32 through 34
30 and inserting the following:

31 " ____ . The section of this division of this Act
32 providing modified allowable growth for school
33 districts to participate in an instructional support
34 program, being deemed of immediate importance, takes
35 effect upon enactment.

36 ____ . The section of the division of this Act
37 amending 2003 Iowa Acts, chapter 179, section 21,
38 being deemed of immediate importance, takes effect
39 upon enactment.

40 ____ . The section of this division of this Act
41 relating to the nonreversion of moneys appropriated
42 pursuant to 2003 Iowa Acts, chapter 178, section 62,
43 and 2003 Iowa Acts, chapter 181, section 11, being
44 deemed of immediate importance, takes effect upon
45 enactment.

46 ____ . The sections of this division of this Act
47 relating to the increase in membership of the
48 commission of veterans affairs, being deemed of
49 immediate importance, take effect upon enactment.

50 ____ . The section of this division of this Act

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1 repealing 2004 Iowa Acts, House File 2490, section 8,
2 if enacted, being deemed of immediate importance,
3 takes effect upon enactment.
4 _____. The sections of this division of this Act
5 amending sections 8.22A and 8.54, being deemed of
6 immediate importance, take effect upon enactment."
7 119. By striking page 204, line 35 through page
8 205, line 21.
9 120. By renumbering, relettering, or
10 redesignating and correcting internal references as
11 necessary.

RECEIVED FROM THE HOUSE

S-5383 FILED APRIL 19, 2004

SENATE FILE 2298

S-5384

1 Amend the House amendment, S-5383, to Senate File
2 2298, as amended, passed, and reprinted by the Senate,
3 as follows:
4 1. Page 1, by inserting after line 4 the
5 following:
6 "____. Page 2, by striking lines 9 through 20."
7 2. Page 1, by striking lines 5 through 26 and
8 inserting the following:
9 "____. Page 2, line 30, by striking the figure
10 "1,950,000" and inserting the following: "1,889,610".
11 _____. Page 2, line 33, by striking the figure
12 "1,950,000" and inserting the following:
13 "1,889,610"."
14 3. Page 2, line 17, by striking the word
15 "PROPERTY" and inserting the following: "STATE".
16 4. Page 2, line 18, by striking the word
17 "property" and inserting the following: "state".
18 5. Page 2, by striking lines 22 through 45.
19 6. Page 3, by striking lines 8 through 10.
20 7. By striking page 3, line 25, through page 9,
21 line 3.
22 8. Page 12, by striking lines 22 through 25 and
23 inserting the following: "issued pursuant to this
24 section."
25 9. Page 13, by striking lines 38 through 40 and
26 inserting the following: "education agencies."
27 10. Page 28, by striking lines 8 through 24 and
28 inserting the following:
29 "2. ~~Six~~ Eight commissioners shall be honorably
30 discharged members of the armed forces of the United
31 States. The American legion of Iowa, disabled
32 American veterans department of Iowa, veterans of
33 foreign wars department of Iowa, American veterans of
34 World War II, Korea, and Vietnam, the Vietnam veterans
35 of America, and the military order of the purple
36 heart, through their department commanders, shall
37 submit two names respectively from their organizations
38 to the governor. The adjutant general and the Iowa
39 affiliate of the reserve officers association shall
40 submit names to the governor of persons to represent
41 the Iowa national guard and the association. The
42 governor shall appoint from the group of names
43 submitted by the adjutant general and reserve officers
44 association two representatives and from each of the
45 other organizations one representative to serve as a
46 member of the commission, unless the appointments
47 would conflict with the bipartisan and gender balance
48 provisions of sections 69.16 and 69.16A. In addition,
49 the governor shall appoint one member of the public,
50 knowledgeable in the general field of veterans

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1 affairs, to serve on the commission.""

2 11. Page 28, line 30, by inserting after the word
3 "be" the following: "a resident of the state of Iowa
4 who served in the armed forces of the United States
5 and was honorably discharged, and is".

6 12. Page 30, lines 13 and 14, by striking the
7 words "~~the year preceding~~" and inserting the
8 following: "the year preceding".

9 13. Page 42, line 8, by striking the figure "21."
10 and inserting the following: "21 and inserting the
11 following:

12 "DIVISION

13 REBUILD IOWA INFRASTRUCTURE FUND

14 Sec. _____. There is appropriated from the rebuild
15 Iowa infrastructure fund to the following departments
16 and agencies for the designated fiscal years, the
17 following amounts, or so much thereof as is necessary,
18 to be used for the purposes designated:

19 1. DEPARTMENT OF ADMINISTRATIVE SERVICES

20 a. For routine maintenance of state buildings and
21 facilities, notwithstanding section 8.57, subsection
22 5, paragraph "c":

23 FY 2004-2005..... \$ 2,000,000

24 b. For relocation costs directly associated with
25 remodeling projects on the capitol complex and for
26 facility lease payments for the department of
27 corrections, the Iowa department of public health, and
28 the department of public safety, notwithstanding
29 section 8.57, subsection 5, paragraph "c":

30 FY 2004-2005..... \$ 2,271,617

31 c. For technology improvement projects,
32 notwithstanding section 8.57, subsection 5, paragraph
33 "c":

34 FY 2004-2005..... \$ 1,861,496

35 Of the amount appropriated in this lettered
36 paragraph, \$288,496 is allocated to maintain and
37 operate the enterprise warehouse technology project
38 and \$73,000 is allocated to the division of criminal
39 and juvenile justice planning of the department of
40 human rights for 1.00 full-time equivalent position to
41 provide support for the justice data warehouse
42 technology project.

43 d. For major renovation and major repair needs,
44 including health, life, and fire safety needs, and for
45 compliance with the federal Americans With
46 Disabilities Act, for state buildings and facilities
47 under the purview of the department:

48 FY 2004-2005..... \$ 4,300,000

49 (1) Of the amount appropriated in this lettered
50 paragraph, up to \$375,000 may be used for costs

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1 associated with project management services in the
2 division of design and construction within the general
3 services enterprise of the department, notwithstanding
4 section 8.57, subsection 5, paragraph "c".

5 (2) Of the amount appropriated in this lettered
6 paragraph, \$200,000 may be used for costs associated
7 with the vertical infrastructure program,
8 notwithstanding section 8.57, subsection 5, paragraph
9 "c".

10 e. For costs associated with the remodeling of the
11 records and property center:

12 FY 2004-2005..... \$ 5,000,000
13 FY 2005-2006..... \$ 4,700,000

14 f. For accent lighting systems for the soldiers
15 and sailors monument and the Allison monument on the
16 capitol complex:

17 FY 2004-2005..... \$ 35,000

18 g. For capitol interior restoration:

19 FY 2004-2005..... \$ 1,770,000

20 h. For costs associated with the purchase of
21 laboratory equipment for and the maintenance and
22 operation of the state laboratories facility located
23 in Ankeny, notwithstanding section 8.57, subsection 5,
24 paragraph "c":

25 FY 2004-2005..... \$ 355,500

26 2. DEPARTMENT FOR THE BLIND

27 For the remodeling of the orientation center:

28 FY 2004-2005..... \$ 67,000

29 3. STATE BOARD OF REGENTS

30 For maintenance at the Iowa school for the deaf and
31 the Iowa braille and sight saving school:

32 FY 2004-2005..... \$ 500,000

33 4. DEPARTMENT OF CORRECTIONS

34 a. For costs of entering into a lease-purchase
35 agreement to connect the electrical system supporting
36 the special needs unit at Fort Madison:

37 FY 2004-2005..... \$ 333,168

38 b. For construction of a community-based
39 correctional facility, including district offices, in
40 Davenport:

41 FY 2004-2005..... \$ 3,000,000

42 FY 2005-2006..... \$ 3,750,000

43 FY 2006-2007..... \$ 3,750,000

44 It is the intent of the general assembly that the
45 department of management allocate the entire
46 appropriation for the fiscal year beginning July 1,
47 2006, to the department of corrections by July 31,
48 2006.

49 5. DEPARTMENT OF CULTURAL AFFAIRS

50 a. For historical site preservation grants, to be

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1 used for the restoration, preservation, and
 2 development of historical sites:
 3 FY 2004-2005..... \$ 500,000

4 Historical site preservation grants shall only be
 5 awarded for projects which meet the definition of
 6 "vertical infrastructure" in section 8.57, subsection
 7 5, paragraph "c".

8 In making grants pursuant to this lettered
 9 paragraph, the department shall consider the existence
 10 and amount of other funds available to an applicant
 11 for the designated project. A grant awarded from
 12 moneys appropriated in this lettered paragraph shall
 13 not exceed \$100,000 per project. Not more than two
 14 grants may be awarded in the same county.

15 b. For continuation of the project recommended by
 16 the Iowa battle flag advisory committee to stabilize
 17 the condition of the battle flag collection,
 18 notwithstanding section 8.57, subsection 5, paragraph
 19 "c":

20 FY 2004-2005..... \$ 100,000

21 6. DEPARTMENT OF ECONOMIC DEVELOPMENT

22 a. For accelerated career education program
 23 capital projects at community colleges that are
 24 authorized under chapter 260G and that meet the
 25 definition of "vertical infrastructure" in section
 26 8.57, subsection 5, paragraph "c":

27 FY 2004-2005..... \$ 5,500,000

28 The moneys appropriated in this paragraph shall be
 29 allocated equally among the community colleges in the
 30 state. If any portion of the equal allocation to a
 31 community college is not obligated or encumbered by
 32 April 1, 2005, the unobligated and unencumbered
 33 portions shall be available for use by other community
 34 colleges.

35 b. For sole source grant costs associated with the
 36 hosting of the national special Olympics in Iowa by a
 37 special Olympics nonprofit entity, notwithstanding
 38 section 8.57, subsection 5, paragraph "c":

39 FY 2004-2005..... \$ 500,000

40 c. To provide a grant for the planning, design,
 41 and construction of a not-for-profit family
 42 recreational facility that will also include a cardiac
 43 rehabilitation center and a family indoor aquatic
 44 center and which will be located in a county with a
 45 population between 150,000 and 185,000:

46 FY 2004-2005..... \$ 200,000

47 d. To be used for the Iowa Lewis and Clark
 48 bicentennial commission established pursuant to
 49 section 15.221, notwithstanding section 8.57,
 50 subsection 5, paragraph "c":

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1 FY 2004-2005..... \$ 50,000

2 7. DEPARTMENT OF EDUCATION

3 a. To provide resources for structural and
4 technological improvements to local libraries and for
5 the enrich Iowa program, notwithstanding section 8.57,
6 subsection 5, paragraph "c":

7 FY 2004-2005..... \$ 600,000

8 Funds allocated for purposes of the enrich Iowa
9 program as provided in this lettered paragraph shall
10 be distributed by the division of libraries and
11 information services to provide support for Iowa's
12 libraries.

13 b. For maintenance and lease costs associated with
14 part III connections, notwithstanding section 8.57,
15 subsection 5, paragraph "c":

16 FY 2004-2005..... \$ 2,727,000

17 c. For costs associated with the remodeling of the
18 Jessie Parker building:

19 FY 2004-2005..... \$ 303,632

20 d. For allocation to the public broadcasting
21 division for costs of installation of digital and
22 analog television for Iowa public television
23 facilities, notwithstanding section 8.57, subsection
24 5, paragraph "c":

25 FY 2004-2005..... \$ 8,000,000

26 FY 2005-2006..... \$ 8,000,000

27 FY 2006-2007..... \$ 2,300,000

28 8. DEPARTMENT OF HUMAN SERVICES

29 To provide a grant for the planning, design, and
30 construction of a residential treatment facility for
31 youth with emotional and behavioral disorders located
32 in a central Iowa county with a population of
33 approximately 80,000:

34 FY 2004-2005..... \$ 250,000

35 9. IOWA STATE FAIR AUTHORITY

36 For vertical infrastructure projects on the state
37 fairgrounds:

38 FY 2004-2005..... \$ 250,000

39 For purposes of this subsection, "vertical
40 infrastructure" means the same as defined in section
41 8.57, subsection 5, paragraph "c".

42 10. NATIONAL PROGRAM FOR PLAYGROUND SAFETY AT THE
43 UNIVERSITY OF NORTHERN IOWA

44 For the Iowa safe surfacing initiative,
45 notwithstanding section 8.57, subsection 5, paragraph
46 "c":

47 \$ 500,000

48 Not more than 2.5 percent of the funds appropriated
49 in this subsection shall be used by the national
50 program for playground safety for administrative costs

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1 associated with the Iowa safe surfacing initiative.

2 The crumb rubber playground tiles for the
3 initiative shall be international play equipment
4 manufacturers association (IPEMA)-certified to the
5 American society for testing and materials (ASTM)
6 F1292 standard.

7 11. DEPARTMENT OF NATURAL RESOURCES

8 For costs associated with the planning, design, and
9 construction of a premier destination state park,
10 notwithstanding section 8.57, subsection 5, paragraph
11 "c":

12 FY 2004-2005..... \$ 500,000

13 12. DEPARTMENT OF PUBLIC DEFENSE

14 a. For planning, design, and construction of a
15 national guard readiness center in or near Iowa City:

16 FY 2004-2005..... \$ 2,150,000

17 b. For maintenance and repair of national guard
18 armories and facilities:

19 FY 2004-2005..... \$ 1,269,636

20 c. For construction of a new national guard armory
21 at Boone:

22 FY 2004-2005..... \$ 1,096,000

23 13. DEPARTMENT OF PUBLIC SAFETY

24 a. For capitol building and judicial building
25 security, notwithstanding section 8.57, subsection 5,
26 paragraph "c":

27 FY 2004-2005..... \$ 800,000

28 b. For capitol complex security notwithstanding
29 section 8.57, subsection 5, paragraph "c":

30 FY 2004-2005..... \$ 300,000

31 c. For costs of entering into a lease-purchase
32 agreement to upgrade the automated fingerprint
33 identification system, notwithstanding section 8.57,
34 subsection 5, paragraph "c":

35 FY 2004-2005..... \$ 550,000

36 d. For costs associated with improvements to
37 Iowa's electronic criminal information records system
38 to comply with national crime information center
39 standards, notwithstanding section 8.57, subsection 5,
40 paragraph "c":

41 FY 2004-2005..... \$ 500,000

42 e. To the division of fire safety of the
43 department for allocation to the fire service training
44 bureau for the planning, design, and construction of
45 regional training facilities in the state:

46 FY 2004-2005..... \$ 150,000

47 f. To the division of fire safety of the
48 department for allocation to the fire service training
49 bureau to be used for the revolving loan program for
50 equipment purchases by local fire departments, not

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1 withstanding section 8.57, subsection 5, paragraph
 2 "c":
 3 FY 2004-2005..... \$ 500,000

4 14. STATE DEPARTMENT OF TRANSPORTATION

5 a. For operation and maintenance of the network of
 6 automated weather observation and data transfer
 7 systems associated with the Iowa aviation weather
 8 system, the runway marking program for public
 9 airports, the windsock program for public airports,
 10 and the aviation improvement program, notwithstanding
 11 section 8.57, subsection 5, paragraph "c":

12 FY 2004-2005..... \$ 500,000

13 b. For vertical infrastructure improvements at the
 14 commercial air service airports within the state:

15 FY 2004-2005..... \$ 1,100,000

16 One-half of the funds appropriated in this lettered
 17 paragraph shall be allocated equally between each
 18 commercial service airport, 40 percent of the funds
 19 shall be allocated based on the percentage that the
 20 number of enplaned passengers at each commercial
 21 service airport bears to the total number of enplaned
 22 passengers in the state during the previous fiscal
 23 year, and 10 percent of the funds shall be allocated
 24 based on the percentage that the air cargo tonnage at
 25 each commercial service airport bears to the total air
 26 cargo tonnage in the state during the previous fiscal
 27 year. In order for a commercial service airport to
 28 receive funding under this lettered paragraph, the
 29 airport shall be required to submit applications for
 30 funding of specific projects to the department for
 31 approval by the state transportation commission.

32 c. For a vertical infrastructure improvement grant
 33 program for improvements at general aviation airports
 34 within the state:

35 FY 2004-2005..... \$ 581,400

36 15. OFFICE OF TREASURER OF STATE

37 For county fair infrastructure improvements for
 38 distribution in accordance with chapter 174 to
 39 qualified fairs which belong to the association of
 40 Iowa fairs:

41 FY 2004-2005..... \$ 1,060,000

42 16. COMMISSION OF VETERANS AFFAIRS

43 For deposit in the veterans trust fund established
 44 in section 35A.13, notwithstanding section 8.57,
 45 subsection 5, paragraph "c":

46 FY 2004-2005..... \$ 1,000,000

47 Of the amount appropriated in this subsection,
 48 notwithstanding contrary provisions of section 35A.13,
 49 \$500,000 is appropriated to and shall be used by the
 50 commission of veterans affairs for the establishment

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1 and operation of a veterans cemetery as required by
2 section 35A.3, subsection 14, if enacted by this Act.
3 Notwithstanding section 8.33, moneys appropriated in
4 this unnumbered paragraph that remain unencumbered or
5 unobligated at the close of the fiscal year shall not
6 revert but shall remain available for expenditure for
7 the purposes designated until the close of the
8 succeeding fiscal year or when the project is
9 completed, whichever is later.

10 Sec. ____ . PAYMENTS IN LIEU OF TUITION. There is
11 appropriated from the rebuild Iowa infrastructure fund
12 to the state board of regents for the fiscal year
13 beginning July 1, 2004, and ending June 30, 2005, the
14 following amount, or so much thereof as may be
15 necessary, to be used for the purpose designated:

16 For allocation by the state board of regents to the
17 state university of Iowa, the Iowa state university of
18 science and technology, and the university of northern
19 Iowa to reimburse the institutions for deficiencies in
20 their operating funds resulting from the pledging of
21 tuitions, student fees and charges, and institutional
22 income to finance the cost of providing academic and
23 administrative buildings and facilities and utility
24 services at the institutions, notwithstanding section
25 8.57, subsection 5, paragraph "c":

26 \$ 858,764

27 Sec. ____ . REVERSION. Notwithstanding section
28 8.33, moneys appropriated from the rebuild Iowa
29 infrastructure fund in this division of this Act shall
30 not revert at the close of the fiscal year for which
31 they were appropriated but shall remain available for
32 the purposes designated until the close of the fiscal
33 year that begins July 1, 2007, or until the project
34 for which the appropriation was made is completed,
35 whichever is earlier. This section does not apply to
36 the sections in this division of this Act that were
37 previously enacted and are amended in this division of
38 this Act.

39 Sec. ____ . 2003 Iowa Acts, chapter 177, section 6,
40 subsection 2, is amended to read as follows:

41 2. For costs associated with the ~~planning for the~~
42 ~~vacation and demolition~~ disposition of the Wallace
43 building:

44 \$ 50,000

45 The amount appropriated in this subsection shall be
46 used to conduct a complete evaluation and analysis
47 regarding the condition of the Wallace building,
48 including structural, mechanical, and environmental
49 systems and building air quality, and to make a
50 recommendation to the general assembly no later than

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1 January 31, 2005, as to whether the Wallace building
2 should be renovated for future use or vacated and
3 demolished. The recommendation shall include cost
4 estimates for renovation of the building and for its
5 demolition.

6 Sec. _____. 2003 Iowa Acts, chapter 177, section 14,
7 is amended to read as follows:

8 SEC. 14. REVERSION. Notwithstanding section 8.33,
9 moneys appropriated in this division of this Act shall
10 not revert at the close of the fiscal year for which
11 they were appropriated but shall remain available for
12 the purposes designated until the close of the fiscal
13 year that begins July 1, ~~2006~~ 2007, or until the
14 project for which the appropriation was made is
15 completed, whichever is earlier.

16 Sec. _____. 2003 Iowa Acts, chapter 179, section
17 140, is amended to read as follows:

18 SEC. 140. Notwithstanding section 8.33,
19 unencumbered and unobligated funds remaining from the
20 appropriation made in 1996 Iowa Acts, chapter 1218,
21 section 13, subsection 2, paragraph "a", subparagraph
22 (2), as amended by 1997 Iowa Acts, chapter 215,
23 section 3, and from the appropriation made in 1997
24 Iowa Acts, chapter 215, section 4, subsection 1, shall
25 not revert but shall be available for the purposes
26 designated in those provisions until the close of the
27 fiscal year beginning July 1, ~~2003~~ 2004.

28 Of the amount of unencumbered and unobligated funds
29 identified in this section, \$180,000 shall be used for
30 the purposes described in 2003 Iowa Acts, chapter 177,
31 section 6, subsection 2, as amended by this 2004 Act.

32 Sec. _____. 2002 Iowa Acts, chapter 1173, section
33 18, as amended by 2003 Iowa Acts, chapter 179, section
34 39, is amended to read as follows:

35 SEC. 18. POOLED TECHNOLOGY FUNDING -- PRIOR
36 ALLOCATIONS -- NONREVERSION. Notwithstanding section
37 8.33, moneys appropriated and allocated in 2001 Iowa
38 Acts, chapter 189, section 5, subsection 1, which
39 remain unobligated or unexpended at the close of the
40 fiscal year for which they were appropriated shall not
41 revert, but shall remain available for expenditure for
42 the purposes for which they were appropriated and
43 allocated, for the fiscal period beginning July 1,
44 2002, and ending June 30, ~~2004~~ 2005. Notwithstanding
45 the expenditure limitation in this section, the
46 information technology enterprise within the
47 department of administrative services may expend
48 available moneys in the pooled technology account
49 established in the office of the treasurer of state to
50 complete the comprehensive study required under 2003

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1 Iowa Acts, chapter 145, section 290, subsection 2,
2 paragraph "c".

3 Sec. _____. 2000 Iowa Acts, chapter 1225, section 2,
4 as amended by 2001 Iowa Acts, chapter 185, section 2,
5 is amended to read as follows:

6 SEC. 2. There is appropriated from the rebuild
7 Iowa infrastructure fund to the department of
8 corrections for the fiscal year beginning July 1,
9 2000, and ending June 30, 2001, the following amounts,
10 or so much thereof as is necessary, to be used for the
11 purposes designated:

12 1. To supplement funds appropriated in 1998 Iowa
13 Acts, chapter 1219, section 2, subsection 3, for
14 construction of a 200-bed facility at the Iowa state
15 penitentiary at Fort Madison:
16 \$ 3,000,000

17 2. For community-based corrections projects:
18 \$ 900,000

19 The first \$300,000 of the amount appropriated in
20 this subsection shall be allocated for community-based
21 corrections projects in Council Bluffs. The next
22 \$600,000 of the amount appropriated in this subsection
23 shall be allocated for community-based corrections
24 projects in the judicial district in which the city of
25 Davenport is located. These moneys may be used by the
26 department to enter into lease-purchasing agreements
27 or the payment of rent for such projects.

28 Notwithstanding section 8.33 and section 20 of this
29 Act, moneys appropriated in subsection 2 that remain
30 unencumbered or unobligated at the close of the fiscal
31 year that begins July 1, 2003, shall revert at the
32 close of the fiscal year that begins July 1, 2006.
33 However, if the projects for which the moneys are
34 appropriated are completed in an earlier fiscal year,
35 unencumbered or unobligated moneys shall revert at the
36 close of that fiscal year.

37 Sec. _____. 2000 Iowa Acts, chapter 1225, section
38 19, unnumbered paragraph 2, is amended to read as
39 follows:

40 To supplement moneys appropriated in prior fiscal
41 years for construction of a new dining hall and food
42 services facility and renovation of the former Sheeler
43 food preparation area:

44 \$ 992,000

45 Sec. _____. 2000 Iowa Acts, chapter 1225, section
46 20, is amended to read as follows:

47 SEC. 20. REVERSION. Notwithstanding section 8.33,
48 moneys appropriated in this division of this Act that
49 remain unencumbered or unobligated at the close of the
50 fiscal year that begins July 1, ~~2003~~ 2004, shall

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1 revert at the close of that fiscal year. However, if
2 the projects for which the moneys are appropriated are
3 completed in an earlier fiscal year, unencumbered or
4 unobligated moneys shall revert at the close of that
5 fiscal year.

6 Sec. _____. EXAMINATION OF DEPARTMENT OF
7 ADMINISTRATION -- FY 2003-2004. Notwithstanding
8 section 11.5B, for the fiscal year beginning July 1,
9 2003, and ending June 30, 2004, the auditor of state
10 shall not be entitled to reimbursement for performing
11 any examination of the department of administrative
12 services or funds received by the department of
13 administrative services, except for an examination of
14 the information technology enterprise within the
15 department of administrative services and funds
16 received by the information technology enterprise.

17 Sec. _____. SECURE AN ADVANCED VISION FOR EDUCATION
18 FUND. Notwithstanding the maximum amount of the
19 appropriation from the rebuild Iowa infrastructure
20 fund to the secure an advanced vision for education
21 fund specified in section 8.57, subsection 5,
22 paragraph "f", the maximum amount of such
23 appropriation for the fiscal year beginning July 1,
24 2004, and ending June 30, 2005, shall not exceed
25 \$8,160,000.

26 Sec. _____. The following sections of this division
27 of this Act, being deemed of immediate importance,
28 take effect upon enactment:

29 1. The section amending 2003 Iowa Acts, chapter
30 177, section 6.

31 2. The section amending 2003 Iowa Acts, chapter
32 179, section 140.

33 3. The section amending 2002 Iowa Acts, chapter
34 1173, section 18, as amended by 2003 Iowa Acts,
35 chapter 179, section 39.

36 4. The section amending 2000 Iowa Acts, chapter
37 1225, section 2, as amended by 2001 Iowa Acts, chapter
38 185, section 2.

39 5. The section amending 2000 Iowa Acts, chapter
40 1225, section 19.

41 6. The section amending 2000 Iowa Acts, chapter
42 1225, section 20.

43 7. The section addressing the examination of the
44 department of administration in fiscal year 2003-2004.

DIVISION

ENVIRONMENT FIRST FUND

47 Sec. _____. There is appropriated from the
48 environment first fund to the following departments
49 and agencies for the fiscal year beginning July 1,
50 2004, and ending June 30, 2005, the following amounts,

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

3 1. DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP

4 a. For the conservation reserve enhancement
5 program to restore and construct wetlands for the
6 purposes of intercepting tile line runoff, reducing
7 nutrient loss, improving water quality, and enhancing
8 agricultural production practices:

9 \$ 1,500,000

10 Not more than 5 percent of the moneys appropriated
11 in this lettered paragraph may be used for costs of
12 administration and implementation of soil and water
13 conservation practices.

14 b. For continuation of a program that provides
15 multiobjective resource protections for flood control,
16 water quality, erosion control, and natural resource
17 conservation:

18 \$ 2,700,000

19 Not more than 5 percent of the moneys appropriated
20 in this lettered paragraph may be used for costs of
21 administration and implementation of soil and water
22 conservation practices.

23 c. For continuation of a statewide voluntary farm
24 management demonstration program to demonstrate the
25 effectiveness and adaptability of emerging practices
26 in agronomy that protect water resources and provide
27 other environmental benefits:

28 \$ 850,000

29 Not more than 5 percent of the moneys appropriated
30 in this lettered paragraph may be used for costs of
31 administration and implementation of soil and water
32 conservation practices.

33 Of the amount appropriated in this lettered
34 paragraph, \$400,000 shall be allocated to the Iowa
35 soybean association's agriculture and environment
36 performance program.

37 d. For deposit in the alternative drainage system
38 assistance fund created in section 460.303 to be used
39 for purposes of supporting the alternative drainage
40 system assistance program as provided in section
41 460.304:

42 \$ 500,000

43 Not more than 5 percent of the moneys appropriated
44 in this lettered paragraph may be used for costs of
45 administration and implementation of soil and water
46 conservation practices.

47 e. To provide financial assistance for the
48 establishment of permanent soil and water conservation
49 practices:

50 \$ 5,500,000

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1 (1) Not more than 5 percent of the moneys
2 appropriated in this lettered paragraph may be
3 allocated for cost-sharing to abate complaints filed
4 under section 161A.47.

5 (2) Of the moneys appropriated in this lettered
6 paragraph, 5 percent shall be allocated for financial
7 incentives to establish practices to protect
8 watersheds above publicly owned lakes of the state
9 from soil erosion and sediment as provided in section
10 161A.73.

11 (3) Not more than 30 percent of a district's
12 allocation of moneys as financial incentives may be
13 provided for the purpose of establishing management
14 practices to control soil erosion on land that is row-
15 cropped, including but not limited to no-till
16 planting, ridge-till planting, contouring, and contour
17 strip-cropping as provided in section 161A.73.

18 (4) The state soil conservation committee created
19 in section 161A.4 may allocate moneys appropriated in
20 this lettered paragraph to conduct research and
21 demonstration projects to promote conservation tillage
22 and nonpoint source pollution control practices.

23 (5) The financial incentive payments may be used
24 in combination with department of natural resources
25 moneys.

26 (6) Not more than 10 percent of the moneys
27 appropriated in this lettered paragraph may be used
28 for costs of administration and implementation of soil
29 and water conservation practices.

30 f. To encourage and assist farmers in enrolling in
31 and the implementation of federal conservation
32 programs and work with them to enhance their
33 revegetation efforts to improve water quality and
34 habitat:

35 \$ 2,000,000

36 Not more than 5 percent of the moneys appropriated
37 in this lettered paragraph may be used for costs of
38 administration and implementation of soil and water
39 conservation practices.

40 g. For deposit in the loess hills development and
41 conservation fund created in section 161D.2:

42 \$ 600,000

43 Of the amount appropriated in this lettered
44 paragraph, \$400,000 shall be allocated to the hungry
45 canyons account and \$200,000 shall be allocated to the
46 loess hills alliance account, to be used for the
47 purposes for which the moneys in those accounts are
48 authorized to be used under chapter 161D. No more
49 than 5 percent of the moneys allocated to each account
50 in this lettered paragraph may be used for

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1 administrative costs.
 2 h. For deposit in the southern Iowa development
 3 and conservation fund created in section 161D.12:
 4 \$ 300,000

5 Not more than 5 percent of the moneys appropriated
 6 in this lettered paragraph may be used for
 7 administrative costs.

8 2. DEPARTMENT OF ECONOMIC DEVELOPMENT
 9 For deposit in the brownfield redevelopment fund
 10 created in section 15.293 to provide assistance under
 11 the brownfield redevelopment program:
 12 \$ 500,000

13 3. DEPARTMENT OF NATURAL RESOURCES
 14 a. To provide local watershed managers with
 15 geographic information system data for their use in
 16 developing, monitoring, and displaying results of
 17 their watershed work:
 18 \$ 195,000

19 b. For statewide coordination of volunteer efforts
 20 under the water quality and keepers of the land
 21 programs:
 22 \$ 100,000

23 c. For continuing the establishment and operation
 24 of water quality monitoring stations:
 25 \$ 2,955,000

26 d. For deposit in the administration account of
 27 the water quality protection fund, to carry out the
 28 purposes of that account:
 29 \$ 500,000

30 e. For air quality monitoring equipment:
 31 \$ 500,000

32 f. For the dredging of lakes, including necessary
 33 preparation for dredging, in accordance with the
 34 department's classification of Iowa lakes restoration
 35 report:
 36 \$ 1,000,000

37 The department shall consider the following
 38 criteria for funding lake dredging projects as
 39 provided in this lettered paragraph, and shall
 40 prioritize projects based on the following:

41 (1) Documented efforts to address watershed
 42 protection, considering testing, conservation efforts,
 43 and amount of time devoted to watershed protection.

44 (2) Protection of a natural resource and natural
 45 habitat.

46 (3) Percentage of public access and undeveloped
 47 lakefront property.

48 (4) Continuation of current projects partially
 49 funded by state resources to achieve department
 50 recommendations.

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1 g. For purposes of funding capital projects for
 2 the purposes specified in section 452A.79, and for
 3 expenditures for the local cost share grants to be
 4 used for capital expenditures to local governmental
 5 units for boating accessibility:
 6 \$ 2,300,000

7 h. For regular maintenance of state parks and
 8 staff time associated with these activities:
 9 \$ 2,000,000

10 RESOURCES ENHANCEMENT AND PROTECTION FUND

11 Sec. _____. Notwithstanding the amount of the
 12 standing appropriation from the general fund of the
 13 state under section 455A.18, subsection 3, there is
 14 appropriated from the environment first fund to the
 15 Iowa resources enhancement and protection fund, in
 16 lieu of the appropriation made in section 455A.18, for
 17 the fiscal year beginning July 1, 2004, and ending
 18 June 30, 2005, the following amount, to be allocated
 19 as provided in section 455A.19:
 20 \$ 11,000,000

21 Sec. _____. REVERSION.

22 1. Except as provided in subsection 2, and
 23 notwithstanding section 8.33, moneys appropriated in
 24 this division of this Act that remain unencumbered or
 25 unobligated shall not revert at the close of the
 26 fiscal year for which they were appropriated but shall
 27 remain available for the purposes designated until the
 28 close of the fiscal year beginning July 1, 2005, or
 29 until the project for which the appropriation was made
 30 is completed, whichever is earlier.

31 2. Notwithstanding section 8.33, moneys
 32 appropriated in this division of this Act to the
 33 department of agriculture and land stewardship to
 34 provide financial assistance for the establishment of
 35 permanent soil and water conservation practices that
 36 remain unencumbered or unobligated at the close of the
 37 fiscal year shall not revert but shall remain
 38 available for expenditure for the purposes designated
 39 until the close of the fiscal year that begins July 1,
 40 2007.

41 DIVISION

42 TOBACCO SETTLEMENT TRUST FUND

43 Sec. _____. There is appropriated from the tax-
 44 exempt bond proceeds restricted capital funds account
 45 of the tobacco settlement trust fund to the following
 46 departments and agencies for the fiscal year beginning
 47 July 1, 2004, and ending June 30, 2005, the following
 48 amounts, or so much thereof as is necessary, to be
 49 used for the purposes designated:

50 1. DEPARTMENT OF ADMINISTRATIVE SERVICES

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1 a. For the payment of claims relating to the
 2 purchase and implementation of an integrated
 3 information for Iowa system, notwithstanding section
 4 12E.12, subsection 1, paragraph "b", subparagraph (1):
 5 \$ 6,049,284

6 b. For capitol interior restoration:
 7 \$ 3,500,000

8 The department shall consult with the leaders of
 9 the senate and house of representatives prior to
 10 planning or implementing any capitol interior
 11 restoration project or other activity.

12 2. TAX-EXEMPT STATUS -- USE OF APPROPRIATIONS.

13 Payment of moneys from the appropriations in this
 14 section shall be made in a manner that does not
 15 adversely affect the tax-exempt status of any
 16 outstanding bonds issued by the tobacco settlement
 17 authority.

18 3. REVERSION. Notwithstanding section 8.33,
 19 moneys appropriated in this section shall not revert
 20 at the close of the fiscal year for which they were
 21 appropriated but shall remain available for the
 22 purposes designated until the close of the fiscal year
 23 that begins July 1, 2006, or until the project for
 24 which the appropriation was made is completed,
 25 whichever is earlier.

26 Sec. ____ . PAYMENTS IN LIEU OF TUITION. There is
 27 appropriated from the tax-exempt bond proceeds
 28 restricted capital funds account of the tobacco
 29 settlement trust fund of the state to the state board
 30 of regents for the fiscal year beginning July 1, 2004,
 31 and ending June 30, 2005, the following amount, or so
 32 much thereof as is necessary, to be used for the
 33 purpose designated:

34 For allocation by the state board of regents to the
 35 state university of Iowa, the Iowa state university of
 36 science and technology, and the university of northern
 37 Iowa to reimburse the institutions for deficiencies in
 38 their operating funds resulting from the pledging of
 39 tuitions, student fees and charges, and institutional
 40 income to finance the cost of providing academic and
 41 administrative buildings and facilities and utility
 42 services at the institutions, notwithstanding section
 43 12E.12, subsection 1, paragraph "b", subparagraph (1):
 44 \$ 10,437,174

45 Sec. ____ . IOWA COMMUNICATIONS NETWORK DEBT
 46 SERVICE. There is appropriated from the tax-exempt
 47 bond proceeds restricted capital funds account of the
 48 tobacco settlement trust fund to the office of the
 49 treasurer of state for the fiscal year beginning July
 50 1, 2004, and ending June 30, 2005, the following

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

3 For debt service for the Iowa communications
4 network, notwithstanding section 12E.12, subsection 1,
5 paragraph "b", subparagraph (1):

6 \$ 13,039,778

7 Funds appropriated in this section shall be
8 deposited in a separate fund established in the office
9 of the treasurer of state to be used solely for debt
10 service for the Iowa communications network. The Iowa
11 telecommunications and technology commission shall
12 certify to the treasurer of state when a debt service
13 payment is due, and upon receipt of the certification,
14 the treasurer shall make the payment. The commission
15 shall pay any additional amount due from funds
16 deposited in the Iowa communications network fund.

17 Sec. ____ . PRISON DEBT SERVICE. There is
18 appropriated from the tax-exempt bond proceeds
19 restricted capital funds account of the tobacco
20 settlement trust fund to the office of the treasurer
21 of state for the fiscal year beginning July 1, 2004,
22 and ending June 30, 2005, the following amount, or so
23 much thereof as is necessary, to be used for the
24 purpose designated:

25 For repayment of prison infrastructure bonds under
26 section 16.177, notwithstanding section 12E.12,
27 subsection 1, paragraph "b", subparagraph (1):
28 \$ 5,413,324

29 Sec. ____ . ENDOWMENT FOR IOWA'S HEALTH ACCOUNT --
30 TRANSFER TO REBUILD IOWA INFRASTRUCTURE FUND.
31 Notwithstanding 2001 Iowa Acts, chapter 174, section
32 1, subsection 1, as amended by 2002 Iowa Acts, chapter
33 1167, section 4, 2002 Iowa Acts, chapter 1174, section
34 8, and 2002 Iowa Acts, chapter 1175, section 95, there
35 is transferred from the endowment for Iowa's health
36 account of the tobacco settlement trust fund created
37 in section 12E.12 to the rebuild Iowa infrastructure
38 fund for the fiscal year beginning July 1, 2004, and
39 ending June 30, 2005, the following amount:

40 \$ 10,966,960

41 Notwithstanding section 8.33, moneys transferred in
42 this section shall not revert.

43 Sec. ____ . 2003 Iowa Acts, chapter 177, section 23,
44 subsection 3, is amended to read as follows:

45 3. Notwithstanding section 8.33, moneys
46 appropriated in this section shall not revert at the
47 close of the fiscal year for which they were
48 appropriated, but shall remain available for the
49 purpose designated until the close of the fiscal year
50 that begins July 1, ~~2008~~ 2006, or until the project

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1 for which the appropriation was made is completed,
2 whichever is earlier.

3 Sec. _____. 2002 Iowa Acts, chapter 1173, section 1,
4 subsection 7, paragraph a, is amended to read as
5 follows:

6 a. For parking improvements and provision of
7 street access for the judicial building:

8	FY 2002-2003	\$	700,000
9	FY 2003-2004	\$	0
10	FY 2004-2005	\$	0
11	FY 2005-2006	\$	0

12 Of the amount appropriated in this lettered
13 paragraph for FY 2002-2003, up to \$330,000 may be used
14 for costs associated with operation of the judicial
15 building, notwithstanding section 12E.12, subsection
16 1, paragraph "b", subparagraph (1).

17 DIVISION

18 MISCELLANEOUS FUNDS

19 Sec. _____. HELP AMERICA VOTE ACT. There is
20 appropriated from the general fund of the state to the
21 office of the secretary of state for the fiscal year
22 beginning July 1, 2003, and ending June 30, 2004, the
23 following amount, or so much thereof as is necessary,
24 to be used for the purposes designated:

25 For the purchase and installation of voting
26 machines to implement the federal Help America Vote
27 Act (HAVA):

28	\$	765,000
----	-------	----	---------

29 Of the federal funds drawn down pursuant to HAVA,
30 not less than 80 percent shall be distributed to
31 counties for the implementation of that Act.

32 The state commissioner of elections shall report to
33 the general assembly regarding the expenditure of the
34 moneys appropriated in this subsection by January 2,
35 2005, and July 1, 2005.

36 Notwithstanding section 8.33, moneys appropriated
37 in this section that remain unencumbered or
38 unobligated at the close of the fiscal year shall not
39 revert but shall remain available for expenditure for
40 the purposes designated until the close of the
41 succeeding fiscal year.

42 Sec. _____. GENERAL FUND APPROPRIATIONS.

43 1. There is appropriated from the general fund of
44 the state to the state department of transportation
45 for the fiscal year beginning July 1, 2004, and ending
46 June 30, 2005, the following amounts, or so much
47 thereof as is necessary, to be used for the purposes
48 designated:

49 a. For operation and maintenance of the network of
50 automated weather observation and data transfer

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1 systems associated with the Iowa aviation weather
 2 system, the runway marking program for public
 3 airports, the windsock program for public airports,
 4 and the aviation improvement program:

5 \$ 64,792

6 b. For the rail assistance program and to provide
 7 economic development project funding:
 8 \$ 35,959

9 2. There is appropriated from the general fund of
 10 the state to the racing and gaming commission within
 11 the department of inspections and appeals for the
 12 fiscal year beginning July 1, 2004, and ending June
 13 30, 2005, in addition to any other appropriation made
 14 by the general assembly, the following amount, or so
 15 much thereof as is necessary, to be used for the
 16 purposes designated:

17 For salaries, support, maintenance, and
 18 miscellaneous purposes for the regulation of pari-
 19 mutual racetracks:
 20 \$ 217,161

21 The funds appropriated in this subsection shall be
 22 used for one additional gaming representative at each
 23 of the three licensed racetracks.

24 Sec. ____ . PRIMARY ROAD FUND APPROPRIATION. There
 25 is appropriated from the primary road fund to the
 26 department of administrative services for the fiscal
 27 year beginning July 1, 2004, and ending June 30, 2005,
 28 the following amount, or so much thereof as is
 29 necessary, to be used for distribution to the state
 30 department of transportation:

31 \$ 465,491

32 Moneys appropriated in this section shall be
 33 separately accounted for in a distribution account and
 34 shall be distributed to the state department of
 35 transportation to pay for services provided the state
 36 department of transportation by the department of
 37 administrative services as described in chapter 8A.

38 Sec. ____ . ROAD USE TAX FUND APPROPRIATION. There
 39 is appropriated from the road use tax fund to the
 40 department of administrative services for the fiscal
 41 year beginning July 1, 2004, and ending June 30, 2005,
 42 the following amount, or so much thereof as is
 43 necessary, to be used for distribution to the state
 44 department of transportation:

45 \$ 76,059

46 Moneys appropriated in this section shall be
 47 separately accounted for in a distribution account and
 48 shall be distributed to the state department of
 49 transportation to pay for services provided the state
 50 department of transportation by the department of

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1 administrative services as described in chapter 8A.
2 Sec. _____. TRANSFER AND DEPOSIT OF SURPLUS MONEYS
3 IN LOCAL HOUSING ASSISTANCE PROGRAM FUND. The sum of
4 \$800,000 is transferred from moneys declared by the
5 Iowa finance authority under section 16.10 to be
6 surplus moneys to the housing trust fund created in
7 section 16.181 for the fiscal year beginning July 1,
8 2004, and ending June 30, 2005.

9 Sec. _____. 2003 Iowa Acts, chapter 171, section 2,
10 is amended by inserting the following new unnumbered
11 paragraph:

12 NEW UNNUMBERED PARAGRAPH. Notwithstanding section
13 8.33, moneys appropriated in subsection 1 that remain
14 unencumbered or unobligated at the close of the fiscal
15 year shall not revert but shall remain available for
16 expenditure until the close of the fiscal year that
17 begins July 1, 2004, for the purpose of restocking the
18 department's salt storage.

19 Sec. _____. EFFECTIVE DATE.

20 1. The section of this division of this Act
21 providing an appropriation for implementation of the
22 federal Help America Vote Act, being deemed of
23 immediate importance, takes effect upon enactment.

24 2. The section of this division of this Act,
25 amending 2003 Iowa Acts, chapter 171, section 2, being
26 deemed of immediate importance, takes effect upon
27 enactment.

DIVISION

CODE CHANGES

28
29
30 Sec. _____. Section 15.109, subsection 2, Code 2003,
31 is amended to read as follows:

32 2. Apply for, receive, administer, and use federal
33 or other funds available for achieving the purposes of
34 this chapter. For purposes of this subsection, the
35 term "federal funds" includes federal tax credits,
36 grants, or other economic benefits allocated or
37 provided by the United States government to encourage
38 investment in low-income or other specified areas or
39 to otherwise promote economic development. The
40 department may enter into an agreement pursuant to
41 chapter 28E, or any other agreement, with a person,
42 including for-profit and nonprofit legal entities, in
43 order to directly or indirectly apply for, receive,
44 administer, and use federal funds. As part of such
45 agreements and in furtherance of this public purpose
46 and in addition to powers and duties conferred under
47 other provisions of law, the department may, including
48 for or on behalf of for-profit or nonprofit legal
49 entities, appoint, remove, and replace board members
50 and advisors; provide oversight; make its personnel

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1 and resources available to perform administrative,
2 management, and compliance functions; coordinate
3 investments; and engage in other acts as reasonable
4 and necessary to encourage investment in low-income or
5 other areas or to promote economic development. The
6 department, including department officials and
7 employees in their official and personal capacities,
8 are immune from liability for all acts or omissions
9 under this subsection.

10 Sec. ____ . Section 80.9, subsection 2, paragraph f,
11 Code 2003, is amended to read as follows:

12 f. Provide protection and security for persons and
13 property on the grounds of the state capitol complex.
14 Notwithstanding chapter 8A or any other provision of
15 law, the department shall be solely responsible for
16 the purchase, installation, and maintenance of,
17 including making any improvements or additions to,
18 executive branch capitol complex security systems or
19 equipment, including the changing of locks and
20 issuance of keys, access cards, and identification
21 badges. The department of administrative services
22 shall cooperate with the department of public safety
23 in executing the department's duties under this
24 paragraph.

25 Sec. ____ . Section 423.3, subsections 2 and 37, as
26 enacted by 2003 Iowa Acts, First Extraordinary
27 Session, chapter 2, section 96, are amended to read as
28 follows:

29 2. The sales price of sales for resale of tangible
30 personal property or taxable services, or for resale
31 of tangible personal property in connection with the
32 furnishing of taxable services except for sales, other
33 than leases or rentals, which are sales, of machinery,
34 equipment, attachments, and replacement parts
35 specifically enumerated in subsection 37 and used in
36 the manner described in subsection 37.

37 37. The sales price of services on or connected
38 with new construction, reconstruction, alteration,
39 expansion, remodeling, or the services of a general
40 building contractor, architect, or engineer. The
41 exemption in this subsection also applies to the sales
42 price on the lease or rental of self-propelled
43 building equipment, self-constructed cranes, pile
44 drivers, structural concrete forms, regular and
45 motorized scaffolding, generators, or attachments
46 customarily drawn or attached to self-propelled
47 building equipment, self-constructed cranes, pile
48 drivers, structural concrete forms, regular and
49 motorized scaffolding, and generators, including
50 auxiliary attachments which improve the performance,

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1 safety, operation, or efficiency of the equipment and
2 replacement parts and are directly and primarily used
3 by contractors, subcontractors, and builders for new
4 construction, reconstruction, alterations, expansion,
5 or remodeling of real property or structures.

6 DIVISION

7 MISCELLANEOUS PROVISIONS

8 Sec. ____ . Section 8.57, subsection 5, Code
9 Supplement 2003, is amended by adding the following
10 new paragraph:

11 NEW PARAGRAPH. g. Notwithstanding any other
12 provision to the contrary, and prior to the
13 appropriation of moneys from the rebuild Iowa
14 infrastructure fund pursuant to paragraph "c", and
15 section 8.57A, subsection 4, moneys shall first be
16 appropriated from the rebuild Iowa infrastructure fund
17 to the vertical infrastructure fund as provided in
18 section 8.57B, subsection 4.

19 Sec. ____ . NEW SECTION. 8.57B VERTICAL
20 INFRASTRUCTURE FUND.

21 1. A vertical infrastructure fund is created under
22 the authority of the department of management. The
23 fund shall consist of appropriations made to the fund
24 and transfers of interest, earnings, and moneys from
25 other funds as provided by law. The fund shall be
26 separate from the general fund of the state and the
27 balance in the fund shall not be considered part of
28 the balance of the general fund of the state.
29 However, the fund shall be considered a special
30 account for the purposes of section 8.53, relating to
31 generally accepted accounting principles.

32 2. Notwithstanding section 12C.7, subsection 2,
33 interest or earnings on moneys in the vertical
34 infrastructure fund shall be credited to the rebuild
35 Iowa infrastructure fund.

36 3. Moneys in the fund in a fiscal year shall be
37 used as appropriated by the general assembly for
38 public vertical infrastructure projects. For the
39 purposes of this section, "vertical infrastructure"
40 includes only land acquisition and construction, major
41 renovation, and major repair of buildings, all
42 appurtenant structures, utilities, and site
43 development. "Vertical infrastructure" does not
44 include routine, recurring maintenance, debt service,
45 or operational expenses or leasing of a building,
46 appurtenant structure, or utility without a lease-
47 purchase agreement.

48 4. There is appropriated from the rebuild Iowa
49 infrastructure fund to the vertical infrastructure
50 fund, the following:

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1 a. For the fiscal year beginning July 1, 2005, and
2 ending June 30, 2006, the sum of fifteen million
3 dollars.

4 b. For the fiscal year beginning July 1, 2006, and
5 ending June 30, 2007, the sum of fifty million
6 dollars.

7 c. For the fiscal year beginning July 1, 2007, and
8 ending June 30, 2008, the sum of seventy-five million
9 dollars.

10 d. For the fiscal year beginning July 1, 2008, and
11 each fiscal year thereafter, the sum of one hundred
12 million dollars.

13 Sec. _____. Section 8D.13, subsection 12, Code
14 Supplement 2003, is amended to read as follows:

15 12. The commission, on its own or as recommended
16 by an advisory committee of the commission and
17 approved by the commission, shall permit a fee to be
18 charged by a receiving site to the originator of the
19 communication provided on the network. The fee
20 charged shall be for the purpose of recovering the
21 operating costs of a receiving site. The fee charged
22 shall be reduced by an amount received by the
23 receiving site pursuant to a state appropriation for
24 such costs, or federal assistance received for such
25 costs. Fees established under this subsection shall
26 be paid by the originator of the communication
27 directly to the receiving site. In the event that an
28 entity requests a receiving site location in a video
29 classroom facility which is authorized by, but not
30 funded by, the originator of the communication, the
31 requesting entity shall be directly billed by the
32 video classroom facility for operating costs relating
33 to the communication. For purposes of this section,
34 "operating costs" include the costs associated with
35 the management or coordination, operations, utilities,
36 classroom, equipment, maintenance, and other costs
37 directly related to providing the receiving site.

38 Sec. _____. Section 15E.208, subsection 3, paragraph
39 b, subparagraph (2), Code Supplement 2003, is amended
40 by adding the following new subparagraph subdivisions:

41 NEW SUBPARAGRAPH SUBDIVISION. (c) Notwithstanding
42 any provision of this division to the contrary,
43 payments on the principal balance of the loan granted
44 by the corporation to an eligible person and assigned
45 to the department pursuant to this subparagraph during
46 calendar year 2003 shall be deferred until October 1,
47 2007. The eligible person shall make principal
48 payments to the department in the amount of one
49 million dollars for each year on October 1, 2007,
50 October 1, 2008, and October 1, 2009. The eligible

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1 person shall pay the department four hundred eighty-
2 two thousand seven hundred sixty-one dollars in
3 interest, which shall be deemed to be the total amount
4 of interest accruing on the principal amount of the
5 loan. The eligible person shall pay the interest
6 amount on October 1, 2010. Upon the payment of the
7 principal balance of the loan and the accrued
8 interest, the debt shall be retired.

9 NEW SUBPARAGRAPH SUBDIVISION. (d) Notwithstanding
10 any provision of this division to the contrary, the
11 corporation shall repay the department the principal
12 balance of the Iowa agricultural industry finance loan
13 beginning on October 1, 2007. The principal balance
14 of the loan equals twenty-one million five hundred
15 seventeen thousand two hundred thirty-nine dollars.
16 The corporation shall repay the department five
17 hundred seventeen thousand two hundred thirty-nine
18 dollars by October 1, 2007, and for each subsequent
19 year the corporation shall repay the department at
20 least one million dollars by October 1 until the total
21 principal balance of the loan is repaid. This
22 subparagraph subdivision shall not be construed to
23 limit the department's authority to negotiate the
24 payment of interest accruing on the principal balance
25 which shall be paid to the department as provided by
26 an agreement executed by the department and the
27 corporation.

28 Sec. _____. Section 28M.1, if enacted by 2004 Iowa
29 Acts, Senate File 2284, section 1, is amended by
30 adding the following new subsection:

31 NEW SUBSECTION. 3. "Transportation" means the
32 movement of individuals in a four or more wheeled
33 motorized vehicle designed to carry passengers,
34 including a car, van, or bus, or the carrying of
35 individuals upon cars operated upon stationary rails,
36 between one geographic point and another geographic
37 point. "Transportation" does not include emergency or
38 incidental transportation or transportation conducted
39 by the department of human services at its
40 institutions.

41 Sec. _____. Section 28M.2, subsections 1 and 3, if
42 enacted by 2004 Iowa Acts, Senate File 2284, section
43 2, are amended to read as follows:

44 1. A county with a population in excess of ~~three~~
45 one hundred seventy-five thousand and participating
46 cities may create, by chapter 28E agreement, a
47 regional transit district in the county pursuant to
48 this chapter. Two or more contiguous counties and
49 participating cities may create, by chapter 28E
50 agreement, a regional transit district pursuant to

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1 this chapter if one of the counties has a population
2 in excess of ~~three~~ one hundred seventy-five thousand.
3 A district shall consist of the unincorporated area of
4 any participating county and the incorporated area of
5 any city in the county that does not have an urban
6 transit system. However, a city without an urban
7 transit system may decline, by resolution forwarded to
8 the board of supervisors, to participate in a regional
9 transit district.

10 3. A city that is located in a nonparticipating
11 county that is contiguous to a county with a
12 population in excess of ~~three~~ one hundred seventy-five
13 thousand that is creating a regional transit district
14 may notify that county, by resolution forwarded to the
15 board of supervisors of that county, that the city
16 wishes to participate.

17 Sec. _____. Section 28M.5, subsection 1, unnumbered
18 paragraph 2, if enacted by 2004 Iowa Acts, Senate File
19 2284, section 5, is amended to read as follows:

20 The amount of the regional transit district levy
21 that is the responsibility of a participating county
22 shall be deducted from the maximum rates of taxes
23 authorized to be levied by the county pursuant to
24 section 331.423, subsections 1 and 2, as applicable.
25 However, for a regional transit district that includes
26 a county with a population of less than three hundred
27 thousand, the amount of the regional transit district
28 levy that is the responsibility of a participating
29 county shall be deducted from the maximum rate of
30 taxes authorized to be levied by the county pursuant
31 to section 331.423, subsection 1.

32 Sec. _____. Section 99F.7, subsection 13, Code 2003,
33 as amended by 2004 Iowa Acts, House File 2302, if
34 enacted, is amended to read as follows:

35 13. ~~An~~ When applicable, an excursion gambling boat
36 operated on inland waters of this state or an
37 excursion boat that has been removed from navigation
38 and is designated as a permanently moored vessel by
39 the United States coast guard shall be subject to the
40 exclusive jurisdiction of the department of natural
41 resources and meet all of the requirements of chapter
42 462A and is further subject to an inspection of its
43 sanitary facilities to protect the environment and
44 water quality before a certificate of registration is
45 issued by the department of natural resources or a
46 license is issued or renewed under this chapter.

47 Sec. _____. Section 165B.5, subsection 3, if enacted
48 by 2004 Iowa Acts, House File 2476, section 6, is
49 amended to read as follows:

50 3. a. A person who owns or operates a restricted

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1 concentration point is subject to a civil penalty of
2 ~~not less than~~ five thousand dollars for the first
3 violation and ~~not less than~~ twenty-five thousand
4 dollars for each subsequent violation. Each day that
5 a violation continues constitutes a separate
6 violation.

7 b. A person who has a legal interest in infected
8 poultry or has custody of infected poultry which are
9 located at a restricted concentration point is subject
10 to a civil penalty of ~~not less than~~ five thousand
11 dollars for the first violation and ~~not less than~~
12 twenty-five thousand dollars for each subsequent
13 violation. Each day that a violation continues
14 constitutes a separate violation.

15 c. A person who transports poultry to or from a
16 restricted concentration point is subject to a civil
17 penalty of ~~not less than~~ one thousand dollars for the
18 first violation and ~~not less than~~ five thousand
19 dollars for each subsequent violation. Each day that
20 a violation continues constitutes a separate
21 violation.

22 d. A person who purchases, offers to purchase,
23 barter, or offers to barter for poultry at a
24 restricted concentration point is subject to a civil
25 penalty of ~~not less than~~ one hundred dollars for the
26 first violation and ~~not less than~~ one thousand dollars
27 for each subsequent violation. Each day that a
28 violation continues constitutes a separate violation.

29 e. A person who charges admission for entry into a
30 restricted concentration point where a contest occurs
31 or otherwise holds, advertises, or conducts the
32 contest is subject to a civil penalty of ~~not less than~~
33 one thousand dollars for the first violation and ~~not~~
34 ~~less than~~ five thousand dollars for each subsequent
35 violation. Each day that a violation continues
36 constitutes a separate violation.

37 f. A person who attends or participates in a
38 contest at a restricted concentration point where a
39 contest occurs is subject to a civil penalty of ~~not~~
40 ~~less than~~ one hundred dollars for the first violation
41 and ~~not less than~~ one thousand dollars for each
42 subsequent violation. Each day that a violation
43 continues constitutes a separate violation.

44 Sec. _____. Section 260C.18A, subsection 3, Code
45 Supplement 2003, is amended to read as follows:

46 3. Of the moneys appropriated in this section, for
47 the fiscal period beginning July 1, 2003, and ending
48 June 30, ~~2006~~ 2007, the following amounts shall be
49 designated for the purposes of funding job retention
50 projects under section 260F.9:

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1 a. One million dollars for the fiscal year
2 beginning July 1, 2003.

3 b. One million dollars for the fiscal year
4 beginning July 1, 2004.

5 c. One million dollars for the fiscal year
6 beginning July 1, 2005.

7 d. One million dollars for the fiscal year
8 beginning July 1, 2006. However, this paragraph only
9 applies if moneys allocated under paragraph "a" were
10 distributed to community colleges as provided under
11 subsection 8.

12 Sec. _____. Section 260C.18A, Code Supplement 2003,
13 is amended by adding the following new subsection:

14 NEW SUBSECTION. 8. If moneys allocated under
15 subsection 3, paragraph "a", are unobligated and
16 unencumbered on June 30, 2004, those moneys shall be
17 distributed to community colleges in accordance with
18 subsection 5 for the fiscal year beginning July 1,
19 2004, and ending June 30, 2005.

20 Sec. _____. Section 306.46, as enacted by 2004 Iowa
21 Acts, Senate File 2118, section 1, is amended by
22 adding the following new subsection:

23 NEW SUBSECTION. 3. This section shall not impair
24 or interfere with a city's authority to grant, amend,
25 extend, or renew a franchise as provided in section
26 364.2, and shall not impair or interfere with a city's
27 existing general police powers to control the use of
28 its right-of-way.

29 Sec. _____. Section 321.34, subsection 11,
30 paragraphs c and d, Code Supplement 2003, are amended
31 to read as follows:

32 c. The special natural resources fee for letter
33 number designated natural resources plates is ~~thirty-~~
34 ~~five~~ forty-five dollars. The fee for personalized
35 natural resources plates is forty-five dollars which
36 shall be paid in addition to the special natural
37 resources fee of ~~thirty-five~~ forty-five dollars. The
38 fees collected by the director under this subsection
39 shall be paid monthly to the treasurer of state and
40 credited to the road use tax fund. Notwithstanding
41 section 423.24, and prior to the crediting of revenues
42 to the road use tax fund under section 423.24,
43 subsection 1, paragraph "b", the treasurer of state
44 shall credit monthly from those revenues to the Iowa
45 resources enhancement and protection fund created
46 pursuant to section 455A.18, the amount of the special
47 natural resources fees collected in the previous month
48 for the natural resources plates.

49 From the moneys credited to the Iowa resources
50 enhancement and protection fund under this paragraph

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1 "c", ten dollars of the fee collected for each natural
2 resources plate issued, and fifteen dollars from each
3 renewal fee, shall be allocated to the department of
4 natural resources wildlife bureau to be used for
5 nongame wildlife programs.

6 d. Upon receipt of the special registration
7 plates, the applicant shall surrender the current
8 registration receipt and plates to the county
9 treasurer. The county treasurer shall validate the
10 special registration plates in the same manner as
11 regular registration plates are validated under this
12 section. The annual special natural resources fee for
13 letter number designated plates is ~~ten~~ twenty-five
14 dollars which shall be paid in addition to the regular
15 annual registration fee. The annual fee for
16 personalized natural resources plates is five dollars
17 which shall be paid in addition to the annual special
18 natural resources fee and the regular annual
19 registration fee. The annual special natural
20 resources fee shall be credited as provided under
21 paragraph "c".

22 Sec. ____ . NEW SECTION. 327F.38 FIRST AID AND
23 MEDICAL TREATMENT FOR EMPLOYEES.

24 The department shall adopt rules requiring railroad
25 corporations within the state to provide reasonable
26 and adequate access to first aid and medical treatment
27 for employees injured in the course of employment. A
28 railroad corporation found guilty of a rule adopted
29 pursuant to this section shall, upon conviction, be
30 subject to a schedule "one" penalty.

31 Sec. ____ . Section 331.362, subsection 5, Code
32 Supplement 2003, is amended to read as follows:

33 5. The Notwithstanding any provision of law to the
34 contrary, the board may enter into agreements with the
35 department of transportation as provided in section
36 313.2, including but not limited to agreements for the
37 disposition of county property in accordance with
38 section 331.361, subsection 2.

39 Sec. ____ . Section 422.11J, subsection 5, paragraph
40 a, if enacted by 2004 Iowa Acts, Senate File 2295, is
41 amended to read as follows:

42 a. "Disabled student" means a child requiring
43 special education, as defined in section 256B.2,
44 subsection 1, or a student with disabilities who
45 qualifies for educational services under section 504
46 of the federal Rehabilitation Act of 1973, as amended
47 and codified in 29 U.S.C. § 794.

48 Sec. ____ . 2004 Iowa Acts, Senate File 2257,
49 section 1, subsection 10, if enacted, is amended to
50 read as follows:

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1 10. APPLICABILITY DATE. This section applies to
2 personal insurance contracts or policies delivered,
3 issued for delivery, continued, or renewed in this
4 state on or after ~~April 1, 2005~~ October 1, 2004.

5 Sec. _____. 2003 Iowa Acts, chapter 145, section
6 290, subsection 2, paragraph c, is amended to read as
7 follows:

8 c. By ~~September~~ December 1, 2004, the department
9 of administrative services, with the assistance of the
10 department of management, shall conduct a
11 comprehensive study of the impact of transferring all
12 state agency employees delivering information
13 technology services to the department of
14 administrative services and of the impact of
15 physically merging the data centers of the department,
16 the state department of transportation, and the
17 department of workforce development, into one data
18 center. The study shall include an assessment of
19 advantages and disadvantages, economies of scale,
20 cost, and space availability, and shall solicit input
21 from outside vendors, both public and private. The
22 department shall report to the legislative ~~fiscal~~
23 ~~bureau~~ services agency and the committees on
24 government oversight of the senate and house of
25 representatives on the department's findings and
26 recommendations by ~~November 1,~~ December 15, 2004.

27 Sec. _____. 2004 Iowa Acts, House File 2562, section
28 11, subsection 1, if enacted, is amended to read as
29 follows:

30 1. This Act, except for the provision of this Act
31 enacting section 99B.10, subsection 5B, being deemed
32 of immediate importance, takes effect upon enactment.

33 Sec. _____. MENTAL HEALTH INSTITUTE AT CHEROKEE. If
34 building space located at the state mental health
35 institute at Cherokee being used by an organization
36 other than the state will be vacated by the
37 organization, the department of human services shall
38 reserve the space to be available for the purposes
39 described in this section. The department shall
40 develop a plan for using vacant building space at the
41 institute for a program to address the treatment needs
42 of persons with a developmental disability who exhibit
43 sexually violent behavior and are residents at state
44 resource centers or other residential settings.

45 Sec. _____. EFFECTIVE DATE. The sections of this
46 division of this Act amending section 260C.18A, Code
47 Supplement 2003, being deemed of immediate importance,
48 take effect upon enactment.

49 Sec. _____. EFFECTIVE DATE. The section of this
50 division of this Act amending section 306.46, being

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1 deemed of immediate importance, takes effect upon
2 enactment.

3 Sec. _____. REAP PLATES -- EFFECTIVE DATE. The
4 section of this division of this Act amending section
5 321.34, subsection 11, paragraphs "c" and "d", takes
6 effect January 1, 2005.

7 DIVISION

8 CORRECTIVE PROVISIONS

9 Sec. _____. Section 9E.6A, unnumbered paragraph 1,
10 Code 2003, as amended by 2004 Iowa Acts, House File
11 2516, section 1, if enacted, is amended to read as
12 follows:

13 Each person performing a notarial act pursuant to
14 section 9E.10 must acquire and use a stamp or seal as
15 provided in this chapter. However, this section shall
16 not apply to a notarial act performed by a judicial
17 officer as defined in section 602.1101, if the
18 notarial act is performed in accordance with state or
19 federal statutory authority, ~~or is and shall not apply~~
20 to a certification by a chief officer or a chief
21 officer's designee of a peace officer's verification
22 of a uniform citation and complaint pursuant to
23 section 805.6, subsection 5.

24 Sec. _____. Section 9H.1, subsection 17, Code
25 Supplement 2003, is amended to read as follows:

26 17. "Limited partnership" means a limited
27 partnership as defined in section 487.101, subsection
28 7, and or 488.102, or a limited liability limited
29 partnership under section 487.1301 or chapter 488,
30 which owns or leases agricultural land or is engaged
31 in farming.

32 Sec. _____. Section 9H.1, subsection 17, Code
33 Supplement 2003, as amended by this division of this
34 Act to take effect January 1, 2005, is amended to read
35 as follows:

36 17. "Limited partnership" means a limited
37 partnership as defined in section ~~487.101 or~~ 488.102,
38 or a limited liability limited partnership under
39 ~~section 487.1301 or~~ chapter 488, which owns or leases
40 agricultural land or is engaged in farming.

41 Sec. _____. Section 10B.1, subsection 8, Code
42 Supplement 2003, is amended to read as follows:

43 8. "Limited partnership" means a foreign or
44 domestic limited partnership, including a limited
45 partnership as defined in section 487.101, ~~subsection~~
46 7 or 488.102, and a domestic or foreign limited
47 liability limited partnership under section 487.1301
48 or 487.1303, or chapter 488.

49 Sec. _____. Section 10B.1, subsection 8, Code
50 Supplement 2003, as amended by this division of this

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1 Act to take effect January 1, 2005, is amended to read
2 as follows:

3 8. "Limited partnership" means a foreign or
4 domestic limited partnership, including a limited
5 partnership as defined in section ~~487.101~~ or 488.102,
6 and a domestic or foreign limited liability limited
7 partnership under section ~~487.1301~~ or ~~487.1303~~, or
8 chapter 488.

9 Sec. _____. Section 34A.7A, subsection 2, paragraph
10 f, if enacted by 2004 Iowa Acts, House File 2434, is
11 amended by striking the paragraph and inserting in
12 lieu thereof the following:

13 f. (1) The program manager shall allocate an
14 amount up to one hundred twenty-seven thousand dollars
15 per calendar quarter equally to the joint E911 service
16 boards and the department of public safety that have
17 submitted an annual written request to the program
18 manager in a form approved by the program manager by
19 May 15 of each year.

20 (2) Upon retirement of outstanding obligations
21 referred to in paragraph "e", the amount allocated
22 under this paragraph "f" shall be an amount up to four
23 hundred thousand dollars per calendar quarter
24 allocated as follows:

25 (a) Sixty-five percent of the total dollars
26 available for allocation shall be allocated in
27 proportion to the square miles of the service area to
28 the total square miles in this state.

29 (b) Thirty-five percent of the total dollars
30 available for allocation shall be allocated in
31 proportion to the wireless E911 calls taken at the
32 public safety answering point in the service area to
33 the total number of wireless E911 calls originating in
34 this state.

35 (c) Notwithstanding subparagraph subdivisions (a)
36 and (b), the minimum amount allocated to each joint
37 E911 service board and to the department of public
38 safety shall be no less than one thousand dollars for
39 each public safety answering point within the service
40 area of the department of public safety or joint E911
41 service board.

42 (3) The funds allocated in this paragraph "f"
43 shall be used for communication equipment located
44 inside the public safety answering points for the
45 implementation and maintenance of wireless E911 phase
46 2. The joint E911 service boards and the department
47 of public safety shall provide an estimate of phase 2
48 implementation costs to the program manager by January
49 1, 2005.

50 Sec. _____. Section 48A.11, subsection 1, paragraph

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1 e, Code 2003, as amended by 2004 Iowa Acts, Senate
2 File 2269, section 8, if enacted, is amended to read
3 as follows:

4 e. Iowa driver's license number if the registrant
5 has a current and valid Iowa driver's license, Iowa
6 nonoperator's identification card if the registrant
7 has a current and valid Iowa nonoperator's
8 identification card, or the last four numerals of the
9 registrant's social security number. If the
10 registrant does not have an Iowa driver's license
11 number, an Iowa nonoperator's identification card
12 number, or a social security number, the form shall
13 provide space for a number to be assigned as provided
14 in subsection 7.

15 Sec. _____. Section 48A.25A, unnumbered paragraph 1,
16 if enacted by 2004 Iowa Acts, Senate File 2269,
17 section 13, is amended to read as follows:.

18 Upon receipt of an application for voter
19 registration by mail, the state registrar of voters
20 shall compare the driver's license number, the Iowa
21 nonoperator's identification card number, or the last
22 four numerals of the social security number provided
23 by the registrant with the records of the state
24 department of transportation. To be verified, the
25 voter registration record shall contain the same name,
26 date of birth, and driver's license number or Iowa
27 nonoperator's identification card number or whole or
28 partial social security number as the records of the
29 department of transportation. If the information
30 cannot be verified, the application shall be rejected
31 and the registrant shall be notified of the reason for
32 the rejection. If the information can be verified, a
33 record shall be made of the verification and the
34 application shall be accepted.

35 Sec. _____. Section 48A.37, subsection 2, Code 2003,
36 as amended by 2004 Iowa Acts, Senate File 2269,
37 section 18, if enacted, is amended to read as follows:

38 2. Electronic records shall include a status code
39 designating whether the records are active, inactive,
40 local, or pending. Inactive records are records of
41 registered voters to whom notices have been sent
42 pursuant to section 48A.28, subsection 3, and who have
43 not returned the card or otherwise responded to the
44 notice, and those records have been designated
45 inactive pursuant to section 48A.29. Local records
46 are records of applicants who did not answer either
47 "yes" or "no" to the question in section 48A.11,
48 subsection 2A, paragraph "a". Pending records are
49 records of applicants whose applications have not been
50 verified pursuant to section 48A.25A. All other

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1 records are active records. An inactive record shall
2 be made active when the registered voter votes at an
3 election, registers again, or reports a change of
4 name, address, telephone number, or political party
5 affiliation. A pending record shall be made active
6 upon verification. A local record shall be valid for
7 any election for which no candidates for federal
8 office appear on the ballot, ~~but the~~. A registrant
9 ~~may~~ with only a local record shall not vote in a
10 federal election unless the registrant submits a new
11 voter registration application before election day
12 indicating that the applicant is a citizen of the
13 United States.

14 Sec. _____. Section 49.81, subsection 2, unnumbered
15 paragraph 3, if enacted by 2004 Iowa Acts, Senate File
16 2269, section 20, is amended to read as follows:

17 You must show identification before your ballot can
18 be counted. Please bring or mail a copy of a current
19 and valid photo identification card to the county
20 ~~commissioners~~ commissioner's office or bring or mail a
21 copy of one of the following current documents that
22 show your name and address:

23 Sec. _____. Section 52.7, unnumbered paragraph 4,
24 Code 2003, as amended by 2004 Iowa Acts, Senate File
25 2269, section 27, if enacted, is amended to read as
26 follows:

27 Such machine shall be so constructed as to
28 accurately account for every vote cast upon it. The
29 machine shall be so constructed as to remove
30 information from the ballot identifying the voter
31 before the ballot is recorded and counted. If the
32 machine is a direct ~~electronic~~ recording electronic
33 device, the machine shall be so constructed as to
34 store each ballot cast separate from the ballot
35 tabulation function, which ballot may be reproduced on
36 paper in the case of a recount, manual audit, or
37 machine malfunction.

38 Sec. _____. Section 53.3, subsection 7, if enacted
39 by 2004 Iowa Acts, Senate File 2269, section 30, is
40 amended to read as follows:

41 7. A statement that an absentee ballot will by be
42 mailed to the applicant within twenty-four hours after
43 the ballot for the election is available.

44 Sec. _____. Section 53.17, subsection 1, paragraph
45 a, if enacted by 2004 Iowa Acts, Senate File 2269,
46 section 33, is amended to read as follows:

47 a. The sealed carrier envelope may be delivered by
48 the registered voter, by the special precinct election
49 officials designated pursuant to section 53.22,
50 subsection 1, or by the voter's designee if the

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1 absentee ballot is voted by a voter described in
2 section 53.22, subsection 5, to the commissioner's
3 office no later than the time the polls are closed on
4 election day, ~~except as otherwise provided in~~
5 ~~subsection 4.~~

6 Sec. _____. Section 53.17, subsection 4, paragraph
7 d, subparagraph (2), if enacted by 2004 Iowa Acts,
8 Senate File 2269, section 33, is amended to read as
9 follows:

10 (2) The date and time the ~~voted~~ completed absentee
11 ballot was received from the voter.

12 Sec. _____. Section 68A.402, subsection 7, paragraph
13 b, as amended by 2004 Iowa Acts, House File 2319,
14 section 1, if enacted, is amended to read as follows:

15 b. COUNTY ELECTIONS. A political committee
16 expressly advocating the nomination, election, or
17 defeat of candidates for county office shall file
18 reports on the same dates as a candidate's committee
19 is required to file reports under subsection 2,
20 paragraph "a" and subsection 5, paragraph "b".

21 Sec. _____. Section 68A.503, subsection 4,
22 unnumbered paragraph 1, as amended by 2004 Iowa Acts,
23 House File 2318, section 7, if enacted, is amended to
24 read as follows:

25 The prohibitions in ~~sections~~ subsections 1 and 2
26 shall not apply to an insurance company, savings and
27 loan association, bank, credit union, or corporation
28 engaged in any of the following activities:

29 Sec. _____. Section 99B.11, subsection 2, paragraph
30 c, Code 2003, as amended by 2004 Iowa Acts, Senate
31 File 2249, section 1, is amended to read as follows:

32 c. Contests or exhibitions of cooking,
33 horticulture, livestock, poultry, fish or other
34 animals, artwork, hobbywork or craftwork, except those
35 prohibited by chapter 717A ~~or section 725.11.~~

36 Sec. _____. Section 174.1, subsection 0B, paragraph
37 a, as enacted by House File 2403, section 8, is
38 amended to read as follows:

39 a. The organization owns or leases at least ten
40 acres of fairgrounds. ~~A society~~ An organization may
41 meet the requirement of owning or leasing land,
42 buildings, and improvements through ownership by a
43 joint entity under chapter 28E.

44 Sec. _____. Section 174.12, subsection 2, unnumbered
45 paragraph 1, Code 2003, as amended by 2004 Iowa Acts,
46 House File 2403, section 16, is amended to read as
47 follows:

48 A district director of the association representing
49 the district in which the county is located, and the
50 director of the Iowa state fair board representing the

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1 state fair board district in which the county is
2 located, certify to the association that the fair had
3 an accredited delegate in attendance at at least one
4 of the district meetings, and at the association's
5 annual meeting.

6 Sec. _____. Section 229.27, subsection 1, Code 2003,
7 is amended to read as follows:

8 1. Hospitalization of a person under this chapter,
9 either voluntarily or involuntarily, does not
10 constitute a finding of nor equate with nor raise a
11 presumption of incompetency, nor cause the person so
12 hospitalized to be deemed a person of unsound mind nor
13 a person under legal disability for any purpose,
14 including but not limited to any circumstances to
15 which sections 6B.15, 447.7, 487.402, subsection 5,
16 paragraph "b", section 488.603, subsection 6,
17 paragraph "c", sections 487.705, 488.704, 597.6,
18 600B.21, 614.8, 614.19, 614.22, 614.24, 614.27, and
19 633.244 are applicable.

20 Sec. _____. Section 229.27, subsection 1, Code 2003,
21 as amended by this division of this Act to take effect
22 January 1, 2005, is amended to read as follows:

23 1. Hospitalization of a person under this chapter,
24 either voluntarily or involuntarily, does not
25 constitute a finding of nor equate with nor raise a
26 presumption of incompetency, nor cause the person so
27 hospitalized to be deemed a person of unsound mind nor
28 a person under legal disability for any purpose,
29 including but not limited to any circumstances to
30 which sections 6B.15, 447.7, ~~487.402, subsection 5,~~
31 ~~paragraph "b",~~ section 488.603, subsection 6,
32 paragraph "c", sections 487.705, 488.704, 597.6,
33 600B.21, 614.8, 614.19, 614.22, 614.24, 614.27, and
34 633.244 are applicable.

35 Sec. _____. Section 260C.18A, subsection 2,
36 unnumbered paragraph 1, Code Supplement 2003, is
37 amended to read as follows:

38 On July 1 of each year for the fiscal year
39 beginning July 1, 2003, and for every fiscal year
40 thereafter, moneys from the grow Iowa values fund
41 created in section 15G.108 are appropriated to the
42 department of economic development for deposit in the
43 workforce training and economic development funds in
44 amounts determined pursuant to subsection ~~3~~ 4. Moneys
45 deposited in the funds and disbursed to community
46 colleges for a fiscal year shall be expended for the
47 following purposes, provided seventy percent of the
48 moneys shall be used on projects in the areas of
49 advanced manufacturing, information technology and
50 insurance, and life sciences which include the areas

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1 of biotechnology, health care technology, and nursing
2 care technology:

3 Sec. _____. Section 321I.10, if enacted by 2004 Iowa
4 Acts, Senate File 297, section 53, is amended by
5 adding the following new subsection:

6 NEW SUBSECTION. 2A. Cities may designate streets
7 under the jurisdiction of cities within their
8 respective corporate limits which may be used for the
9 sport of driving all-terrain vehicles.

10 Sec. _____. Section 331.606B, subsection 4,
11 paragraph a, if enacted by 2004 Iowa Acts, Senate File
12 371, section 3, is amended to read as follows:

13 a. A document or instrument that was signed before
14 July 1, ~~2004~~ 2005.

15 Sec. _____. Section 488.102, subsection 10,
16 paragraph a, subparagraph (2), as enacted by 2004 Iowa
17 Acts, House File 2347, section 2, is amended to read
18 as follows:

19 (2) A person that was a general partner in a
20 limited partnership when the limited partnership
21 became subject to this chapter under section ~~488.1206~~
22 488.1204, subsection 1 or 2.

23 Sec. _____. Section 488.102, subsection 12,
24 paragraph a, subparagraph (2), as enacted by 2004 Iowa
25 Acts, House File 2347, section 2, is amended to read
26 as follows:

27 (2) A person that was a limited partner in a
28 limited partnership when the limited partnership
29 became subject to this chapter under section ~~488.1206~~
30 488.1204, subsection 1 or 2.

31 Sec. _____. Section 488.102, subsection 13, as
32 enacted by 2004 Iowa Acts, House File 2347, section 2,
33 is amended to read as follows:

34 13. "Limited partnership", except in the phrases
35 "foreign limited partnership" and "foreign limited
36 liability limited partnership", means an entity,
37 having one or more general partners and one or more
38 limited partners, which is formed under this chapter
39 by two or more persons or becomes subject to this
40 chapter under article 11 or section ~~488.1206~~ 488.1204,
41 subsection 1 or 2. The term includes a limited
42 liability limited partnership.

43 Sec. _____. Section 488.202, subsection 3,
44 unnumbered paragraph 1, as enacted by 2004 Iowa Acts,
45 House File 2347, section 20, is amended to read as
46 follows:

47 A general partner that knows that any information
48 in a filed certificate of limited partnership was
49 false when the certificate was filed or has become
50 false due to changed circumstances shall promptly do

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1 at least one of the following:

2 Sec. _____. Section 488.209, subsection 1, paragraph
3 c, as enacted by 2004 Iowa Acts, House File 2347,
4 section 27, is amended to read as follows:

5 c. Whether all fees, taxes, and penalties under
6 this chapter or other law due ~~to~~ the secretary of
7 state have been paid.

8 Sec. _____. Section 488.209, subsection 2, paragraph
9 c, as enacted by 2004 Iowa Acts, House File 2347,
10 section 27, is amended to read as follows:

11 c. Whether all fees, taxes, and penalties under
12 this chapter or other law due ~~to~~ the secretary of
13 state have been paid.

14 Sec. _____. Section 488.508, subsection 6, as
15 enacted by 2004 Iowa Acts, House File 2347, section
16 50, is amended to read as follows:

17 6. A limited partnership's indebtedness, including
18 indebtedness issued in connection with or as part of a
19 distribution, is not considered a liability for
20 purposes of subsection 2 if the terms of the
21 indebtedness provide that payment of principal and
22 interest ~~are~~ is made only to the extent that a
23 distribution could then be made to partners under this
24 section.

25 Sec. _____. Section 488.703, subsection 1, as
26 enacted by 2004 Iowa Acts, House File 2347, section
27 61, is amended to read as follows:

28 1. On application to a court of competent
29 jurisdiction by any judgment creditor of a partner or
30 transferee, the court may charge the transferable
31 interest of the judgment debtor with payment of the
32 unsatisfied amount of the judgment with interest. To
33 the extent so charged, the judgment creditor has only
34 the rights of a transferee. The court may appoint a
35 receiver of the share of the distributions due or to
36 become due ~~to~~ the judgment debtor in respect of the
37 partnership and make all other orders, directions,
38 accounts, and inquiries the judgment debtor might have
39 made or which the circumstances of the case may
40 require to give effect to the charging order.

41 Sec. _____. Section 488.809, subsection 1, paragraph
42 a, as enacted by 2004 Iowa Acts, House File 2347,
43 section 72, is amended to read as follows:

44 a. Pay any fee, tax, or penalty under this chapter
45 or other law due ~~to~~ the secretary of state.

46 Sec. _____. Section 488.906, subsection 1, paragraph
47 a, as enacted by 2004 Iowa Acts, House File 2347,
48 section 81, is amended to read as follows:

49 a. Pay, within sixty days after the due date, any
50 fee, tax or penalty under this chapter or other law

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1 due to the secretary of state.

2 Sec. _____. Section 488.1106, subsection 1,
3 paragraph a, as enacted by 2004 Iowa Acts, House File
4 2347, section 94, is amended to read as follows:

5 a. The governing statute of each of the other
6 organizations authorizes the merger.

7 Sec. _____. Section 504.304, subsection 1, if
8 enacted by 2004 Iowa Acts, Senate File 2274, section
9 27, is amended to read as follows:

10 1. Except as provided in subsection 2, the
11 validity of corporate action ~~may~~ shall not be
12 challenged on the ground that the corporation lacks or
13 lacked power to act.

14 Sec. _____. Section 504.854, subsection 3, paragraph
15 b, if enacted by 2004 Iowa Acts, Senate File 2274,
16 section 104, is amended to read as follows:

17 b. By the members, but the director who, at the
18 time does not qualify as a disinterested director, ~~may~~
19 shall not vote as a member or on behalf of a member.

20 Sec. _____. Section 504.1422, subsection 3, if
21 enacted by 2004 Iowa Acts, Senate File 2274, section
22 145, is amended to read as follows:

23 3. A corporation that is administratively
24 dissolved continues its corporate existence but ~~may~~
25 shall not carry on any activities except those
26 necessary to wind up and liquidate its affairs
27 pursuant to section 504.1406 and notify its claimants
28 pursuant to sections 504.1407 and 504.1408.

29 Sec. _____. Section 614.37, Code 2003, as amended by
30 2004 Iowa Acts, House File 2450, section 8, if
31 enacted, is amended to read as follows:

32 614.37 LIMITATION STATUTES NOT EXTENDED.

33 Nothing contained in this chapter shall be
34 construed to extend the period for the bringing of an
35 action or for the doing of any other required act
36 under any statutes of limitations, nor, except as
37 herein specifically provided, to effect the operation
38 of any statutes governing the effect of the recording
39 or the failure to record any instrument affecting
40 land. It is intended that nothing contained in this
41 ~~division~~ chapter be interpreted to revive or extend
42 the period of filing a claim or bringing an action
43 that may be limited or barred by any other statute.

44 Sec. _____. Section 669.14, subsection 11,
45 unnumbered paragraph 1, Code Supplement 2003, as
46 amended by 2004 Iowa Acts, House File 2347, section
47 116, is amended to read as follows:

48 Any claim for financial loss based upon an act or
49 omission in financial regulation, including but not
50 limited to examinations, inspections, audits, or other

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1 financial oversight responsibilities, pursuant to
2 chapters 87, 203, 203C, 203D, 421B, 486, ~~or the figure~~
3 ~~"487"~~ 487, 488, and 490 through 553, excluding
4 chapters 540A, 542, 542B, 543B, 543C, 543D, 544A, and
5 544B.

6 Sec. _____. Section 709A.1, subsection 2, paragraph
7 c, Code 2003, as amended by 2004 Iowa Acts, Senate
8 File 2249, section 2, is amended to read as follows:

9 c. Any premises the use of which constitutes a
10 violation of chapter 717A, or section 725.57 or
11 725.10, ~~or 725.11.~~

12 Sec. _____. Section 714.26, subsection 1, paragraph
13 c, if enacted by 2004 Iowa Acts, House File 2395, is
14 amended to read as follows:

15 c. "Retail value" means the highest value of an
16 item determined by any reasonable standard at the time
17 the item bearing or identified by a counterfeit mark
18 is seized. If a seized item bearing or identified by
19 a counterfeit mark is a component of a finished
20 product, "retail value" also means the highest value,
21 determined by any reasonable standard, of the finished
22 product on which the component would have been
23 utilized. The retail value shall be the retail value
24 of the aggregate quantity of all items seized which
25 bear or are identified by a counterfeit mark. For
26 purposes of this paragraph, reasonable standard
27 includes but is not limited ~~the~~ to the market value
28 within the community, actual value, replacement value,
29 or the counterfeiter's regular selling price for the
30 item bearing or identified by a counterfeit mark, or
31 the intellectual property owner's regular selling
32 price for an item similar to the item bearing or
33 identified by a counterfeit mark.

34 Sec. _____. Section 717E.1, subsection 3, paragraph
35 a, if enacted by 2004 Iowa Acts, House File 2480,
36 section 1, is amended to read as follows:

37 a. The annual fair and exposition held by the Iowa
38 state fair board pursuant to chapter 173 or any fair
39 held event conducted by a ~~county or district fair or~~
40 ~~agricultural society~~ under the provisions of chapter
41 174.

42 Sec. _____. Section 812.6, subsection 2, unnumbered
43 paragraph 1, if enacted by 2004 Iowa Acts, Senate File
44 2272, section 8, is amended to read as follows:

45 If the court finds by clear and convincing evidence
46 that the defendant poses a danger to the public peace
47 or safety, or that the defendant is otherwise not
48 qualified for pretrial release, or the defendant
49 refuses to cooperate with treatment, the court shall
50 commit the defendant to an appropriate inpatient

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1 treatment facility as provided in ~~paragraphs~~ paragraph
2 "a" ~~and or~~ "b". The defendant shall receive mental
3 health treatment designed to restore the defendant to
4 competency.

5 Sec. _____. Sections 7D.15, 10D.1, 15.114, 15.221,
6 15E.64, 18A.11, 84A.1C, 225C.13, 303.3, 331.441,
7 357A.2, 357A.11, 357A.20, 357A.21, 357A.22A, 357A.23,
8 357A.24, 425.11, 476.1, 476.27, 480.3, 499.5, 499.5A,
9 500.3, 504C.1, 514.19, 514.23, and 515.1, Code 2003,
10 are amended by inserting before the figure "504A" the
11 following: "504 or", if 2004 Iowa Acts, Senate File
12 2274 is enacted.

13 Sec. _____. Sections 9H.1, 9H.4, 10B.1, 190C.6,
14 304A.21, 331.427, 357A.15, 422.45, 490.1701, 504B.1,
15 504B.6, 513C.10, 514.1, 514.2, 514.5, 616.10, 633.63,
16 and 716.6B, Code Supplement 2003, are amended by
17 inserting before the figure "504A" the following:
18 "504 or", if 2004 Iowa Acts, Senate File 2274 is
19 enacted.

20 Sec. _____. 2004 Iowa Acts, House File 401, section
21 1, is amended by striking the section and inserting in
22 lieu thereof the following:

23 SECTION 1. Section 404A.4, subsection 4, Code
24 Supplement 2003, is amended to read as follows:

25 4. The total amount of tax credits that may be
26 approved for a fiscal year under this chapter shall
27 not exceed two million four hundred thousand dollars.
28 For the fiscal years beginning July 1, 2005, and July
29 1, 2006, an additional five hundred thousand dollars
30 of tax credits may be approved each fiscal year for
31 purposes of projects located in cultural and
32 entertainment districts certified pursuant to section
33 303.3B. Any of the additional tax credits allocated
34 for projects located in certified cultural and
35 entertainment districts that are not approved during a
36 fiscal year may be carried over to the succeeding
37 fiscal year. ~~Tax credit certificates shall be issued~~
38 ~~on the basis of the earliest awarding~~ The department
39 of cultural affairs shall establish by rule the
40 procedures for the application, review, selection, and
41 awarding of certifications of completion as provided
42 ~~in subsection 1.~~ The departments of economic
43 development, cultural affairs, and revenue shall each
44 adopt rules to jointly administer this subsection and
45 shall provide by rule for the method to be used to
46 determine for which fiscal year the tax credits are
47 approved available.

48 Sec. _____. 2004 Iowa Acts, House File 2562, section
49 10, subsection 2, if enacted, is amended to read as
50 follows:

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1 2. On and after July 1, 2005, an owner of an
2 electrical and mechanical amusement device as
3 described in subsection 1 shall not offer the device
4 for use by the public. However, the owner of a device
5 shall be permitted to sell the device to a
6 distributor, as defined in section 99B.1, as amended
7 by this Act, or to a person authorized to offer the
8 device to the public pursuant to section 99B.10,
9 subsection 4, as amended by this Act for which a class
10 "A", class "B", class "C", or class "D" liquor control
11 license ~~or class "B" or class "C" beer permit~~ has been
12 issued pursuant to chapter 123.

13 Sec. _____. 2004 Iowa Acts, Senate File 2070,
14 section 35, subsection 1, is amended to read as
15 follows:

16 1. Except as provided in subsections 2 through 4
17 6, this Act takes effect January 1, 2005.

18 Sec. _____. The section of 2004 Iowa Acts, House
19 File 2489, amending section 523A.502, subsection 7, is
20 repealed if 2004 Iowa Acts, House File 2269, is
21 enacted.

22 Sec. _____. 2004 Iowa Acts, Senate File 2282,
23 section 1, if enacted, is amended to read as follows:

24 SECTION 1. LOESS HILLS STUDY AND REPORT. The
25 loess hills development and conservation authority, in
26 consultation with the state advisory board for
27 preserves, shall conduct a comprehensive study to
28 determine the archaeological and paleontological
29 significance and the significance of the flora and
30 fauna of the loess hills and to determine the
31 feasibility of designating land in the loess hills for
32 dedication as a state native prairie preserve and of
33 other various uses of the loess hills. The ~~natural~~
34 ~~resource commission~~ loess hills development and
35 conservation authority may accept gifts, grants,
36 bequests, and other private contributions, as well as
37 federal, state, or local funds for the purposes of
38 conducting the study. The loess hills development and
39 conservation authority and the state advisory board
40 for preserves shall file a joint report containing
41 their findings and recommendations with the
42 legislative services agency by December 15, 2006, for
43 distribution to the general assembly.

44 Sec. _____. EFFECTIVE AND RETROACTIVE APPLICABILITY
45 DATES.

46 1. The sections of this division of this Act
47 amending sections 9H.1 and 10B.1, Code Supplement
48 2003, and 229.27, Code 2003, take effect January 1,
49 2005. The sections of this division of this Act
50 further amending sections 9H.1 and 10B.1, Code

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1 Supplement 2003, and 229.27, Code 2003, as amended by
2 this division of this Act to take effect January 1,
3 2005, take effect January 1, 2006.

4 2. The section of this division of this Act
5 amending section 260C.18A, being deemed of immediate
6 importance, takes effect upon enactment and applies
7 retroactively to July 1, 2003.

8 3. The section of this division of this Act
9 amending 2004 Iowa Acts, Senate File 2070, being
10 deemed of immediate importance, takes effect upon
11 enactment and applies retroactively to the date of
12 enactment of Senate File 2070.

DIVISION

COMMUNITY ATTRACTION AND TOURISM FUND

13
14
15 Sec. _____. Section 15F.204, subsection 3, Code
16 2003, is amended to read as follows:

17 3. The fund shall be used to provide assistance
18 only from funds, rights, and assets legally available
19 to the board in the form of grants, loans, forgivable
20 loans, and credit enhancements and financing
21 instruments under the community attraction and tourism
22 program established in section 15F.202. A project
23 with a total cost exceeding twenty million dollars may
24 receive financial assistance under the program. An
25 applicant under the community attraction and tourism
26 program shall not receive financial assistance from
27 the fund in an amount exceeding fifty percent of the
28 total cost of the project.

29 Sec. _____. Section 15F.204, Code 2003, is amended
30 by adding the following new subsection:

31 NEW SUBSECTION. 8. a. There is appropriated from
32 the rebuild Iowa infrastructure fund to the community
33 attraction and tourism fund, the following amounts:

34 (1) For the fiscal year beginning July 1, 2004,
35 and ending June 30, 2005, the sum of twelve million
36 dollars.

37 (2) For the fiscal year beginning July 1, 2005,
38 and ending June 30, 2006, the sum of five million
39 dollars.

40 (3) For the fiscal year beginning July 1, 2006,
41 and ending June 30, 2007, the sum of five million
42 dollars.

43 (4) For the fiscal year beginning July 1, 2007,
44 and ending June 30, 2008, the sum of five million
45 dollars.

46 b. There is appropriated from the franchise tax
47 revenues deposited in the general fund of the state to
48 the community attraction and tourism fund, the
49 following amounts:

50 (1) For the fiscal year beginning July 1, 2005,

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1 and ending June 30, 2006, the sum of seven million
2 dollars.

3 (2) For the fiscal year beginning July 1, 2006,
4 and ending June 30, 2007, the sum of seven million
5 dollars.

6 (3) For the fiscal year beginning July 1, 2007,
7 and ending June 30, 2008, the sum of seven million
8 dollars.

9 Notwithstanding the allocation requirements in
10 subsection 5, the board may make a multiyear
11 commitment to an applicant of up to four million
12 dollars in any one fiscal year.

DIVISION

REGULATORY EFFICIENCY COMMISSION

15 Sec. ____ . REGULATORY EFFICIENCY COMMISSION.

16 1. A regulatory efficiency commission is
17 established for purposes of identifying unneeded
18 regulations, fines, and fees that hinder business
19 development. The commission shall also identify
20 methods for streamlining access to regulatory
21 information.

22 2. The commission shall consist of eight voting
23 members appointed by the governor and four ex officio
24 members.

25 a. The eight voting members appointed by the
26 governor are subject to the requirements of sections
27 69.16, 69.16A, and 69.19. The eight members shall
28 consist of the following:

29 (1) Two members shall be economic development
30 representatives from two different chambers of
31 commerce. One shall be from a metropolitan area with
32 more than fifty thousand people and one shall be from
33 a metropolitan area with fifty thousand people or
34 less.

35 (2) Two members representing agricultural
36 interests.

37 (3) One member representing the Iowa association
38 of business and industry.

39 (4) Two members representing commercial-based and
40 manufacturing-based businesses.

41 (5) One member representing the Iowa environmental
42 council.

43 b. The four ex officio members shall be members of
44 the general assembly. Two members shall be from the
45 senate and two members shall be from the house of
46 representatives, with not more than one member from
47 each chamber being from the same political party. The
48 two senators shall be designated by the president of
49 the senate after consultation with the majority and
50 minority leaders of the senate. The two

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1 representatives shall be designated by the speaker of
2 the house of representatives after consultation with
3 the majority and minority leaders of the house of
4 representatives. Legislative members shall serve in
5 an ex officio, nonvoting capacity.

6 3. Meetings of the commission are subject to the
7 provisions of chapter 21.

8 4. By January 10, 2005, the commission shall
9 submit a written report to the governor and the
10 general assembly. The report shall include the
11 findings and legislative recommendations of the
12 commission. The report shall be distributed by the
13 secretary of the senate and the chief clerk of the
14 house of representatives to the chairpersons and
15 members of the administrative rules review committee
16 and the economic growth committees in the senate and
17 the house of representatives.

DIVISION

WIND ENERGY TAX CREDITS

19 Sec. ____ . NEW SECTION. 422.11J WIND ENERGY
20 PRODUCTION TAX CREDIT.

21 The taxes imposed under this division, less the
22 credits allowed under sections 422.12 and 422.12B,
23 shall be reduced by a wind energy production tax
24 credit allowed under chapter 476B.

25 Sec. ____ . Section 422.33, Code Supplement 2003, is
26 amended by adding the following new subsection:

27 NEW SUBSECTION. 16. The taxes imposed under this
28 division shall be reduced by a wind energy production
29 tax credit allowed under chapter 476B.

30 Sec. ____ . Section 422.60, Code Supplement 2003, is
31 amended by adding the following new subsection:

32 NEW SUBSECTION. 9. The taxes imposed under this
33 division shall be reduced by a wind energy production
34 tax credit allowed under chapter 476B.

35 Sec. ____ . NEW SECTION. 432.12E WIND ENERGY
36 PRODUCTION TAX CREDIT.

37 The taxes imposed under this chapter shall be
38 reduced by a wind energy production tax credit allowed
39 under chapter 476B.

40 Sec. ____ . Section 437A.6, subsection 1, paragraph
41 c, Code 2003, is amended to read as follows:

42 c. Wind energy conversion property subject to
43 section 427B.26 or eligible for a tax credit under
44 chapter 476B.

45 Sec. ____ . NEW SECTION. 476B.1 DEFINITIONS.

46 For purposes of this chapter, unless the context
47 otherwise requires:

48 1. "Board" means the utilities board within the
49 utilities division of the department of commerce.

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1 2. "Department" means the department of revenue.

2 3. "Qualified electricity" means electricity
3 produced from wind at a qualified facility.

4 4. "Qualified facility" means an electrical
5 production facility that meets all of the following:

6 a. Produces electricity from wind.

7 b. Is located in Iowa.

8 c. Was originally placed in service on or after
9 July 1, 2004, but before July 1, 2007.

10 Sec. ____ . NEW SECTION. 476B.2 GENERAL RULE.

11 The owner of a qualified facility shall, for each
12 kilowatt-hour of qualified electricity that the owner
13 sells during the ten-year period beginning on the date
14 the qualified facility was originally placed in
15 service, be allowed a wind energy production tax
16 credit to the extent provided in this chapter against
17 the tax imposed in chapter 422, divisions II, III, and
18 V, and chapter 432.

19 Sec. ____ . NEW SECTION. 476B.3 CREDIT AMOUNT.

20 1. Except as limited by subsection 2, the wind
21 energy production tax credit allowed under this
22 chapter equals the product of one cent multiplied by
23 the number of kilowatt-hours of qualified electricity
24 sold by the owner during the taxable year.

25 2. a. The maximum amount of tax credit which a
26 group of qualified facilities operating as one unit
27 may receive for a taxable year equals the rate of
28 credit times thirty-two percent of the total number of
29 kilowatts of nameplate generating capacity.

30 b. However, if for the previous taxable year the
31 amount of the tax credit for the group of qualified
32 facilities operating as one unit is less than the
33 maximum amount available as provided in paragraph "a",
34 the maximum amount for the next taxable year shall be
35 increased by the amount of the previous year's unused
36 maximum credit.

37 Sec. ____ . NEW SECTION. 476B.4 LIMITATIONS.

38 1. a. The wind energy production tax credit shall
39 not be allowed for any kilowatt-hour of electricity
40 produced on wind energy conversion property for which
41 the owner has claimed or otherwise received for that
42 property the benefit of special valuation under
43 section 427B.26 or section 441.21, subsection 8, or
44 the exemption from retail sales tax under section
45 422.45, subsection 48, or section 423.3, subsection
46 53, as applicable.

47 b. The disallowance of the tax credit pursuant to
48 paragraph "a" does not apply to an owner of a
49 qualified facility that owns, directly or indirectly,
50 in the aggregate, a total annual turbine nameplate

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1 capacity of all such property of less than one
2 megawatt. A qualified facility under this paragraph
3 shall not be owned by more than one person.

4 2. The wind energy production tax credit shall not
5 be allowed for any kilowatt-hour of electricity that
6 is sold to a related person. For purpose of this
7 subsection, persons shall be treated as related to
8 each other if such persons would be treated as a
9 single employer under the regulations prescribed under
10 section 52(b) of the Internal Revenue Code. In the
11 case of a corporation that is a member of an
12 affiliated group of corporations filing a consolidated
13 return, such corporation shall be treated as selling
14 electricity to an unrelated person if such electricity
15 is sold to such a person by another member of such
16 group.

17 Sec. ____ . NEW SECTION. 476B.5 APPLICATION FOR
18 TAX CREDIT CERTIFICATES.

19 1. a. To be eligible to receive the wind energy
20 production tax credit, the owner must first receive
21 approval of the board of supervisors of the county in
22 which the qualified facility is located. The
23 application for approval may be submitted prior to
24 commencement of the construction of the qualified
25 facility but shall be submitted no later than the
26 close of the owner's first taxable year for which the
27 credit is to be applied for. The application must
28 contain the owner's name and address, the address of
29 the qualified facility, and the dates of the owner's
30 first and last taxable years for which the credit will
31 be applied for. Within forty-five days of the receipt
32 of the application for approval, the board of
33 supervisors shall either approve or disapprove the
34 application. After the forty-five-day limit, the
35 application is deemed to be approved.

36 b. Upon approval of the application, the owner may
37 apply for the tax credit as provided in subsection 2.
38 In addition, approval of the application is acceptance
39 by the applicant for the assessment of the qualified
40 facility for property tax purposes for a period of
41 twelve years and approval by the board of supervisors
42 for the payment of the property taxes levied on the
43 qualified property to the state. For purposes of
44 property taxation, the qualified facility shall be
45 centrally assessed and shall be exempt from any
46 replacement tax under section 437A.6 for the period
47 during which the facility is subject to property
48 taxation. The property taxes to be paid to the state
49 are those property taxes which make up the
50 consolidated tax levied on the qualified facility and

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1 which are due and payable in the twelve-year period
2 beginning with the first fiscal year beginning on or
3 after the end of the owner's first taxable year for
4 which the credit is applied for. Upon approval of the
5 application, the board of supervisors shall notify the
6 county treasurer to state on the tax statement which
7 lists the taxes on the qualified facility that the
8 amount of the property taxes shall be paid to the
9 department. Payment of the designated property taxes
10 to the department shall be in the same manner as
11 required for the payment of regular property taxes and
12 failure to pay designated property taxes to the
13 department shall be treated the same as failure to pay
14 property taxes to the county treasurer.

15 c. Once the owner of the qualified facility
16 receives approval under paragraph "a", subsequent
17 approval under paragraph "a" is not required for the
18 same qualified facility for subsequent taxable years.

19 2. To receive the wind energy production tax
20 credit, an owner of the qualified facility must submit
21 an application for a tax credit certificate to the
22 board not later than thirty days after the close of
23 the taxable year for which the credit is applied for.
24 The owner's application must contain, but need not be
25 limited to, all of the following information: the
26 owner's name, tax identification number, and address,
27 the number of kilowatt-hours of qualified electricity
28 sold by the owner during the preceding taxable year,
29 the address of the qualified facility at which the
30 qualified electricity was produced, and the
31 denomination that each tax credit certificate is to
32 carry. For the first taxable year for which the
33 credit is applied for, there shall be attached to the
34 application a notarized copy of the board of
35 supervisors' approval as required in subsection 1.

36 3. The board shall, in conjunction with the
37 department, prescribe appropriate forms, including
38 board of supervisors' approval forms, and instructions
39 to enable owners to claim the tax credit allowed under
40 this chapter. If the board prescribes these forms and
41 instructions, an owner's application for a tax credit
42 certificate shall not be valid unless made on and in
43 accordance with these forms and instructions.

44 Sec. ____ . NEW SECTION. 476B.6 ISSUANCE OF TAX
45 CREDIT CERTIFICATES.

46 1. If the owner meets the criteria for eligibility
47 for the wind energy production tax credit, the board
48 shall determine the validity of the application and if
49 valid, shall approve the application for credit. Once
50 approval of the credit for a qualified facility is

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1 granted, subsequent approval is not required for the
2 same qualified facility. However, application is
3 required to be filed as provided in section 476B.5,
4 subsection 2, for purposes of the issuance of credit
5 certificates. The board shall issue one or more tax
6 credit certificates to the owner not later than thirty
7 days after the application is submitted to the board.
8 Each tax credit certificate must contain the owner's
9 name, address, and tax identification number, amount
10 of tax credits, the first taxable year the
11 certificates may be used, which shall not be for a
12 taxable year beginning prior to July 1, 2005, and the
13 expiration date of the tax credit certificate, which
14 shall be seven years from its date of issuance and any
15 other information required by the department. Once
16 issued by the board, the tax credit certificate shall
17 be binding on the board and the department and shall
18 not be modified, terminated, or rescinded. The board
19 shall notify the department and identify the qualified
20 facility for which the owner received tax credit
21 certificates that property taxes levied on the
22 qualified facility are to be paid to the department.

23 2. If the tax credit application is filed by a
24 partnership, limited liability company, S corporation,
25 estate, trust, or other reporting entity all of the
26 income of which is taxed directly to its equity
27 holders or beneficiaries, the tax credit certificate
28 may, at the election of the owner, be issued directly
29 to equity holders or beneficiaries of the owner in
30 proportion to their pro rata share of the income of
31 such entity. If the owner elects to have the tax
32 credit certificate issued directly to its equity
33 holders or beneficiaries, the owner must, in the
34 application made under section 476B.5, identify its
35 equity holders or beneficiaries, and the amount of
36 such entity's income that is allocable to each equity
37 holder or beneficiary.

38 Sec. ____ . NEW SECTION. 476B.7 TRANSFER OF TAX
39 CREDIT CERTIFICATES.

40 Wind energy production tax credit certificates
41 issued under this chapter may be transferred to any
42 person or entity. Within thirty days of transfer, the
43 transferee must submit the transferred tax credit
44 certificate to the board along with a statement
45 containing the transferee's name, tax identification
46 number, and address, and the denomination that each
47 replacement tax credit certificate is to carry and any
48 other information required by the department. Within
49 thirty days of receiving the transferred tax credit
50 certificate and the transferee's statement, the board

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1 shall issue one or more replacement tax credit
2 certificates to the transferee. Each replacement
3 certificate must contain the information required
4 under section 476B.6 and must have the same effective
5 taxable year and the same expiration date that
6 appeared in the transferred tax credit certificate.
7 Tax credit certificate amounts of less than the
8 minimum amount established by rule of the board shall
9 not be transferable. A tax credit shall not be
10 claimed by a transferee under this chapter until a
11 replacement tax credit certificate identifying the
12 transferee as the proper holder has been issued.
13 The tax credit shall only be transferred once. The
14 transferee may use the amount of the tax credit
15 transferred against the taxes imposed under chapter
16 422, divisions II, III, and V, and chapter 432 for any
17 tax year the original transferor could have claimed
18 the tax credit. Any consideration received for the
19 transfer of the tax credit shall not be included as
20 income under chapter 422, divisions II, III, and V.
21 Any consideration paid for the transfer of the tax
22 credit shall not be deducted from income under chapter
23 422, divisions II, III, and V.

24 Sec. ____ . NEW SECTION. 476B.8 USE OF TAX CREDIT
25 CERTIFICATES.

26 To claim a wind energy production tax credit under
27 this chapter, a taxpayer must attach one or more tax
28 credit certificates to the taxpayer's tax return. A
29 tax credit certificate shall not be used or attached
30 to a return filed for a taxable year beginning prior
31 to July 1, 2005. The tax credit certificate or
32 certificates attached to the taxpayer's tax return
33 shall be issued in the taxpayer's name, expire on or
34 after the last day of the taxable year for which the
35 taxpayer is claiming the tax credit, and show a tax
36 credit amount equal to or greater than the tax credit
37 claimed on the taxpayer's tax return. Any tax credit
38 in excess of the taxpayer's tax liability for the
39 taxable year may be credited to the taxpayer's tax
40 liability for the following seven taxable years or
41 until depleted, whichever is the earlier.

42 Sec. ____ . NEW SECTION. 476B.9 REGISTRATION OF
43 TAX CREDIT CERTIFICATES.

44 The board shall, in conjunction with the
45 department, develop a system for the registration of
46 the wind energy production tax credit certificates
47 issued or transferred under this chapter and a system
48 that permits verification that any tax credit claimed
49 on a tax return is valid and that transfers of the tax
50 credit certificates are made in accordance with the

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1 requirements of this chapter. The tax credit
2 certificates issued under this chapter shall not be
3 classified as a security pursuant to chapter 502.

4 Sec. _____. EFFECTIVE AND APPLICABILITY DATES. This
5 division of this Act, being deemed of immediate
6 importance, takes effect upon enactment and applies
7 retroactively to taxable years beginning on or after
8 January 1, 2004.

9 DIVISION

10 LICENSED INTERPRETER FOR THE HEARING IMPAIRED

11 Sec. _____. Section 147.1, subsection 2, paragraph
12 c, Code 2003, is amended to read as follows:

13 c. "Licensed" or "certified" when applied to a
14 physician and surgeon, podiatric physician, osteopath,
15 osteopathic physician and surgeon, physician
16 assistant, psychologist or associate psychologist,
17 chiropractor, nurse, dentist, dental hygienist,
18 optometrist, speech pathologist, audiologist,
19 pharmacist, physical therapist, occupational
20 therapist, respiratory care practitioner, practitioner
21 of cosmetology arts and sciences, practitioner of
22 barbering, funeral director, dietitian, marital and
23 family therapist, mental health counselor, social
24 worker, massage therapist, athletic trainer, ~~or~~
25 acupuncturist, or interpreter for the hearing
26 impaired, means a person licensed under this subtitle.

27 Sec. _____. Section 147.1, subsection 2, paragraph
28 f, Code 2003, is amended to read as follows:

29 f. "Profession" means medicine and surgery,
30 podiatry, osteopathy, osteopathic medicine and
31 surgery, practice as a physician assistant,
32 psychology, chiropractic, nursing, dentistry, dental
33 hygiene, optometry, speech pathology, audiology,
34 pharmacy, physical therapy, occupational therapy,
35 respiratory care, cosmetology arts and sciences,
36 barbering, mortuary science, marital and family
37 therapy, mental health counseling, social work,
38 dietetics, massage therapy, athletic training, ~~or~~
39 acupuncture, or interpreting for the hearing impaired.

40 Sec. _____. Section 147.2, unnumbered paragraph 1,
41 Code 2003, is amended to read as follows:

42 A person shall not engage in the practice of
43 medicine and surgery, podiatry, osteopathy,
44 osteopathic medicine and surgery, psychology,
45 chiropractic, physical therapy, nursing, dentistry,
46 dental hygiene, optometry, speech pathology,
47 audiology, occupational therapy, respiratory care,
48 pharmacy, cosmetology, barbering, social work,
49 dietetics, marital and family therapy or mental health
50 counseling, massage therapy, mortuary science, ~~or~~

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1 acupuncture, or interpreting for the hearing impaired,
2 or shall not practice as a physician assistant as
3 defined in the following chapters of this subtitle,
4 unless the person has obtained from the department a
5 license for that purpose.

6 Sec. _____. Section 147.13, Code 2003, is amended by
7 adding the following new subsection:

8 NEW SUBSECTION. 21. For interpreters, interpreter
9 for the hearing impaired examiners.

10 Sec. _____. Section 147.14, Code 2003, is amended by
11 adding the following new subsection:

12 NEW SUBSECTION. 21. For interpreting for the
13 hearing impaired, four members licensed to practice
14 interpreting, three of whom shall be practicing
15 interpreters at the time of appointment to the board
16 and at least one of whom is employed in an educational
17 setting; and three members who are consumers of
18 interpreting services as defined in section 154E.1,
19 each of whom shall be deaf. A majority of members of
20 the board constitutes a quorum.

21 Sec. _____. Section 147.74, Code Supplement 2003, is
22 amended by adding the following new subsection:

23 NEW SUBSECTION. 21A. An interpreter licensed
24 under chapter 154E and this chapter may use the title
25 "licensed interpreter" or the letters "L.I." after the
26 person's name.

27 Sec. _____. Section 147.80, Code Supplement 2003, is
28 amended by adding the following new subsection:

29 NEW SUBSECTION. 28A. License to practice
30 interpreting, license to practice interpreting under a
31 reciprocal license, or renewal of a license to
32 practice interpreting.

33 Sec. _____. NEW SECTION. 154E.1 DEFINITIONS.

34 As used in this chapter, unless the context
35 otherwise requires:

36 1. "Board" means the board of interpreter for the
37 hearing impaired examiners established in chapter 147.

38 2. "Consumer" means an individual utilizing
39 interpreting services who uses spoken English,
40 American sign language, or a manual form of English.

41 3. "Department" means the Iowa department of
42 public health.

43 4. "Interpreter training program" means a post-
44 secondary education program training individuals to
45 interpret or transliterate.

46 5. "Interpreting" means facilitating communication
47 between individuals who communicate via American sign
48 language and individuals who communicate via spoken
49 English.

50 6. "Licensee" means any person licensed to

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1 practice interpreting or transliterating for deaf,
2 hard-of-hearing, and hearing individuals in the state
3 of Iowa.

4 7. "Transliterating" means facilitating
5 communication between individuals who communicate via
6 a manual form of English and individuals who
7 communicate via spoken English.

8 Sec. ____ . NEW SECTION. 154E.2 DUTIES OF THE
9 BOARD.

10 The board shall administer this chapter. The
11 board's duties shall include, but are not limited to,
12 the following:

13 1. Adopt rules consistent with this chapter and
14 with chapter 147 which are necessary for the
15 performance of its duties.

16 2. Act on matters concerning licensure and the
17 process of applying for, granting, suspending,
18 imposing supervisory or probationary conditions upon,
19 reinstating, and revoking a license.

20 3. Establish and collect licensure fees. The
21 board shall establish the amounts of license and
22 renewal fees based upon the actual costs of sustaining
23 the board and the actual costs of issuing the
24 licenses, and all fees collected shall be deposited
25 with the treasurer of state who shall deposit them in
26 the general fund of the state.

27 4. Administer the provisions of this chapter
28 regarding documentation required to demonstrate
29 competence as an interpreter, and the processing of
30 applications for licenses and license renewals.

31 5. Establish and maintain as a matter of public
32 record a registry of interpreters licensed pursuant to
33 this chapter.

34 6. Develop continuing education requirements as a
35 condition of license renewal.

36 7. Evaluate requirements for licensure in other
37 states to determine if reciprocity may be granted.

38 Sec. ____ . NEW SECTION. 154E.3 REQUIREMENTS FOR
39 LICENSURE.

40 On or after July 1, 2005, every person providing
41 interpreting or transliterating services in this state
42 shall be licensed pursuant to this chapter. The board
43 shall adopt rules pursuant to chapters 17A, 147, and
44 272C establishing procedures for the licensing of new
45 and existing interpreters. Prior to obtaining
46 licensure, an applicant shall successfully pass an
47 examination prescribed and approved by the board,
48 demonstrating the following:

49 1. VOICE-TO-SIGN INTERPRETATION. An applicant
50 shall demonstrate proficiency at:

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1 a. Message equivalence, producing a true and
2 accurate signed form of the spoken message,
3 maintaining the integrity of content and meaning, and
4 exhibiting few omissions, substitutions, or other
5 errors.

6 b. Affect, producing nonmanual grammar consistent
7 with the intent and emotion of the speaker, and
8 exhibiting no distracting mannerisms.

9 c. Vocabulary choice, making correct sign choices
10 appropriate to the setting and consumers, applying
11 facial grammar consistent with sign choice, selecting
12 signs that remain true to speaker's intent, and
13 demonstrating lexical variety.

14 d. Fluency, displaying confidence in production,
15 exhibiting a strong command of American sign language
16 or manual codes for English, applying nonmanual
17 behaviors consistent with the speaker's intent, and
18 demonstrating understanding of and sensitivity to
19 cultural differences.

20 2. SIGN-TO-VOICE INTERPRETATION. An applicant
21 shall demonstrate proficiency at:

22 a. Message equivalence, producing a true and
23 accurate spoken form of the signed message,
24 maintaining the integrity of content and meaning, and
25 exhibiting few omissions, substitutions, or other
26 errors.

27 b. Affect, producing inflection consistent with
28 the intent and emotion of the speaker, and exhibiting
29 no distracting mannerisms.

30 c. Vocabulary choice, making correct word choices
31 appropriate to the setting and consumers, using vocal
32 inflection consistent with word choice, selecting
33 words that remain true to the speaker's intent, and
34 demonstrating lexical variety.

35 d. Fluency, displaying confidence in production,
36 exhibiting a strong command of English in both spoken
37 and written forms, applying vocal inflections
38 consistent with the speaker's intent, and
39 demonstrating understanding of and sensitivity to
40 cultural differences.

41 3. PROFESSIONAL CONDUCT. An applicant shall
42 demonstrate:

43 a. Proficiency in functioning as a communicator of
44 messages between the sender and receiver, and
45 educating consumers of services about the functions
46 and logistics of the interpreting process.

47 b. An impartial demeanor, refraining from
48 interjecting opinions or advice and from aligning with
49 one party over another. An applicant shall treat all
50 people fairly and respectfully regardless of their

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1 relationship to the interpreting assignment, and
2 present a professional appearance that is not visually
3 distracting and is appropriate to the setting. An
4 applicant shall exhibit knowledge and application of
5 federal and state laws pertaining to the interpreting
6 profession.

7 c. Integrity, and shall be proficient in
8 understanding and applying ethical behavior
9 appropriate for a licensee. An applicant shall
10 demonstrate discretion in accepting and meeting
11 interpreter services requests, and shall engage
12 actively in lifelong learning.

13 Sec. ____ . NEW SECTION. 154E.4 EXCEPTIONS.

14 1. A person shall not practice interpreting or
15 transliterating, or represent oneself to be an
16 interpreter, unless the person is licensed under this
17 chapter.

18 2. This chapter does not prohibit any of the
19 following:

20 a. Any person residing outside of the state of
21 Iowa holding a current license from another state that
22 meets the state of Iowa's requirements from providing
23 interpreting or transliterating services in this state
24 for up to fourteen days per calendar year without a
25 license issued pursuant to this chapter.

26 b. Any person who interprets or transliterates
27 solely in a religious setting with the exception of
28 those working in schools that receive government
29 funding.

30 c. Volunteers working without compensation,
31 including emergency situations, until a licensed
32 interpreter is obtained.

33 d. Any person working as a substitute for a
34 licensed interpreter in an early childhood,
35 elementary, or secondary education setting for no more
36 than thirty school days in a calendar year.

37 Sec. ____ . Section 272C.1, subsection 6, Code 2003,
38 is amended by adding the following new paragraph:

39 NEW PARAGRAPH. ad. The board of interpreter for
40 the hearing impaired examiners, created pursuant to
41 chapter 154E.

42 Sec. ____ . INTERPRETER STANDARDS AND REGULATIONS.

43 There is appropriated from the general fund of the
44 state to the Iowa department of public health, for the
45 fiscal year beginning July 1, 2004, and ending June
46 30, 2005, the following amount, or so much thereof as
47 is necessary, for the purpose designated:

48 For protecting the health and safety of the public
49 through establishing standards and enforcing
50 regulations of interpreters for the deaf, hard-of-

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

3	\$	60,390
4	FTEs	1.00

5 Sec. ____ . **TRANSITION PROVISIONS.**

6 1. The board of interpreter for the hearing
7 impaired examiners shall be provisionally established
8 as provided in section 147.14, as amended in this
9 division of this Act, effective July 1, 2004, for the
10 sole purpose of appointment of members and organizing,
11 planning, and adopting rules, as described in section
12 154E.2, as enacted in this division of this Act, which
13 rules shall be effective July 1, 2005. The board
14 shall become fully operational July 1, 2007, as
15 provided in this division of this Act.

16 2. Applicants for licensure under chapter 154E who
17 have not passed a licensure examination approved by
18 the board by July 1, 2005, shall be issued a temporary
19 license to practice interpreting for a period of two
20 years, commencing on July 1, 2005.

21 3. Applicants issued a temporary license pursuant
22 to this section shall pass a licensure examination
23 approved by the board on or before July 1, 2007, in
24 order to remain licensed as an interpreter.

25 Sec. ____ . **EFFECTIVE DATE.** This division of this
26 Act providing for the licensing of interpreters by
27 amending chapters 147 and 272C and enacting chapter
28 154E takes effect July 1, 2005.

29 **DIVISION**

30 **INCOME TAX CHECKOFFS**

31 Sec. ____ . **NEW SECTION.** 100B.13 **VOLUNTEER FIRE**
32 **FIGHTER PREPAREDNESS FUND.**

33 1. A volunteer fire fighter preparedness fund is
34 created as a separate and distinct fund in the state
35 treasury under the control of the division of fire
36 protection of the department of public safety.

37 2. Revenue for the volunteer fire fighter
38 preparedness fund shall include, but is not limited
39 to, the following:

40 a. Moneys credited to the fund pursuant to section
41 422.12F.

42 b. Moneys in the form of a devise, gift, bequest,
43 donation, or federal or other grant intended to be
44 used for the purposes of the fund.

45 3. Moneys in the volunteer fire fighter
46 preparedness fund are not subject to section 8.33.
47 Notwithstanding section 12C.7, subsection 2, interest
48 or earnings on moneys in the fund shall be credited to
49 the fund.

50 4. Moneys in the volunteer fire fighter

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1 preparedness fund are appropriated to the division of
2 fire protection of the department of public safety to
3 be used annually to pay the costs of providing
4 volunteer fire fighter training around the state and
5 to pay the costs of providing volunteer fire fighting
6 equipment.

7 Sec. _____. Section 314.28, Code 2003, is reenacted
8 to read as follows:

9 314.28 KEEP IOWA BEAUTIFUL FUND.

10 A keep Iowa beautiful fund is created in the office
11 of the treasurer of state. The fund is composed of
12 moneys appropriated or available to and obtained or
13 accepted by the treasurer of state for deposit in the
14 fund. The fund shall include moneys credited to the
15 fund as provided in section 422.12A. All interest
16 earned on moneys in the fund shall be credited to and
17 remain in the fund. Section 8.33 does not apply to
18 moneys in the fund.

19 Moneys in the fund are subject to appropriation by
20 the general assembly annually for the purposes of
21 educating and encouraging Iowans to take greater
22 responsibility for improving their community
23 environment and enhancing the beauty of the state
24 through litter prevention, improving waste management
25 and recycling efforts, and beautification projects.

26 The department may authorize payment of moneys
27 appropriated from the fund to the department upon
28 approval of an application from a private or public
29 organization. The applicant shall submit a plan for
30 litter prevention, improving waste management and
31 recycling efforts, or a beautification project along
32 with its application. The department shall establish
33 standards relating to the type of projects available
34 for assistance.

35 Sec. _____. Section 422.12A, Code Supplement 2003,
36 is reenacted to read as follows:

37 422.12A INCOME TAX REFUND CHECKOFF FOR KEEP IOWA
38 BEAUTIFUL FUND.

39 1. A person who files an individual or a joint
40 income tax return with the department of revenue under
41 section 422.13 may designate one dollar or more to be
42 paid to the keep Iowa beautiful fund as created in
43 section 314.28. If the refund due on the return or
44 the payment remitted with the return is insufficient
45 to pay the additional amount designated by the
46 taxpayer to the keep Iowa beautiful fund, the amount
47 designated shall be reduced to the remaining amount of
48 refund or the remaining amount remitted with the
49 return. The designation of a contribution to the keep
50 Iowa beautiful fund under this section is irrevocable.

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1 2. The director of revenue shall draft the income
2 tax form to allow the designation of contributions to
3 the keep Iowa beautiful fund on the tax return. The
4 department of revenue, on or before January 31, shall
5 certify the total amount designated on the tax return
6 forms due in the preceding calendar year and shall
7 report the amount to the treasurer of state. The
8 treasurer of state shall credit the amount to the keep
9 Iowa beautiful fund. However, before a checkoff
10 pursuant to this section shall be permitted, all
11 liabilities on the books of the department of revenue
12 and accounts identified as owing under section 421.17
13 and the political contribution allowed under section
14 68A.601 shall be satisfied.

15 3. Moneys in the fund are subject to appropriation
16 as provided in section 314.28.

17 4. The department of revenue shall adopt rules to
18 administer this section.

19 5. This section is subject to repeal under section
20 422.12E.

21 Sec. _____. Section 422.12E, Code Supplement 2003,
22 is amended to read as follows:

23 422.12E INCOME TAX RETURN CHECKOFFS LIMITED.

24 For tax years beginning on or after January 1, ~~1995~~
25 2004, there shall be allowed no more than ~~three~~ four
26 income tax return checkoffs on each income tax return.
27 When the same ~~three~~ four income tax return checkoffs
28 have been provided on the income tax return for ~~three~~
29 two consecutive years, the ~~checkoff two~~ checkoffs for
30 which the least amount has been contributed, in the
31 aggregate for the first ~~two~~ tax years year and through
32 March 15 of the ~~third~~ second tax year, ~~shall be~~ are
33 repealed. This section does not apply to the income
34 tax return checkoff provided in section 68A.601.

35 If more checkoffs are enacted in the same session
36 of the general assembly than there is space for
37 inclusion on the individual tax return form, the
38 earliest enacted checkoffs for which there is space
39 for inclusion on the return form shall be included on
40 the return form, and all other checkoffs enacted
41 during that session of the general assembly are
42 repealed.

43 Sec. _____. NEW SECTION. 422.12F INCOME TAX
44 CHECKOFF FOR VOLUNTEER FIRE FIGHTER PREPAREDNESS.

45 1. A person who files an individual or a joint
46 income tax return with the department of revenue under
47 section 422.13 may designate one dollar or more to be
48 paid to the volunteer fire fighter preparedness fund
49 as created in section 100B.13. If the refund due on
50 the return or the payment remitted with the return is

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1 insufficient to pay the additional amount designated
2 by the taxpayer to the volunteer fire fighter
3 preparedness fund, the amount designated shall be
4 reduced to the remaining amount of refund or the
5 remaining amount remitted with the return. The
6 designation of a contribution to the volunteer fire
7 fighter preparedness fund under this section is
8 irrevocable.

9 2. The director of revenue shall draft the income
10 tax form to allow the designation of contributions to
11 the volunteer fire fighter preparedness fund on the
12 tax return. The department of revenue, on or before
13 January 31, shall certify the total amount designated
14 on the tax return forms due in the preceding calendar
15 year and shall report the amount to the treasurer of
16 state. The treasurer of state shall credit the amount
17 to the volunteer fire fighter preparedness fund.
18 However, before a checkoff pursuant to this section
19 shall be permitted, all liabilities on the books of
20 the department of revenue and accounts identified as
21 owing under section 421.17 and the political
22 contribution allowed under section 68A.601 shall be
23 satisfied.

24 3. The department of revenue shall adopt rules to
25 administer this section.

26 4. This section is subject to repeal under section
27 422.12E.

28 Sec. ____ . EFFECTIVE AND APPLICABILITY DATES.

29 1. The section of this division of this Act
30 amending section 422.12E, being deemed of immediate
31 importance, takes effect upon enactment.

32 2. The sections of this division of this Act
33 reenacting section 422.12A and enacting section
34 422.12F apply retroactively to tax years beginning on
35 or after January 1, 2004.

36 DIVISION

37 STATE TAX IMPLEMENTATION COMMITTEE

38 Sec. ____ . STATE TAX IMPLEMENTATION COMMITTEE.

39 1. On or before July 1, 2004, the department of
40 revenue, in consultation with the department of
41 management, shall initiate and coordinate the
42 establishment of a state tax implementation committee.
43 The department of revenue and the department of
44 management shall provide staffing assistance to the
45 committee.

46 The state tax implementation committee shall
47 include four members of the general assembly, one each
48 appointed by the majority leader of the senate, the
49 speaker of the house of representatives, the minority
50 leader of the senate, and the minority leader of the

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1 house of representatives. The committee shall also
2 include members appointed by the department of
3 revenue. One member shall be appointed to represent
4 each of the following:

- 5 a. The department of revenue.
- 6 b. The department of management.
- 7 c. Counties
- 8 d. Cities.
- 9 e. School districts.
- 10 f. Local assessors.
- 11 g. County auditors.
- 12 h. Commercial property taxpayers.
- 13 i. Industrial property taxpayers.
- 14 j. Residential property taxpayers.
- 15 k. Agricultural property taxpayers.
- 16 l. Chapter 437A taxpayers.

17 One additional stakeholder shall be appointed
18 jointly by the majority leader of the senate and the
19 speaker of the house of representatives.

20 Any vacancy shall be filled in the same manner as
21 regular appointments are made.

22 The chairpersons of the committee shall be those
23 members of the general assembly appointed by the
24 majority leader of the senate and the speaker of the
25 house of representatives.

26 The members of the committee representing the
27 department of revenue and the department of management
28 are nonvoting, ex officio members.

29 The committee shall meet quarterly and at other
30 times as necessary at the call of the chairpersons.
31 Written notice of the time and place of each meeting
32 shall be given to each member of the committee. The
33 only vote taken by the committee shall be the vote
34 approving the final report in subsection 2.

35 2. The committee shall review and analyze the
36 following:

37 a. Revenue sources available to local governments
38 and school districts, including taxes, payments in
39 lieu of property taxes, fees, state appropriations,
40 and federal moneys.

41 b. Revenue sources available to the state,
42 including taxes, fees, and federal moneys, and the
43 portion of state revenues annually appropriated, or
44 otherwise disbursed, to local governments.

45 c. Exemptions, credits, deductions, exclusions,
46 and other reductions in state or local taxes made
47 available, by state statute or local ordinance, to
48 state and local taxpayers; and state reimbursement of
49 any property tax credits and exemptions.

50 d. Services provided by local governments,

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1 including those provided at the discretion of a local
2 government and those mandated by federal or state
3 statutes and regulations.

4 e. The role of property taxes in funding local
5 government services, the types of services currently
6 funded by property taxes, and the property tax
7 financing portion of the school funding formula.

8 f. Alternative systems of property taxation,
9 alternative procedures for protesting property
10 assessments, and various methods of controlling
11 property tax revenues and expenditures.

12 In conducting its review and analysis, the
13 committee shall study state and local taxes from the
14 standpoint of neutrality; competitiveness; simplicity;
15 stability; and equity, including maintenance of equity
16 among classes of taxpayers and among taxpayers within
17 the same class.

18 The committee may hold public hearings to allow
19 persons and organizations to be heard.

20 The committee shall submit a final report to the
21 general assembly no later than final adjournment of
22 the 2005 regular legislative session. The report
23 shall summarize the committee's activities to date,
24 analyze issues studied to date, and may include such
25 other information that the committee deems relevant
26 and necessary.

27 3. The committee may request from any state agency
28 or official the information and assistance as needed
29 to perform the review and analysis required in
30 subsection 2. A state agency or official shall
31 furnish the information or assistance requested within
32 the authority and resources of the state agency or
33 official. This subsection does not allow the
34 examination or copying of any public record required
35 by law to be kept confidential.

36 Sec. _____. FUTURE REPEAL. The section of this
37 division of this Act establishing the state tax
38 implementation committee is repealed effective June
39 30, 2005.

40 Sec. _____. 2003 Iowa Acts, First Extraordinary
41 Session, chapter 1, section 41, is repealed.

42 Sec. _____. EFFECTIVE DATE. This division of this
43 Act, being deemed of immediate importance, takes
44 effect upon enactment.

45 DIVISION

46 911 EMERGENCY

47 Sec. _____. Section 34A.1, Code 2003, is amended to
48 read as follows:

49 34A.1 PURPOSE.

50 The legislature general assembly finds that

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1 enhanced 911 emergency telephone communication systems
2 and other emergency 911 notification devices further
3 the public interest and protect the health, safety,
4 and welfare of the people of Iowa. The purpose of
5 this chapter is to enable the orderly development,
6 installation, and operation of enhanced 911 emergency
7 telephone communication systems and other emergency
8 911 notification devices statewide. These systems are
9 to be operated under governmental management and
10 control for the public benefit.

11 Sec. ____ . Section 34A.2, Code 2003, is amended to
12 read as follows:

13 34A.2 DEFINITIONS.

14 As used in this chapter, unless the context
15 otherwise requires:

16 1. "Access line" means ~~a local~~ an exchange access
17 line that has the ability to access local dial tone
18 and reach a local public safety agency answering
19 point.

20 2. "Administrator" means the ~~E911~~ administrator
21 ~~appointed pursuant to section 34A.2A~~ of the homeland
22 security and emergency management division of the
23 department of public defense.

24 3. "Competitive local exchange service provider"
25 means the same as defined in section 476.96.

26 4. "Emergency 911 notification device" means a
27 product capable of accessing a public safety answering
28 point through the 911 system.

29 ~~3- 5.~~ 5. "Enhanced 911" or "E911" means a service
30 ~~which that~~ that provides the user of a public telephone
31 ~~system~~ communications service with the ability to
32 reach a public safety answering point by dialing the
33 digits 911, and which that has the following
34 additional features:

35 a. Routes an incoming 911 call to the appropriate
36 public safety answering point ~~selected from the public~~
37 ~~safety answering points operating in a 911 service~~
38 ~~area.~~

39 b. Automatically provides voice, displays the
40 name, address or location, and telephone number of an
41 incoming 911 call and public safety agency servicing
42 ~~the address on a video monitor at the appropriate~~
43 ~~public safety answering point location.~~

44 ~~4- 6.~~ 6. "Enhanced 911 service area" means the
45 geographic area to be serviced, or currently serviced
46 under an enhanced 911 service plan, provided that an
47 enhanced 911 service area must at minimum encompass
48 one entire county. The enhanced 911 service area may
49 encompass more than one county, and need not be
50 restricted to county boundaries.

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1 ~~5-~~ 7. "Enhanced 911 service plan" means a plan
2 that includes the following information:
3 a. A description of the enhanced 911 service area.
4 b. A list of all public and private safety
5 agencies within the enhanced 911 service area.
6 c. The number of public safety answering points
7 within the enhanced 911 service area.
8 d. Identification of the agency responsible for
9 management and supervision of the enhanced 911
10 emergency telephone communication system.
11 e. A statement of estimated costs to be incurred
12 by the joint E911 service board or the department of
13 public safety, including separate estimates of the
14 following:
15 (1) Nonrecurring costs, including, but not limited
16 to, public safety answering points, network equipment,
17 software, database, addressing, initial training, and
18 other capital and start-up expenditures, including the
19 purchase or lease of subscriber names, addresses, and
20 telephone information from the local exchange service
21 provider.
22 (2) Recurring costs, including, but not limited
23 to, network access fees and other telephone charges,
24 software, equipment, and database management, and
25 maintenance, including the purchase or lease of
26 subscriber names, addresses, and telephone information
27 from the local exchange service provider. Recurring
28 costs shall not include personnel costs for a public
29 safety answering point.
30 Funds deposited in an E911 service fund ~~shall be~~
31 are appropriated and shall be used for the payment of
32 costs ~~which that~~ are limited to nonrecurring and
33 recurring costs directly attributable to the provision
34 of 911 emergency telephone communication service and
35 may include costs for portable and vehicle radios,
36 communication towers and associated equipment, and
37 other radios and associated equipment permanently
38 located at the public safety answering point and as
39 directed by either the joint E911 service board or the
40 department of public safety. Costs do not include
41 expenditures for any other purpose, and specifically
42 exclude costs attributable to other emergency services
43 or expenditures for buildings or personnel, except for
44 the costs of personnel for database management and
45 personnel directly associated with addressing.
46 f. Current equipment operated by affected local
47 exchange service providers, and central office
48 equipment and technology upgrades necessary for the
49 provider to implement enhanced 911 service within the
50 enhanced 911 service area ~~on or before July 1, 1992.~~

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- 1 g. A schedule for implementation of the plan
2 throughout the E911 service area. The schedule may
3 provide for phased implementation. ~~However, a joint~~
4 ~~911 service board may decide not to implement E911~~
5 ~~service.~~
- 6 h. The number of telephone access lines capable of
7 access to 911 in the enhanced 911 service area.
- 8 i. The total property valuation in the enhanced
9 911 service area.
- 10 ~~6. "Enhanced 911 service surcharge" is a charge~~
11 ~~set by the E911 service area operating authority and~~
12 ~~assessed on each access line which physically~~
13 ~~terminates within the E911 service area.~~
- 14 8. "Local exchange carrier" means the same as
15 defined in section 476.96.
- 16 ~~7.~~ 9. "Local exchange service provider" means a
17 person vendor engaged in providing telecommunications
18 service between points within an exchange and includes
19 but is not limited to a competitive local exchange
20 service provider and a local exchange carrier.
- 21 10. "Program manager" means the E911 program
22 manager appointed pursuant to section 34A.2A.
- 23 ~~8.~~ 11. "Provider" means a person vendor who
24 provides, or offers to provide, E911 equipment,
25 installation, maintenance, or exchange access services
26 within the enhanced 911 service area.
- 27 ~~9.~~ 12. "Public or private safety agency" means a
28 unit of state or local government, a special purpose
29 district, or a private firm which provides or has the
30 authority to provide fire fighting, police, ambulance,
31 or emergency medical services, or hazardous materials
32 response.
- 33 ~~10.~~ 13. "Public safety answering point" means a
34 twenty-four hour local jurisdiction twenty-four-hour
35 public safety communications facility which that
36 receives enhanced 911 service calls and directly
37 dispatches emergency response services or relays calls
38 to the appropriate public or private safety agency.
- 39 14. "Wireless E911 phase 1" means a 911 call made
40 from a wireless device in which the wireless service
41 provider delivers the call-back number and address of
42 the tower that received the call to the appropriate
43 public safety answering point.
- 44 15. "Wireless E911 phase 2" means a 911 call made
45 from a wireless device in which the wireless service
46 provider delivers the call-back number and the
47 latitude and longitude coordinates of the wireless
48 device to the appropriate public safety answering
49 point.
- 50 16. "Wire-line E911 service surcharge" is a charge

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1 set by the E911 service area operating authority and
2 assessed on each wire-line access line which
3 physically terminates within the E911 service area.

4 Sec. ____ . Section 34A.2A, Code 2003, is amended to
5 read as follows:

6 34A.2A ADMINISTRATOR PROGRAM MANAGER --

7 APPOINTMENT -- DUTIES.

8 1. The administrator of the division of homeland
9 security and emergency management division of the
10 department of public defense shall appoint an E911
11 administrator program manager to administer this
12 chapter.

13 2. The E911 administrator program manager shall
14 act under the supervisory control of the administrator
15 of the division of homeland security and emergency
16 management division of the department of public
17 defense, and in consultation with the E911
18 communications council, and perform the duties
19 specifically set forth in this chapter and as assigned
20 by the administrator.

21 Sec. ____ . Section 34A.3, Code 2003, is amended to
22 read as follows:

23 34A.3 JOINT 911 E911 SERVICE BOARD -- 911 SERVICE
24 PLAN -- IMPLEMENTATION -- WAIVERS.

25 1. JOINT 911 E911 SERVICE BOARDS TO SUBMIT --
26 PLANS.

27 a. The board of supervisors of each county shall
28 establish maintain a joint 911 E911 service board not
29 later than January 1, 1989.

30 (1) Each political subdivision of the state having
31 a public safety agency serving territory within the
32 county is entitled to voting membership on the joint
33 911 E911 service board. Each private safety agency
34 operating within the area is entitled to nonvoting
35 membership on the board.

36 (2) A township which that does not operate its own
37 public safety agency, but contracts for the provision
38 of public safety services, is not entitled to
39 membership on the joint 911 E911 service board, but
40 its contractor is entitled to membership according to
41 the contractor's status as a public or private safety
42 agency.

43 b. The joint 911 E911 service board shall develop
44 maintain an enhanced 911 service plan encompassing at
45 minimum the entire county, unless an exemption is
46 granted by the administrator program manager
47 permitting a smaller E911 service area.

48 (1) The administrator program manager may grant a
49 discretionary exemption from the single county minimum
50 service area requirement based upon an E911 a joint

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1 E911 service board's or other E911 service plan
2 operating authority's presentation of evidence which
3 supports the requested exemption if the ~~administrator~~
4 program manager finds that local conditions make
5 adherence to the minimum standard unreasonable or
6 technically infeasible, and that the purposes of this
7 chapter would be furthered by granting an exemption.
8 The minimum size requirement is intended to prevent
9 unnecessary duplication of public safety answering
10 points and minimize other administrative, personnel,
11 and equipment expenses. ~~An E911 service area must~~
12 ~~encompass a geographically contiguous area. No~~
13 ~~exemption shall be granted from the contiguous area~~
14 ~~requirement.~~

15 (2) The ~~administrator~~ program manager may order
16 the inclusion of a specific territory in an adjoining
17 E911 service plan area to avoid the creation by
18 exclusion of a territory smaller than a single county
19 not serviced by surrounding E911 service plan areas
20 upon request of the joint ~~911~~ E911 service board
21 representing the territory.

22 c. The E911 service plan operating authority shall
23 submit proposed changes to the plan on or before
24 January 1, 1994, to all of the following:

25 a. (1) The ~~administrator~~ program manager.

26 b. (2) Public and private safety agencies in the
27 enhanced 911 service area.

28 e. (3) Providers Local exchange service providers
29 affected by the enhanced 911 service plan.

30 ~~An E911 joint service board that has a state-~~
31 ~~approved service plan in place prior to July 1, 1993,~~
32 ~~is exempt from the provisions of this section. The~~
33 ~~administrator shall establish, by July 1, 1994, E911~~
34 ~~service plans for those E911 joint service boards~~
35 ~~which do not have a state-approved service plan in~~
36 ~~place on or before January 1, 1994.~~

37 ~~The administrator shall prepare a summary of the~~
38 ~~plans submitted and present the summary to the~~
39 ~~legislature on or before August 1, 1994.~~

40 2. COMPLIANCE WAIVERS AVAILABLE IN LIMITED
41 CIRCUMSTANCES.

42 a. The ~~administrator~~ program manager may extend,
43 ~~in whole or in part,~~ the time period for plan
44 implementation by issuing for implementation of an
45 enhanced 911 service plan beyond the scheduled plan of
46 implementation, by issuance of a compliance waiver.

47 b. The compliance waiver shall be based upon a
48 joint ~~911~~ E911 service board's presentation of
49 evidence which supports an extension if the
50 ~~administrator~~ program manager finds that local

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1 conditions make implementation financially
2 unreasonable or technically infeasible by the
3 originally scheduled plan of implementation.

4 c. The compliance waiver shall be for a set period
5 of time, and subject to review and renewal or denial
6 of renewal upon its expiration.

7 d. The waiver may cover all or a portion of a 911
8 service plan's enhanced 911 service area to facilitate
9 phased implementation when possible.

10 e. The granting of a compliance waiver does not
11 create a presumption that the identical or similar
12 waiver will be extended in the future.

13 f. Consideration of compliance waivers shall be on
14 a case-by-case basis.

15 3. CHAPTER 28E AGREEMENT -- ALTERNATIVE TO JOINT
16 ~~911~~ E911 SERVICE BOARD. A legal entity created
17 pursuant to chapter 28E by a county or counties, other
18 political divisions, and public or private agencies to
19 jointly plan, implement, and operate a countywide, or
20 larger, enhanced 911 service system may be substituted
21 for the joint ~~911~~ E911 service board required under
22 subsection 1.

23 An alternative legal entity created pursuant to
24 chapter 28E as a substitute for a joint ~~911~~ E911
25 service board, as permitted by this subsection, may be
26 created by either:

27 a. Agreement of the parties entitled to voting
28 membership on a joint ~~911~~ E911 service board.

29 b. Agreement of the members of a joint ~~911~~ E911
30 service board.

31 An alternative chapter 28E entity has all of the
32 powers of a joint ~~911~~ E911 service board and any
33 additional powers granted by the agreement. As used
34 in this chapter, "joint ~~911~~ E911 service board"
35 includes an alternative chapter 28E entity created for
36 that purpose, except as specifically limited by the
37 chapter 28E agreement or unless clearly provided
38 otherwise in this chapter. A chapter 28E agreement
39 related to E911 service shall permit the participation
40 of a private safety agency or other persons allowed to
41 participate in a joint ~~911~~ E911 service board, but the
42 terms, scope, and conditions of participation are
43 subject to the chapter 28E agreement.

44 4. PARTICIPATION IN JOINT E911 SERVICE BOARD
45 REQUIRED. A political subdivision or state agency
46 having a public safety agency within its territory or
47 jurisdiction shall participate in a joint E911 service
48 board and cooperate in ~~preparing~~ maintaining the E911
49 service plan.

50 Sec. _____. Section 34A.4, Code 2003, is amended to

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1 read as follows:

2 34A.4 ~~REQUIRED CONVERSION REQUIREMENTS OF PAY~~
3 ~~TELEPHONES AND OTHER TELECOMMUNICATIONS DEVICES TO~~
4 ~~ALLOW 911 CALLS WITHOUT DEPOSITING COINS OR OTHER~~
5 ~~CHARGE.~~

6 ~~1. CONVERSION AND NOTICE REQUIRED. When an~~
7 ~~enhanced 911 service system becomes operational or as~~
8 ~~soon as feasible thereafter, each provider or other~~
9 ~~owner or lessee of a pay station telephone to be~~
10 ~~operated within the enhanced 911 service area shall do~~
11 ~~the following:~~

12 ~~a. Convert each telephone to permit a caller to~~
13 ~~dial 911 without first inserting a coin or paying any~~
14 ~~other charge.~~

15 ~~b. Prominently display on each pay telephone a~~
16 ~~notice advising callers to dial 911 in an emergency~~
17 ~~and that deposit of a coin is not required.~~

18 ~~2. CERTAIN PAY PHONES PROHIBITED WITHIN SERVICE~~
19 ~~AREA. After commencement of enhanced 911 service in~~
20 ~~In an enhanced 911 service area, a person shall not~~
21 ~~install or offer for use within the enhanced 911~~
22 ~~service area a pay station telephone or other fixed~~
23 ~~device unless the telephone or device is capable of~~
24 ~~accepting making a 911 call without prior insertion of~~
25 ~~a coin or payment of any other charge, and unless the~~
26 ~~telephone or device displays notice of free 911~~
27 ~~service.~~

28 Sec. ____ . Section 34A.6, subsection 1, unnumbered
29 paragraph 1, Code 2003, is amended to read as follows:

30 Before a joint E911 service board may request
31 imposition of the surcharge by the ~~administrator~~
32 program manager, the board shall submit the following
33 question to voters, as provided in subsection 2, in
34 the proposed E911 service area, and the question shall
35 receive a favorable vote from a simple majority of
36 persons submitting valid ballots on the following
37 question within the proposed E911 service area:

38 Sec. ____ . Section 34A.7, unnumbered paragraph 1,
39 Code 2003, is amended to read as follows:

40 When an E911 service plan is implemented, the costs
41 of providing E911 service within an E911 service area
42 are the responsibility of the joint E911 service board
43 and the member political subdivisions. Costs in
44 excess of the amount raised by imposition of the E911
45 service surcharge provided for under subsection 1,
46 shall be paid by the joint E911 service board from
47 such revenue sources allocated among the member
48 political subdivisions as determined by the joint E911
49 service board. Funding is not limited to the
50 surcharge, and surcharge revenues may be supplemented

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1 by other permissible local and state revenue sources.
2 A joint ~~911~~ E911 service board shall not commit a
3 political subdivision to appropriate property tax
4 revenues to fund an E911 service plan without the
5 consent of the political subdivision. A joint ~~911~~
6 E911 service board may approve a ~~911~~ E911 service
7 plan, including a funding formula requiring
8 appropriations by participating political
9 subdivisions, subject to the approval of the funding
10 formula by each political subdivision. However, a
11 political subdivision may agree in advance to
12 appropriate property tax revenues or other moneys
13 according to a formula or plan developed by an
14 alternative chapter 28E entity.

15 Sec. _____. Section 34A.7, subsections 1, 2, 3, and
16 4, Code 2003, are amended to read as follows:

17 1. LOCAL WIRE-LINE E911 SERVICE SURCHARGE
18 IMPOSITION.

19 a. To encourage local implementation of E911
20 service, one source of funding for E911 emergency
21 telephone communication systems shall come from a
22 surcharge per month, per access line on each access
23 line subscriber, except as provided in subsection 5,
24 equal to the lowest amount of the following:

25 (1) One dollar.

26 (2) An amount less than one dollar, which would
27 fully pay both recurring and nonrecurring costs of the
28 E911 service system within five years from the date
29 the maximum surcharge is imposed.

30 (3) The maximum monetary limitation approved by
31 referendum.

32 b. The surcharge shall be imposed by order of the
33 ~~administrator~~ program manager as follows:

34 (1) The ~~administrator~~ program manager shall notify
35 a local exchange service provider scheduled to provide
36 exchange access line service to an E911 service area,
37 that implementation of an E911 service plan has been
38 approved by the joint ~~911~~ E911 service board and by
39 the service area referendum, and that collection of
40 the surcharge is to begin within one hundred days.

41 (2) ~~The notice shall be provided at least one~~
42 ~~hundred days before the surcharge must be billed for~~
43 ~~the first time~~ program manager shall also provide
44 notice to all affected public safety answering points.

45 e. ~~The surcharge shall terminate at the end of~~
46 ~~twenty-four months, unless either, or both, of the~~
47 ~~following conditions is met:~~

48 ~~(1) E911 service is initiated for all or a part of~~
49 ~~the E911 service area.~~

50 ~~(2) An extension is granted by the administrator~~

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1 ~~for good cause.~~

2 ~~d. The surcharge shall terminate at the end of~~
3 ~~twenty four months if the joint E911 service plan has~~
4 ~~not been approved by the administrator within eighteen~~
5 ~~months of the original notice to the provider to~~
6 ~~impose the surcharge, and shall not be reimposed until~~
7 ~~a service plan is approved by the administrator and~~
8 ~~the administrator gives providers notice as required~~
9 ~~by paragraph "a", subparagraphs (1) and (2).~~

10 2. SURCHARGE COLLECTED BY LOCAL EXCHANGE SERVICE
11 PROVIDERS.

12 a. The surcharge shall be collected as part of the
13 access line service provider's periodic billing to a
14 subscriber. In compensation for the costs of billing
15 and collection, the local exchange service provider
16 may retain one percent of the gross surcharges
17 collected. If the compensation is insufficient to
18 fully recover a local exchange service provider's
19 costs for billing and collection of the surcharge, the
20 deficiency shall be included in the local exchange
21 service provider's costs for ratemaking purposes to
22 the extent it is reasonable and just under section
23 476.6. The surcharge shall be remitted to the E911
24 service operating authority for deposit into the E911
25 service fund quarterly by the local exchange service
26 provider. The total amount for multiple exchanges may
27 be combined.

28 b. A local exchange service provider is not liable
29 for an uncollected surcharge for which the local
30 exchange service provider has billed a subscriber but
31 not been paid. The surcharge shall appear as a single
32 line item on a subscriber's periodic billing entitled,
33 "E911 emergency telephone service surcharge". The
34 E911 service surcharge is not subject to sales or use
35 tax.

36 c. The joint E911 service board may request, not
37 more than once each quarter, the following information
38 from the local exchange service provider:

39 (1) The identity of the exchange from which the
40 surcharge is collected.

41 (2) The number of lines to which the surcharge was
42 applied for the quarter.

43 (3) The number of refusals to pay per exchange if
44 applicable.

45 (4) Write-offs applied per exchange if applicable.

46 (5) The number of lines exempt per exchange.

47 (6) The amount retained by the local exchange
48 service provider generated from the one percent
49 administration fee.

50 d. Access line counts and surcharge remittances

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1 are confidential public records as provided in section
2 34A.8.

3 3. MAXIMUM LIMIT PER SUBSCRIBER BILLING FOR
4 SURCHARGE. An individual subscriber shall not be
5 required to pay on a single periodic billing the
6 surcharge on more than one hundred access lines, or
7 their equivalent, in an E911 service area. A
8 subscriber shall pay the surcharge in each E911
9 service area in which the subscriber receives access
10 line service.

11 4. E911 SERVICE FUND. Each joint E911 service
12 board shall establish and maintain as a separate
13 account an E911 service fund. Any funds remaining in
14 the account at the end of each fiscal year shall not
15 revert to the general funds of the member political
16 subdivisions, except as provided in subsection 5, but
17 shall remain in the E911 service fund. Moneys in an
18 E911 service fund may only be used for nonrecurring
19 and recurring costs of the E911 service plan as
20 approved by the ~~administrator~~ program manager, as
21 those terms are defined by section 34A.2.

22 Sec. _____. Section 34A.7, subsection 5, paragraph
23 b, subparagraphs (2) and (3), Code 2003, are amended
24 to read as follows:

25 (2) If money remains in the fund after fully
26 paying for recurring costs incurred in the preceding
27 year, the remainder may be spent to pay for
28 nonrecurring costs, not to exceed actual nonrecurring
29 costs as approved by the ~~administrator~~ program
30 manager.

31 (3) If money remains in the fund after fully
32 paying obligations under subparagraphs (1) and (2),
33 the remainder may be accumulated in the fund as a
34 carryover operating surplus. If the surplus is
35 greater than twenty-five percent of the approved
36 annual operating budget for the next year, the
37 ~~administrator~~ program manager shall reduce the
38 surcharge by an amount calculated to result in a
39 surplus of no more than twenty-five percent of the
40 planned annual operating budget. After nonrecurring
41 costs have been paid, if the surcharge is less than
42 the maximum allowed and the fund surplus is less than
43 twenty-five percent of the approved annual operating
44 budget, the ~~administrator~~ program manager shall, upon
45 application of the joint E911 service board, increase
46 the surcharge in an amount calculated to result in a
47 surplus of twenty-five percent of the approved annual
48 operating budget. The surcharge may only be adjusted
49 once in a single year, upon one hundred days' prior
50 notice to the provider.

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1 Sec. ____ . Section 34A.7A, subsection 1, Code 2003,
2 is amended to read as follows:

3 1. a. Notwithstanding section 34A.6, the
4 administrator shall adopt by rule a monthly surcharge
5 of up to ~~fifty~~ sixty-five cents to be imposed on each
6 wireless communications service number provided in
7 this state. The surcharge shall be imposed uniformly
8 on a statewide basis and simultaneously on all
9 wireless communications service numbers as provided by
10 rule of the administrator.

11 b. The ~~administrator~~ program manager shall provide
12 no less than one hundred days' notice of the surcharge
13 to be imposed to each wireless communications service
14 provider. The ~~administrator~~ program manager, subject
15 to the ~~fifty~~ sixty-five cent limit in paragraph "a",
16 may adjust the amount of the surcharge as necessary,
17 but no more than once in any calendar year.

18 c. (1) The surcharge shall be collected as part
19 of the wireless communications service provider's
20 periodic billing to a subscriber. The surcharge shall
21 appear as a single line item on a subscriber's
22 periodic billing indicating that the surcharge is for
23 E911 emergency telephone service. In the case of
24 prepaid wireless telephone service, this surcharge
25 shall be remitted based upon the address associated
26 with the point of purchase, the customer billing
27 address, or the location associated with the mobile
28 telephone number for each active prepaid wireless
29 telephone that has a sufficient positive balance as of
30 the last days of the information, if that information
31 is available. The wireless E911 service surcharge is
32 not subject to sales or use tax.

33 (2) In compensation for the costs of billing and
34 collection, the wireless communications service
35 provider may retain one percent of the gross
36 surcharges collected.

37 (3) The surcharges shall be remitted quarterly by
38 the wireless communications service provider to the
39 administrator program manager for deposit into the
40 fund established in subsection 2.

41 (4) A wireless communications service provider is
42 not liable for an uncollected surcharge for which the
43 wireless communications service provider has billed a
44 subscriber but which has not been paid. ~~The surcharge~~
45 shall appear as a single line item on a subscriber's
46 periodic billing indicating that the surcharge is for
47 E911 emergency telephone service. ~~The E911 service~~
48 surcharge is not subject to sales or use tax.

49 Sec. ____ . Section 34A.7A, subsection 2, Code 2003,
50 is amended to read as follows:

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1 2. Moneys collected pursuant to subsection 1 shall
2 be deposited in a separate wireless E911 emergency
3 communications fund within the state treasury under
4 the control of the ~~administrator~~ program manager.
5 Section 8.33 shall not apply to moneys in the fund.
6 Moneys earned as income, including as interest, from
7 the fund shall remain in the fund until expended as
8 provided in this section. Moneys in the fund shall be
9 expended and distributed ~~annually as follows~~ in the
10 following priority order:

11 a. An amount as appropriated by the general
12 assembly to the administrator shall be allocated to
13 the administrator and program manager for
14 implementation, support, and maintenance of the
15 functions of the administrator and program manager and
16 to employ the auditor of state to perform an annual
17 audit of the wireless E911 emergency communications
18 fund.

19 b. The program manager shall allocate twenty-one
20 percent of the total amount of surcharge generated to
21 wireless carriers to recover their costs to deliver
22 E911 phase 1 services. If the allocation in this
23 paragraph is insufficient to reimburse all wireless
24 carriers for such carrier's eligible expenses, the
25 program manager shall allocate a prorated amount to
26 each wireless carrier equal to the percentage of such
27 carrier's eligible expenses as compared to the total
28 of all eligible expenses for all wireless carriers for
29 the calendar quarter during which such expenses were
30 submitted. When prorated expenses are paid, the
31 remaining unpaid expenses shall no longer be eligible
32 for payment under this paragraph.

33 c. The program manager shall reimburse wire-line
34 carriers on a calendar quarter basis for carriers'
35 eligible expenses for transport costs between the
36 selective router and the public safety answering
37 points related to the delivery of wireless E911 phase
38 1 services.

39 ~~b. d. (1) The administrator shall retain funds~~
40 ~~necessary to reimburse wireless carriers for their~~
41 ~~costs to deliver E911 services. The administrator~~
42 ~~shall assure that wireless carriers recover all~~
43 ~~eligible costs associated with the implementation and~~
44 ~~operation of E911 services, including but not limited~~
45 ~~to hardware, software, and transport costs. The~~
46 ~~administrator shall adopt rules defining eligible~~
47 ~~costs which are consistent with federal law,~~
48 ~~regulations, and any order of a federal agency program~~
49 ~~manager shall reimburse wire-line carriers and third-~~
50 ~~party E911 automatic location information database~~

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1 providers on a calendar quarterly basis for the costs
2 of maintaining and upgrading the E911 components and
3 functionalities beyond the input to the E911 selective
4 router, including the E911 selective router and the
5 automatic location information database.

6 ~~(2) The administrator shall provide for the~~
7 ~~reimbursement of wireless carriers on a quarterly~~
8 ~~basis. If the total amount of moneys available in the~~
9 ~~fund for the reimbursement of wireless carriers~~
10 ~~pursuant to subparagraph (1) is insufficient to~~
11 ~~reimburse all wireless carriers for such carriers'~~
12 ~~eligible expenses, the administrator shall remit an~~
13 ~~amount to each wireless carrier equal to the~~
14 ~~percentage of such carrier's eligible expenses as~~
15 ~~compared to the total of all eligible expenses for all~~
16 ~~wireless carriers for the calendar quarter during~~
17 ~~which such expenses were submitted.~~

18 e. The program manager shall apply an amount up to
19 five hundred thousand dollars per calendar quarter to
20 any outstanding wireless E911 phase 1 obligations
21 incurred pursuant to this chapter prior to July 1,
22 2004.

23 f. (1) The program manager shall allocate an
24 amount up to one hundred fifty-nine thousand dollars
25 per calendar quarter equally to the joint E911 service
26 boards and the department of public safety that have
27 submitted an annual written request to the program
28 manager in a form approved by the program manager by
29 May 15 of each year. The program manager shall
30 allocate to each joint E911 service board and to the
31 department of public safety a minimum of one thousand
32 dollars per calendar quarter for each public safety
33 answering point within the service area of the
34 department of public safety or joint E911 service
35 board.

36 (2) Upon retirement of outstanding obligations
37 referred to in paragraph "e", the amount allocated
38 under this paragraph "f" shall be twenty-four percent
39 of the total amount of surcharge generated per
40 calendar quarter allocated as follows:

41 (a) Sixty-five percent of the total dollars
42 available for allocation shall be allocated in
43 proportion to the square miles of the service area to
44 the total square miles in this state.

45 (b) Thirty-five percent of the total dollars
46 available for allocation shall be allocated in
47 proportion to the wireless E911 calls taken at the
48 public safety answering point in the service area to
49 the total number of wireless E911 calls originating in
50 this state.

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1 (c) Notwithstanding subparagraph subdivisions (a)
2 and (b), the minimum amount allocated to each joint
3 E911 service board and to the department of public
4 safety shall be no less than one thousand dollars for
5 each public safety answering point within the service
6 area of the department of public safety or joint E911
7 service board.

8 (3) The funds allocated in this paragraph "f"
9 shall be used for communication equipment located
10 inside the public safety answering points for the
11 implementation and maintenance of wireless E911 phase
12 2. The joint E911 service boards and the department
13 of public safety shall provide an estimate of phase 2
14 implementation costs to the program manager by January
15 1, 2005.

16 ~~e. (1) The remainder of the surcharge collected~~
17 ~~shall be remitted to the administrator for~~
18 ~~distribution to the joint E911 service boards and the~~
19 ~~department of public safety pursuant to subparagraph~~
20 ~~(2) to be used for the implementation of enhanced~~
21 ~~wireless communications capabilities.~~

22 g. If moneys remain in the fund after fully paying
23 all obligations under paragraphs "a" through "f", the
24 remainder may be accumulated in the fund as a
25 carryover operating surplus. This surplus shall be
26 used to fund future phase 2 network and public safety
27 answering point improvements and wireless carriers'
28 transport costs related to wireless E911 services, if
29 those costs are not otherwise recovered by wireless
30 carriers through customer billing or other sources and
31 approved by the program manager. Notwithstanding
32 section 8.33, any moneys remaining in the fund at the
33 end of each fiscal year shall not revert to the
34 general fund of the state but shall remain available
35 for the purposes of the fund.

36 ~~(2) h. The administrator, in consultation with the~~
37 ~~program manager and the E911 communications council,~~
38 ~~shall adopt rules pursuant to chapter 17A governing~~
39 ~~the distribution of the surcharge collected and~~
40 ~~distributed pursuant to this lettered paragraph~~
41 ~~subsection. The rules shall include provisions that~~
42 ~~all joint E911 service boards and the department of~~
43 ~~public safety which answer or service wireless E911~~
44 ~~calls are eligible to receive an equitable portion of~~
45 ~~the receipts.~~

46 ~~A joint E911 service board or the department of~~
47 ~~public safety, to receive funds from the wireless E911~~
48 ~~emergency communications fund, must submit a written~~
49 ~~request for such funds to the administrator in a form~~
50 ~~as approved by the administrator. A request shall be~~

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~~1 for funding under an approved E911 service plan for
2 equipment which is directly related to the reception
3 and disposition of incoming wireless E911 calls. The
4 administrator may approve the distribution of funds
5 pursuant to such request if the administrator finds
6 that the requested funding is for equipment necessary
7 for the reception and disposition of such calls and
8 that sufficient funds are available for such
9 distribution.~~

~~10 If insufficient funds are available to fund all
11 requests, the administrator shall fund requests in an
12 order deemed appropriate by the administrator after
13 considering factors including, but not limited to, all
14 of the following:~~

~~15 (a) Documented volume of wireless E911 calls
16 received by each public safety answering point.~~

~~17 (b) The population served by each public safety
18 answering point.~~

~~19 (c) The number of wireless telephones in the
20 public safety answering point jurisdiction.~~

~~21 (d) The public safety of the citizens of this
22 state.~~

~~23 (e) Any other factor deemed appropriate by the
24 administrator, in consultation with the E911
25 communications council, and adopted by rule.~~

~~26 (3) 2A. a. The administrator program manager
27 shall submit an annual report by January 15 of each
28 year to the legislative government oversight committee
29 advising the general assembly of the status of E911
30 implementation and operations, including both land-
31 line wire-line and wireless services, and the
32 distribution of surcharge receipts, and an accounting
33 of the revenues and expenses of the E911 program.~~

~~34 b. The program manager shall submit a calendar
35 quarter report of the revenues and expenses of the
36 E911 program to the fiscal services division of the
37 legislative services agency.~~

~~38 c. The legislative government oversight committee
39 shall review the priorities of distribution of funds
40 under this chapter at least every two years.~~

~~41 Sec. ____ . Section 34A.7A, subsection 3, Code 2003,
42 is amended to read as follows:~~

~~43 3. The amount collected from a wireless service
44 provider and deposited in the fund, pursuant to
45 section 22.7, subsection 6, information provided by a
46 wireless service provider to the administrator program
47 manager consisting of trade secrets, pursuant to
48 section 22.7, subsection 3, and other financial or
49 commercial operations information provided by a
50 wireless service provider to the administrator program~~

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1 manager, shall be kept confidential as provided under
2 section 22.7. This subsection does not prohibit the
3 inclusion of information in any report providing
4 aggregate amounts and information which does not
5 identify numbers of accounts or customers, revenues,
6 or expenses attributable to an individual wireless
7 communications service provider.

8 Sec. _____. Section 34A.8, subsection 2, unnumbered
9 paragraph 2, Code 2003, is amended to read as follows:

10 The program manager, joint E911 service board, the
11 designated E911 service provider, and the public
12 safety answering point, their agents, employees, and
13 assigns shall use local exchange service information
14 provided by the local exchange service provider solely
15 for the purposes of providing E911 emergency telephone
16 service, and it shall otherwise be kept confidential.
17 A person who violates this section is guilty of a
18 simple misdemeanor.

19 Sec. _____. Section 34A.9, Code 2003, is amended to
20 read as follows:

21 34A.9 TELECOMMUNICATIONS DEVICES FOR THE ~~DEAF~~
22 SPEECH AND HEARING-IMPAIRED.

23 ~~By January 1, 1990, each county~~ Each public safety
24 answering point shall provide for the installation and
25 use of ~~at least one~~ telecommunications device devices
26 ~~for the deaf at a public safety answering point~~ speech
27 and hearing-impaired.

28 Sec. _____. NEW SECTION. 34A.10 E911 SELECTIVE
29 ROUTER.

30 On and after July 1, 2004, only the program manager
31 shall approve access to the E911 selective router.

32 Sec. _____. Section 34A.15, Code 2003, is amended by
33 adding the following new subsection:

34 NEW SUBSECTION. 1A. The auditor of state or the
35 auditor of state's designee shall serve as an ex
36 officio nonvoting member.

37 Sec. _____. Section 34A.15, subsection 2, Code 2003,
38 is amended to read as follows:

39 2. The council shall advise and make
40 recommendations to the administrator and program
41 manager regarding the implementation of this chapter.
42 Such advice and recommendations shall be provided on
43 issues at the request of the administrator or program
44 manager or as deemed necessary by the council.

45 Sec. _____. Section 16.161, unnumbered paragraph 1,
46 Code 2003, is amended to read as follows:

47 The authority shall assist the ~~administrator~~
48 program manager, appointed pursuant to section 34A.2A,
49 as provided in chapter 34A, subchapter II, and the
50 authority shall have all of the powers delegated to it

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1 by a joint E911 service board or the department of
2 public defense in a chapter 28E agreement with respect
3 to the issuance and securing of bonds or notes and the
4 carrying out of the purposes of chapter 34A.""
5 14. Title page, by striking lines 1 through 3 and
6 inserting the following: "An Act making, reducing,
7 and transferring appropriations, providing for
8 government and economic development-related taxation,
9 surcharge, and fee matters, providing for other
10 properly related matters, and including penalty and
11 effective and retroactive and other applicability date
12 provisions."

By JEFF ANGELO**S-5384** FILED APRIL 19, 2004

SENATE FILE 2298**S-5388**

1 Amend the House amendment, S-5383, to Senate File
2 2298, as amended, passed, and reprinted by the Senate,
3 as follows:

4 1. Page 28, by inserting after line 31 the
5 following:

6 "____. Page 182, by inserting after line 12 the
7 following:

8 "Sec. ____ Section 91D.1, subsection 1, Code 2003,
9 is amended by adding the following new paragraph:

10 NEW PARAGRAPH. bb. Every employer, as defined in
11 the federal Fair Labor Standards Act and federal
12 regulations adopted pursuant to that Act effective on
13 July 1, 2000, shall pay to each of the employer's
14 employees, as defined in the federal Fair Labor
15 Standards Act and federal regulations adopted pursuant
16 to that Act effective on July 1, 2000, one and one-
17 half times their base rate of pay for each hour worked
18 in excess of forty hours in each and every workweek.""

19 2. By renumbering as necessary.

By WILLIAM A. DOTZLER
DARYL BEALL
DENNIS H. BLACK
JOE BOLKCOM
MIKE CONNOLLY
THOMAS G. COURTNEY
DICK L. DEARDEN
ROBERT E. DVORSKY
GENE FRAISE
MICHAEL E. GRONSTAL
JACK HATCH

JACK HOLVECK
WALLY E. HORN
JOHN P. KIBBIE
KEITH KREIMAN
MATT McCOY
HERMAN QUIRMBACH
AMANDA RAGAN
DR. JOE M. SENG
ROGER STEWART
STEVE H. WARNSTADT

S-5388 FILED APRIL 20, 2004

LOST

SENATE FILE 2298**S-5389**

1 Amend the House amendment, S-5383, to Senate File
2 2298, as amended, passed, and reprinted by the Senate,
3 as follows:

4 1. By striking page 25, line 49, through page 26,
5 line 22.

By DENNIS H. BLACK

S-5389 FILED APRIL 20, 2004

LOST

SENATE FILE 2298**S-5390**

1 Amend the amendment, S-5384, to the House
2 amendment, S-5383, to Senate File 2298, as amended,
3 passed, and reprinted by the Senate, as follows:
4 1. Page 7, line 47, by inserting before the word
5 "Of" the following: "a."
6 2. Page 8, line 4, by striking the word
7 "unnumbered" and inserting the following: "lettered".
8 3. Page 8, by inserting after line 9 the
9 following:
10 "b. Of the amount appropriated in this subsection,
11 \$500,000 is appropriated for the establishment and
12 operation of a state veterans cemetery.
13 c. Of the amount appropriated in this subsection,
14 \$250,000 is appropriated to and shall be used by the
15 commission of veterans affairs for the veterans home
16 modification grant program. Notwithstanding section
17 8.33, moneys appropriated in this lettered paragraph
18 that remain unencumbered or unobligated at the close
19 of the fiscal year shall not revert but shall remain
20 available for expenditure for the purposes designated
21 until the close of the succeeding fiscal year or when
22 the project is completed, whichever is later.
23 d. For the purposes of this subsection, "veteran"
24 means the same as defined in section 35.1 or a
25 resident of this state who served in the armed forces
26 of the United States, completed a minimum aggregate of
27 ninety days of active federal service, and was
28 discharged under honorable conditions.
29 e. A veterans home modification grant program is
30 created under the control of the commission. The
31 veterans home modification grant program shall provide
32 grants to veterans who have a service-connected,
33 permanent disability, rating less than fifty percent
34 as verified by the United States department of
35 veterans affairs or a branch of the United States
36 armed forces. Grants shall be awarded for home
37 modifications that are designed to meet the needs of
38 the veteran with the disability who will be residing
39 in the home.
40 f. It is the intent of the general assembly that
41 the program be equitably accessible to eligible
42 veterans throughout the state.
43 g. The commission shall adopt rules pursuant to
44 chapter 17A to administer the program.
45 (1) The rules shall establish criteria for the
46 awarding of grants, including the maximum amount
47 available per grant. In determining the maximum
48 amount available per grant, the commission shall
49 consider the number of potential recipients statewide.
50 (2) The rules shall provide that eligible

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1 modifications may include but are not limited to any
2 of the following:
3 (a) Bathroom modifications.
4 (b) Installation of grab bars and handrails.
5 (c) Kitchen modifications.
6 (d) Lifting devices.
7 (e) Main-level bathroom or bedroom additions.
8 (f) Ramp additions or repair.
9 (g) Sidewalk additions or repair.
10 (h) The widening of doorways or hallways.
11 (3) The rules shall specify the types of eligible
12 residences, which shall include but are not limited to
13 single-family residences owned by the veteran.
14 (4) The rules shall provide for a waiting list
15 system to be instituted if the total amount of the
16 grants awarded in a fiscal year exceeds available
17 funding for that fiscal year."
18 3. By renumbering as necessary.

By STEVEN H. WARNSTADT

S-5390 FILED APRIL 20, 2004

LOST

SENATE FILE 2298

S-5391

1 Amend the amendment, S-5384, to the House
2 amendment, S-5383, to Senate File 2298, as amended,
3 passed, and reprinted by the Senate, as follows:
4 1. Page 19, by inserting after line 23, the
5 following:
6 "Sec. ____ . HOUSING TRUST FUND. There is
7 appropriated from the ending balance surplus in the
8 general fund of the state for the fiscal year
9 beginning July 1, 2004, and ending June 30, 2005,
10 prior to any other distribution of the ending balance
11 otherwise required by section 8.57 or any other law,
12 to the housing trust fund created in section 16.181,
13 the following amount, or so much thereof as is
14 necessary, to be used for the purposes designated:
15 For the local housing trust fund program as
16 provided in section 16.181:
17 \$
500,000"
18 2. By renumbering as necessary.

By ROBERT E. DVORSKY

S-5391 FILED APRIL 20, 2004

LOST

SENATE FILE 2298**S-5392**

1 Amend the amendment, S-5384, to the House
2 amendment, S-5383, to Senate File 2298, as amended,
3 passed, and reprinted by the Senate, as follows:
4 1. Page 10, line 2, by inserting after the word
5 "c" the following: "Of the available moneys in the
6 pooled technology account, \$100,000 shall be
7 transferred to the state department of transportation
8 to be used for establishment of a revolving fund for
9 provision of loan guarantee or credit risk premium
10 assistance for Iowa-based federal railroad
11 administration classified class I and class II
12 railroads. The loan guarantees or credit risk premium
13 assistance made from the revolving fund shall be used
14 to support applications to the federal railroad
15 rehabilitation and improvement financing program by
16 such classified railroads."

By AMANDA RAGAN

S-5392 FILED APRIL 20, 2004

LOST

SENATE FILE 2298**S-5387**

1 Amend the amendment, S-5384, to the House
2 amendment, S-5383, to Senate File 2298, as amended,
3 passed, and reprinted by the Senate, as follows:
4 1. Page 42, by inserting after line 45 the
5 following:
6 "(5) For the fiscal year beginning July 1, 2008,
7 and ending June 30, 2009, the sum of five million
8 dollars.
9 (6) For the fiscal year beginning July 1, 2009,
10 and ending June 30, 2010, the sum of five million
11 dollars."
12 2. Page 43, by inserting after line 8 the
13 following:
14 "(4) For the fiscal year beginning July 1, 2008,
15 and ending June 30, 2009, the sum of seven million
16 dollars.
17 (5) For the fiscal year beginning July 1, 2009,
18 and ending June 30, 2010, the sum of seven million
19 dollars."

By STEVE KETTERING

S-5387 FILED APRIL 20, 2004

ADOPTED

SENATE FILE 2298

S-5393

1 Amend the amendment, S-5384, to the House
2 amendment, S-5383, to Senate File 2298, as amended,
3 passed, and reprinted by the Senate, as follows:

4 1. Page 28, by inserting after line 47 the
5 following:

6 "Sec. ____ . Section 432.1, subsection 6, paragraph
7 b, unnumbered paragraph 1, Code Supplement 2003, is
8 amended to read as follows:

9 In addition to the prepayment amount in paragraph
10 "a", each life insurance company or association which
11 is subject to tax under subsection 1 of this section
12 and each mutual health service corporation which is
13 subject to tax under section 432.2 shall remit on or
14 before ~~June 30~~ August 15, on a prepayment basis, an
15 additional amount equal to the following percent of
16 the premium tax liability for the preceding calendar
17 year as follows:

18 Sec. ____ . Section 432.1, subsection 6, paragraph
19 c, unnumbered paragraph 1, Code Supplement 2003, is
20 amended to read as follows:

21 In addition to the prepayment amount in paragraph
22 "a", each insurance company or association, other than
23 a life insurance company or association, which is
24 subject to tax under subsection 3 shall remit on or
25 before ~~June 30~~ August 15, on a prepayment basis, an
26 additional amount equal to the following percent of
27 the premium tax liability for the preceding calendar
28 year as follows:

29 Sec. ____ . Section 518.18, subsection 3, paragraph
30 b, unnumbered paragraph 1, Code Supplement 2003, is
31 amended to read as follows:

32 In addition to the prepayment amount in paragraph
33 "a", each association shall remit on or before ~~June 30~~
34 August 15, on a prepayment basis, an additional amount
35 equal to the following percent of the premium tax
36 liability for the preceding calendar year as follows:

37 Sec. ____ . Section 518A.35, subsection 3, paragraph
38 b, unnumbered paragraph 1, Code Supplement 2003, is
39 amended to read as follows:

40 In addition to the prepayment amount in paragraph
41 "a", each association shall remit on or before ~~June 30~~
42 August 15, on a prepayment basis, an additional amount
43 equal to the following percent of the premium tax
44 liability for the preceding calendar year as follows:"

45 2. Page 30, by inserting after line 6 the
46 following:

47 "Sec. ____ . EFFECTIVE DATE. The sections of this
48 division of this Act amending sections 432.1, 518.18,
49 and 518A.35, being deemed of immediate importance,
50 take effect upon enactment."

By LARRY MCKIBBEN

S-5393 FILED APRIL 20, 2004

ADOPTED

SENATE FILE 2298

S-5394

1 Amend the amendment, S-5384, to the House
 2 amendment, S-5383, to Senate File 2298, as amended,
 3 passed, and reprinted by the House, as follows:
 4 1. Page 3, by striking lines 18 and 19.
 5 2. Page 5, by inserting after line 1 the
 6 following:
 7 "____. For deposit in the community attraction and
 8 tourism fund, notwithstanding section 8.57, subsection
 9 5, paragraph "c":
 10 FY 2004-2005..... \$
 1,770,000
 11 Of the funds appropriated in this lettered
 12 paragraph, \$200,000 shall be used for a grant for a
 13 utility development business park located in Clinton."
 14 3. By renumbering as necessary.

By ROGER STEWART

S-5394 FILED APRIL 20, 2004

LOST

SENATE FILE 2298

S-5395

1 Amend the amendment, S-5384, to the House
 2 amendment, S-5383, to Senate File 2298, as amended,
 3 passed, and reprinted by the Senate, as follows:
 4 1. Page 10, line 2, by inserting after the word
 5 ""c"." the following: "Of the available moneys in the
 6 pooled technology account, \$150,000 shall be
 7 transferred to the state department of transportation
 8 to be used for the establishment of a revolving loan
 9 fund for loans to provide new or rehabilitated track
 10 for the shipment of commodities by cooperative
 11 associations. The loan requirements shall provide a
 12 preference to cooperative associations that do not
 13 have railcar loading facilities and shall limit
 14 eligibility to those rehabilitation projects involving
 15 a maximum capacity of 25 railcars."

By AMANDA RAGAN

S-5395 FILED APRIL 20, 2004

LOST

SENATE FILE 2298**S-5396**

1 Amend the amendment, S-5384, to the House
2 amendment, S-5383, to Senate File 2298, as amended,
3 passed, and reprinted by the Senate, as follows:
4 1. Page 8, by inserting after line 26, the
5 following:
6 "Of the amount allocated by the state board of
7 regents to Iowa state university of science and
8 technology, \$100,000 shall be provided in the form of
9 a grant to the city of Ames to address costs incurred
10 as a result of the violent behavior of students during
11 the 2004 VEISHEA celebration."

By BRYAN J. SIEVERS
BOB BRUNKHORST
STEVE KETTERING

S-5396 FILED APRIL 20, 2004
WITHDRAWN

SENATE FILE 2298**S-5397**

1 Amend the amendment, S-5384, to the House
2 amendment, S-5383, to Senate File 2298, as amended,
3 passed, and reprinted by the Senate, as follows:
4 1. Page 6, line 12, by striking the figure
5 "500,000" and inserting the following: "3,000,000".

By HERMAN C. QUIRMBACH
JOE BOLKCOM

S-5397 FILED APRIL 20, 2004
WITHDRAWN

SENATE FILE 2298**S-5398**

1 Amend the amendment, S-5384, to the House
2 amendment, S-5383, to Senate File 2298, as amended,
3 passed, and reprinted by the Senate, as follows:
4 1. By striking page 42, line 46, through page 43,
5 line 8.
6 2. Page 43, line 9, by inserting before the word
7 "Notwithstanding" the following: "b."

By STEVEN H. WARNSTADT

S-5398 FILED APRIL 20, 2004
WITHDRAWN

SENATE FILE 2298

S-5399

1 Amend the amendment, S-5384, to the House
2 amendment, S-5383, to Senate File 2298, as amended,
3 passed, and reprinted by the Senate, as follows:

4 1. Page 19, by inserting after line 23, the
5 following:

6 "Sec. ____ . DESTINATION STATE PARK. There is
7 appropriated from the ending balance surplus in the
8 general fund of the state for the fiscal year
9 beginning July 1, 2004, and ending June 30, 2005,
10 prior to any other distribution of the ending balance
11 otherwise required by section 8.57 or any other law,
12 to the department of natural resources, the following
13 amount, or so much thereof as is necessary, to be used
14 for the purposes designated:

15 For costs associated with the planning, design, and
16 construction of a premier destination state park:

17 \$
3,000,000"

18 2. By renumbering as necessary.

By KEITH A. KREIMAN

S-5399 FILED APRIL 20, 2004

LOST

SENATE FILE 2298

S-5400

1 Amend the amendment, S-5384, to the House
2 amendment, S-5383, to Senate File 2298, as amended,
3 passed, and reprinted by the Senate, as follows:

4 1. Page 19, by inserting after line 23, the
5 following:

6 "Sec. ____ . COMMUNITY-BASED CORRECTIONS FACILITY --
7 FORT DODGE. There is appropriated from the ending
8 balance surplus in the general fund of the state for
9 the indicated fiscal years prior to any other
10 distribution of the ending balance otherwise required
11 by section 8.57 or any other law, to the department of
12 corrections, the following amounts, or so much thereof
13 as is necessary, to be used for the purposes
14 designated:

15 For the construction of a community-based
16 correctional facility in Fort Dodge:

17 FY 2004-2005 \$
1,500,000

18 FY 2005-2006 \$
1,400,000"

19 2. By renumbering as necessary.

By DARYL BEALL

S-5400 FILED APRIL 20, 2004

LOST

SENATE FILE 2298

S-5401

1 Amend the House amendment, S-5383, to Senate File
2 2298, as amended, passed, and reprinted by the Senate,
3 as follows:

4 1. Page 10, line 5, by striking the figure
5 "45,283,894" and inserting the following:
6 "47,363,894".

7 2. Page 11, by inserting after line 43 the
8 following:

9 "____. Page 51, by inserting after line 17 the
10 following:

11 "Sec. ____ . SCHOOL FINANCE FORMULA APPROPRIATION.
12 Notwithstanding section 8.22A, subsection 3, or any
13 other provision of law to the contrary, the revenue
14 estimate agreed to by the revenue estimating
15 conference at its March 19, 2004, meeting shall be
16 used in determining the state general fund expenditure
17 limitation for the fiscal year beginning July 1, 2004.
18 The amount of the increase in the expenditure
19 limitation over the limitation based upon the revenue
20 estimate agreed to by the revenue estimating
21 conference at its December 8, 2003, meeting shall be
22 appropriated to the department of education for
23 distribution pursuant to section 257.16 to pay
24 foundation aid and supplementary aid under section
25 257.4, subsection 2. The amount appropriated in this
26 section shall be distributed on a per pupil basis to
27 school districts based upon the district's budget
28 enrollment.""

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

31 "____. Page 185, by striking lines 10 through 31."

By MIKE CONNOLLY
ROBERT E. DVORSKY

S-5401 FILED APRIL 20, 2004
LOST

SENATE FILE 2298

S-5403

1 Amend the amendment, S-5384, to the House
2 amendment, S-5383, to Senate File 2298, as amended,
3 passed, and reprinted by the Senate, as follows:

4 1. Page 7, by inserting after line 35 the
5 following:

6 "____. For acquiring, constructing, and improving
7 recreational trails within the state, notwithstanding
8 section 8.57, subsection 5, paragraph "c":
9 FY 2004-2005..... \$
3,000,000"

By HERMAN C. QUIRMBACH
JOE BOLKCOM

S-5403 FILED APRIL 20, 2004
LOST

SENATE FILE 2298**S-5402**

1 Amend the amendment, S-5384, to the House
2 amendment, S-5383, to Senate File 2298, as amended,
3 passed, and reprinted by the Senate, as follows:

4 1. Page 77, by inserting after line 4 the
5 following:

6 "DIVISION _____

7 SEX OFFENDER REGISTRY

8 Sec. _____. Section 22.7, Code Supplement 2003, is
9 amended by adding the following new subsection:

10 NEW SUBSECTION. 48. Sex offender registry records
11 under chapter 692A, except as provided in section
12 692A.13.

13 Sec. _____. Section 229A.8A, subsection 4, Code
14 Supplement 2003, is amended to read as follows:

15 4. ~~For purposes of registering as a sex offender~~
16 ~~under chapter 692A, a person placed in the~~
17 ~~transitional release program shall be classified a~~
18 ~~"high risk" sex offender and public notification shall~~
19 ~~be as provided in section 692A.13A, subsection 2.~~ A
20 committed person who refuses to register as a sex
21 offender is not eligible for placement in a
22 transitional release program.

23 Sec. _____. Section 692A.13, Code Supplement 2003,
24 is amended by striking the section and inserting in
25 lieu thereof the following:

26 692A.13 AVAILABILITY OF RECORDS.

27 1. The department may provide relevant information
28 from the sex offender registry to the following:

29 a. A criminal or juvenile justice agency, an
30 agency of the state, any sex offender registry of
31 another state, or the federal government.

32 b. The general public through the sex offender
33 registry's web page, except that relevant information
34 about an offender who was under twenty years of age at
35 the time the offender committed a violation of section
36 709.4, subsection 2, paragraph "c", subparagraph (4),
37 shall not be disclosed on the web page.

38 c. The single contact repository established
39 pursuant to section 135C.33, in accordance with the
40 rules adopted by the department.

41 2. A criminal or juvenile justice agency may
42 provide relevant information from the sex offender
43 registry to the following:

44 a. A criminal or juvenile justice agency, an
45 agency of the state, or any sex offender registry of
46 another state, or the federal government.

47 b. The general public, including public and
48 private agencies, organizations, public places, public
49 and private schools, child care facilities, religious
50 and youth organizations, neighbors, neighborhood

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1 associations, community meetings, and employers.
2 Registry information may be distributed to the public
3 through printed materials, visual or audio press
4 releases, or through a criminal or juvenile justice
5 agency's web page.
6 3. Any member of the public may contact a county
7 sheriff's office or police department to request
8 relevant information from the registry regarding a
9 specific person required to register under this
10 chapter. The request for information shall be in
11 writing, and shall include the name of the person and
12 at least one of the following identifiers pertaining
13 to the person about whom the information is sought:
14 a. The date of birth of the person.
15 b. The social security number of the person.
16 c. The address of the person.
17 4. A county sheriff shall also provide to any
18 person upon request access to a list of all
19 registrants in that county. However, records of a
20 person protected under 18 U.S.C. § 3521 shall not be
21 disclosed.
22 5. Relevant information provided to the general
23 public may include the offender's name, address, a
24 photograph, locations frequented by the offender,
25 relevant criminal history information from the
26 registry, and any other relevant information.
27 Relevant information provided to the public shall not
28 include the identity of any victim.
29 6. Notwithstanding sections 232.147 through
30 232.151, records concerning convictions which are
31 committed by a minor may be released in the same
32 manner as records of convictions of adults.
33 7. Sex offender registry records are confidential
34 records pursuant to section 22.7 and shall only be
35 released as provided in this section.
36 Sec. ____ . Section 901.4, Code Supplement 2003, is
37 amended to read as follows:
38 901.4 PRESENTENCE INVESTIGATION REPORT
39 CONFIDENTIAL -- DISTRIBUTION.
40 The presentence investigation report is
41 confidential and the court shall provide safeguards to
42 ensure its confidentiality, including but not limited
43 to sealing the report, which may be opened only by
44 further court order. At least three days prior to the
45 date set for sentencing, the court shall serve all of
46 the presentence investigation report upon the
47 defendant's attorney and the attorney for the state,
48 and the report shall remain confidential except upon
49 court order. However, the court may conceal the
50 identity of the person who provided confidential

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1 information. The report of a medical examination or
2 psychological or psychiatric evaluation shall be made
3 available to the attorney for the state and to the
4 defendant upon request. The reports are part of the
5 record but shall be sealed and opened only on order of
6 the court. If the defendant is committed to the
7 custody of the Iowa department of corrections and is
8 not a class "A" felon, a copy of the presentence
9 investigation report shall be forwarded to the
10 director with the order of commitment by the clerk of
11 the district court and to the board of parole at the
12 time of commitment. Pursuant to section 904.602, the
13 presentence investigation report may also be released
14 by the department of corrections or a judicial
15 district department of correctional services to
16 another jurisdiction for the purpose of providing
17 interstate probation and parole compact services or
18 evaluations, or to a substance abuse or mental health
19 services provider when referring a defendant for
20 services. The defendant or the defendant's attorney
21 may file with the presentence investigation report, a
22 denial or refutation of the allegations, or both,
23 contained in the report. The denial or refutation
24 shall be included in the report. If the person is
25 sentenced for an offense which requires registration
26 under chapter 692A, the court shall release the report
27 to the department ~~which is responsible under section~~
28 ~~692A.13A for performing the assessment of risk.~~

29 Sec. ____ . Section 692A.13A, Code 2003, is
30 repealed.

31 Sec. ____ . APPLICABILITY OF AVAILABLE RECORDS IN
32 THE SEX OFFENDER REGISTRY. Section 692A.13, as
33 amended by this division of this Act, shall apply
34 retroactively to all offenders on the registry.

35 Sec. ____ . EFFECTIVE DATE. This division of this
36 Act, being deemed of immediate importance, takes
37 effect upon enactment.""

38 2. By renumbering as necessary.

By DONALD B. REDFERN

S-5402 FILED APRIL 20, 2004

ADOPTED

**EIGHTIETH GENERAL ASSEMBLY
2004 REGULAR SESSION
DAILY
HOUSE CLIP SHEET**

APRIL 21, 2004

SENATE FILE 2298

H-8643

1 Amend the House amendment, S-5383, to Senate File
2 2298, as amended, passed, and reprinted by the Senate,
3 as follows:
4 1. Page 1, by inserting after line 4 the
5 following:
6 " . Page 2, by striking lines 9 through 20."
7 2. Page 1, by striking lines 5 through 26 and
8 inserting the following:
9 " . Page 2, line 30, by striking the figure
10 "1,950,000" and inserting the following: "1,889,610".
11 . Page 2, line 33, by striking the figure
12 "1,950,000" and inserting the following:
13 "1,889,610".
14 3. Page 2, line 17, by striking the word
15 "PROPERTY" and inserting the following: "STATE".
16 4. Page 2, line 18, by striking the word
17 "property" and inserting the following: "state".
18 5. Page 2, by striking lines 22 through 45.
19 6. Page 3, by striking lines 8 through 10.
20 7. By striking page 3, line 25, through page 9,
21 line 3.
22 8. Page 12, by striking lines 22 through 25 and
23 inserting the following: "issued pursuant to this
24 section."
25 9. Page 13, by striking lines 38 through 40 and
26 inserting the following: "education agencies."
27 10. Page 28, by striking lines 8 through 24 and
28 inserting the following:
29 "2. ~~Six~~ Eight commissioners shall be honorably
30 discharged members of the armed forces of the United
31 States. The American legion of Iowa, disabled
32 American veterans department of Iowa, veterans of
33 foreign wars department of Iowa, American veterans of
34 World War II, Korea, and Vietnam, the Vietnam veterans
35 of America, and the military order of the purple
36 heart, through their department commanders, shall
37 submit two names respectively from their organizations
38 to the governor. The adjutant general and the Iowa
39 affiliate of the reserve officers association shall
40 submit names to the governor of persons to represent
41 the Iowa national guard and the association. The
42 governor shall appoint from the group of names
43 submitted by the adjutant general and reserve officers
44 association two representatives and from each of the
45 other organizations one representative to serve as a
46 member of the commission, unless the appointments
47 would conflict with the bipartisan and gender balance
48 provisions of sections 69.16 and 69.16A. In addition,
49 the governor shall appoint one member of the public,
50 knowledgeable in the general field of veterans

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1 affairs, to serve on the commission."

2 11. Page 28, line 30, by inserting after the word
3 "be" the following: "a resident of the state of Iowa
4 who served in the armed forces of the United States
5 and was honorably discharged, and is".

6 12. Page 30, lines 13 and 14, by striking the
7 words "~~the year preceding~~" and inserting the
8 following: "the year preceding".

9 13. Page 42, line 8, by striking the figure "21."
10 and inserting the following: "21 and inserting the
11 following:

"DIVISION

REBUILD IOWA INFRASTRUCTURE FUND

14 Sec. _____. There is appropriated from the rebuild
15 Iowa infrastructure fund to the following departments
16 and agencies for the designated fiscal years, the
17 following amounts, or so much thereof as is necessary,
18 to be used for the purposes designated:

19 1. DEPARTMENT OF ADMINISTRATIVE SERVICES

20 a. For routine maintenance of state buildings and
21 facilities, notwithstanding section 8.57, subsection
22 5, paragraph "c":

23 FY 2004-2005..... \$ 2,000,000

24 b. For relocation costs directly associated with
25 remodeling projects on the capitol complex and for
26 facility lease payments for the department of
27 corrections, the Iowa department of public health, and
28 the department of public safety, notwithstanding
29 section 8.57, subsection 5, paragraph "c":

30 FY 2004-2005..... \$ 2,271,617

31 c. For technology improvement projects,
32 notwithstanding section 8.57, subsection 5, paragraph
33 "c":

34 FY 2004-2005..... \$ 1,861,496

35 Of the amount appropriated in this lettered
36 paragraph, \$288,496 is allocated to maintain and
37 operate the enterprise warehouse technology project
38 and \$73,000 is allocated to the division of criminal
39 and juvenile justice planning of the department of
40 human rights for 1.00 full-time equivalent position to
41 provide support for the justice data warehouse
42 technology project.

43 d. For major renovation and major repair needs,
44 including health, life, and fire safety needs, and for
45 compliance with the federal Americans With
46 Disabilities Act, for state buildings and facilities
47 under the purview of the department:

48 FY 2004-2005..... \$ 4,300,000

49 (1) Of the amount appropriated in this lettered
50 paragraph, up to \$375,000 may be used for costs

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1 associated with project management services in the
2 division of design and construction within the general
3 services enterprise of the department, notwithstanding
4 section 8.57, subsection 5, paragraph "c".

5 (2) Of the amount appropriated in this lettered
6 paragraph, \$200,000 may be used for costs associated
7 with the vertical infrastructure program,
8 notwithstanding section 8.57, subsection 5, paragraph
9 "c".

10 e. For costs associated with the remodeling of the
11 records and property center:

12 FY 2004-2005..... \$ 5,000,000
13 FY 2005-2006..... \$ 4,700,000

14 f. For accent lighting systems for the soldiers
15 and sailors monument and the Allison monument on the
16 capitol complex:

17 FY 2004-2005..... \$ 35,000

18 g. For capitol interior restoration:

19 FY 2004-2005..... \$ 1,770,000

20 h. For costs associated with the purchase of
21 laboratory equipment for and the maintenance and
22 operation of the state laboratories facility located
23 in Ankeny, notwithstanding section 8.57, subsection 5,
24 paragraph "c":

25 FY 2004-2005..... \$ 355,500

26 2. DEPARTMENT FOR THE BLIND

27 For the remodeling of the orientation center:

28 FY 2004-2005..... \$ 67,000

29 3. STATE BOARD OF REGENTS

30 For maintenance at the Iowa school for the deaf and
31 the Iowa braille and sight saving school:

32 FY 2004-2005..... \$ 500,000

33 4. DEPARTMENT OF CORRECTIONS

34 a. For costs of entering into a lease-purchase
35 agreement to connect the electrical system supporting
36 the special needs unit at Fort Madison:

37 FY 2004-2005..... \$ 333,168

38 b. For construction of a community-based
39 correctional facility, including district offices, in
40 Davenport:

41 FY 2004-2005..... \$ 3,000,000

42 FY 2005-2006..... \$ 3,750,000

43 FY 2006-2007..... \$ 3,750,000

44 It is the intent of the general assembly that the
45 department of management allocate the entire
46 appropriation for the fiscal year beginning July 1,
47 2006, to the department of corrections by July 31,
48 2006.

49 5. DEPARTMENT OF CULTURAL AFFAIRS

50 a. For historical site preservation grants, to be

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1 used for the restoration, preservation, and
 2 development of historical sites:
 3 FY 2004-2005..... \$ 500,000

4 Historical site preservation grants shall only be
 5 awarded for projects which meet the definition of
 6 "vertical infrastructure" in section 8.57, subsection
 7 5, paragraph "c".

8 In making grants pursuant to this lettered
 9 paragraph, the department shall consider the existence
 10 and amount of other funds available to an applicant
 11 for the designated project. A grant awarded from
 12 moneys appropriated in this lettered paragraph shall
 13 not exceed \$100,000 per project. Not more than two
 14 grants may be awarded in the same county.

15 b. For continuation of the project recommended by
 16 the Iowa battle flag advisory committee to stabilize
 17 the condition of the battle flag collection,
 18 notwithstanding section 8.57, subsection 5, paragraph
 19 "c":

20 FY 2004-2005..... \$ 100,000

21 6. DEPARTMENT OF ECONOMIC DEVELOPMENT

22 a. For accelerated career education program
 23 capital projects at community colleges that are
 24 authorized under chapter 260G and that meet the
 25 definition of "vertical infrastructure" in section
 26 8.57, subsection 5, paragraph "c":

27 FY 2004-2005..... \$ 5,500,000

28 The moneys appropriated in this paragraph shall be
 29 allocated equally among the community colleges in the
 30 state. If any portion of the equal allocation to a
 31 community college is not obligated or encumbered by
 32 April 1, 2005, the unobligated and unencumbered
 33 portions shall be available for use by other community
 34 colleges.

35 b. For sole source grant costs associated with the
 36 hosting of the national special Olympics in Iowa by a
 37 special Olympics nonprofit entity, notwithstanding
 38 section 8.57, subsection 5, paragraph "c":

39 FY 2004-2005..... \$ 500,000

40 c. To provide a grant for the planning, design,
 41 and construction of a not-for-profit family
 42 recreational facility that will also include a cardiac
 43 rehabilitation center and a family indoor aquatic
 44 center and which will be located in a county with a
 45 population between 150,000 and 185,000:

46 FY 2004-2005..... \$ 200,000

47 d. To be used for the Iowa Lewis and Clark
 48 bicentennial commission established pursuant to
 49 section 15.221, notwithstanding section 8.57,
 50 subsection 5, paragraph "c":

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1 FY 2004-2005..... \$ 50,000

2 7. DEPARTMENT OF EDUCATION

3 a. To provide resources for structural and
4 technological improvements to local libraries and for
5 the enrich Iowa program, notwithstanding section 8.57,
6 subsection 5, paragraph "c":

7 FY 2004-2005..... \$ 600,000

8 Funds allocated for purposes of the enrich Iowa
9 program as provided in this lettered paragraph shall
10 be distributed by the division of libraries and
11 information services to provide support for Iowa's
12 libraries.

13 b. For maintenance and lease costs associated with
14 part III connections, notwithstanding section 8.57,
15 subsection 5, paragraph "c":

16 FY 2004-2005..... \$ 2,727,000

17 c. For costs associated with the remodeling of the
18 Jessie Parker building:

19 FY 2004-2005..... \$ 303,632

20 d. For allocation to the public broadcasting
21 division for costs of installation of digital and
22 analog television for Iowa public television
23 facilities, notwithstanding section 8.57, subsection
24 5, paragraph "c":

25 FY 2004-2005..... \$ 8,000,000

26 FY 2005-2006..... \$ 8,000,000

27 FY 2006-2007..... \$ 2,300,000

28 8. DEPARTMENT OF HUMAN SERVICES

29 To provide a grant for the planning, design, and
30 construction of a residential treatment facility for
31 youth with emotional and behavioral disorders located
32 in a central Iowa county with a population of
33 approximately 80,000:

34 FY 2004-2005..... \$ 250,000

35 9. IOWA STATE FAIR AUTHORITY

36 For vertical infrastructure projects on the state
37 fairgrounds:

38 FY 2004-2005..... \$ 250,000

39 For purposes of this subsection, "vertical
40 infrastructure" means the same as defined in section
41 8.57, subsection 5, paragraph "c".

42 10. NATIONAL PROGRAM FOR PLAYGROUND SAFETY AT THE
43 UNIVERSITY OF NORTHERN IOWA

44 For the Iowa safe surfacing initiative,
45 notwithstanding section 8.57, subsection 5, paragraph
46 "c":

47 \$ 500,000

48 Not more than 2.5 percent of the funds appropriated
49 in this subsection shall be used by the national
50 program for playground safety for administrative costs

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1 associated with the Iowa safe surfacing initiative.
 2 The crumb rubber playground tiles for the
 3 initiative shall be international play equipment
 4 manufacturers association (IPEMA)-certified to the
 5 American society for testing and materials (ASTM)
 6 F1292 standard.

7 11. DEPARTMENT OF NATURAL RESOURCES

8 For costs associated with the planning, design, and
 9 construction of a premier destination state park,
 10 notwithstanding section 8.57, subsection 5, paragraph
 11 "c":

12 FY 2004-2005..... \$ 500,000

13 12. DEPARTMENT OF PUBLIC DEFENSE

14 a. For planning, design, and construction of a
 15 national guard readiness center in or near Iowa City:

16 FY 2004-2005..... \$ 2,150,000

17 b. For maintenance and repair of national guard
 18 armories and facilities:

19 FY 2004-2005..... \$ 1,269,636

20 c. For construction of a new national guard armory
 21 at Boone:

22 FY 2004-2005..... \$ 1,096,000

23 13. DEPARTMENT OF PUBLIC SAFETY

24 a. For capitol building and judicial building
 25 security, notwithstanding section 8.57, subsection 5,
 26 paragraph "c":

27 FY 2004-2005..... \$ 800,000

28 b. For capitol complex security notwithstanding
 29 section 8.57, subsection 5, paragraph "c":

30 FY 2004-2005..... \$ 300,000

31 c. For costs of entering into a lease-purchase
 32 agreement to upgrade the automated fingerprint
 33 identification system, notwithstanding section 8.57,
 34 subsection 5, paragraph "c":

35 FY 2004-2005..... \$ 550,000

36 d. For costs associated with improvements to
 37 Iowa's electronic criminal information records system
 38 to comply with national crime information center
 39 standards, notwithstanding section 8.57, subsection 5,
 40 paragraph "c":

41 FY 2004-2005..... \$ 500,000

42 e. To the division of fire safety of the
 43 department for allocation to the fire service training
 44 bureau for the planning, design, and construction of
 45 regional training facilities in the state:

46 FY 2004-2005..... \$ 150,000

47 f. To the division of fire safety of the
 48 department for allocation to the fire service training
 49 bureau to be used for the revolving loan program for
 50 equipment purchases by local fire departments, not

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1 withstanding section 8.57, subsection 5, paragraph
 2 "c":
 3 FY 2004-2005..... \$ 500,000

4 14. STATE DEPARTMENT OF TRANSPORTATION

5 a. For operation and maintenance of the network of
 6 automated weather observation and data transfer
 7 systems associated with the Iowa aviation weather
 8 system, the runway marking program for public
 9 airports, the windsock program for public airports,
 10 and the aviation improvement program, notwithstanding
 11 section 8.57, subsection 5, paragraph "c":

12 FY 2004-2005..... \$ 500,000

13 b. For vertical infrastructure improvements at the
 14 commercial air service airports within the state:

15 FY 2004-2005..... \$ 1,100,000

16 One-half of the funds appropriated in this lettered
 17 paragraph shall be allocated equally between each
 18 commercial service airport, 40 percent of the funds
 19 shall be allocated based on the percentage that the
 20 number of enplaned passengers at each commercial
 21 service airport bears to the total number of enplaned
 22 passengers in the state during the previous fiscal
 23 year, and 10 percent of the funds shall be allocated
 24 based on the percentage that the air cargo tonnage at
 25 each commercial service airport bears to the total air
 26 cargo tonnage in the state during the previous fiscal
 27 year. In order for a commercial service airport to
 28 receive funding under this lettered paragraph, the
 29 airport shall be required to submit applications for
 30 funding of specific projects to the department for
 31 approval by the state transportation commission.

32 c. For a vertical infrastructure improvement grant
 33 program for improvements at general aviation airports
 34 within the state:

35 FY 2004-2005..... \$ 581,400

36 15. OFFICE OF TREASURER OF STATE

37 For county fair infrastructure improvements for
 38 distribution in accordance with chapter 174 to
 39 qualified fairs which belong to the association of
 40 Iowa fairs:

41 FY 2004-2005..... \$ 1,060,000

42 16. COMMISSION OF VETERANS AFFAIRS

43 For deposit in the veterans trust fund established
 44 in section 35A.13, notwithstanding section 8.57,
 45 subsection 5, paragraph "c":

46 FY 2004-2005..... \$ 1,000,000

47 Of the amount appropriated in this subsection,
 48 notwithstanding contrary provisions of section 35A.13,
 49 \$500,000 is appropriated to and shall be used by the
 50 commission of veterans affairs for the establishment

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1 and operation of a veterans cemetery as required by
 2 section 35A.3, subsection 14, if enacted by this Act.
 3 Notwithstanding section 8.33, moneys appropriated in
 4 this unnumbered paragraph that remain unencumbered or
 5 unobligated at the close of the fiscal year shall not
 6 revert but shall remain available for expenditure for
 7 the purposes designated until the close of the
 8 succeeding fiscal year or when the project is
 9 completed, whichever is later.

10 Sec. ____ . PAYMENTS IN LIEU OF TUITION. There is
 11 appropriated from the rebuild Iowa infrastructure fund
 12 to the state board of regents for the fiscal year
 13 beginning July 1, 2004, and ending June 30, 2005, the
 14 following amount, or so much thereof as may be
 15 necessary, to be used for the purpose designated:

16 For allocation by the state board of regents to the
 17 state university of Iowa, the Iowa state university of
 18 science and technology, and the university of northern
 19 Iowa to reimburse the institutions for deficiencies in
 20 their operating funds resulting from the pledging of
 21 tuitions, student fees and charges, and institutional
 22 income to finance the cost of providing academic and
 23 administrative buildings and facilities and utility
 24 services at the institutions, notwithstanding section
 25 8.57, subsection 5, paragraph "c":

26 \$ 858,764

27 Sec. ____ . REVERSION. Notwithstanding section
 28 8.33, moneys appropriated from the rebuild Iowa
 29 infrastructure fund in this division of this Act shall
 30 not revert at the close of the fiscal year for which
 31 they were appropriated but shall remain available for
 32 the purposes designated until the close of the fiscal
 33 year that begins July 1, 2007, or until the project
 34 for which the appropriation was made is completed,
 35 whichever is earlier. This section does not apply to
 36 the sections in this division of this Act that were
 37 previously enacted and are amended in this division of
 38 this Act.

39 Sec. ____ . 2003 Iowa Acts, chapter 177, section 6,
 40 subsection 2, is amended to read as follows:

41 2. For costs associated with the ~~planning for the~~
 42 ~~vacation and demolition disposition~~ of the Wallace
 43 building:

44 \$ 50,000

45 The amount appropriated in this subsection shall be
 46 used to conduct a complete evaluation and analysis
 47 regarding the condition of the Wallace building,
 48 including structural, mechanical, and environmental
 49 systems and building air quality, and to make a
 50 recommendation to the general assembly no later than

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1 January 31, 2005, as to whether the Wallace building
2 should be renovated for future use or vacated and
3 demolished. The recommendation shall include cost
4 estimates for renovation of the building and for its
5 demolition.

6 Sec. _____. 2003 Iowa Acts, chapter 177, section 14,
7 is amended to read as follows:

8 SEC. 14. REVERSION. Notwithstanding section 8.33,
9 moneys appropriated in this division of this Act shall
10 not revert at the close of the fiscal year for which
11 they were appropriated but shall remain available for
12 the purposes designated until the close of the fiscal
13 year that begins July 1, ~~2006~~ 2007, or until the
14 project for which the appropriation was made is
15 completed, whichever is earlier.

16 Sec. _____. 2003 Iowa Acts, chapter 179, section
17 140, is amended to read as follows:

18 SEC. 140. Notwithstanding section 8.33,
19 unencumbered and unobligated funds remaining from the
20 appropriation made in 1996 Iowa Acts, chapter 1218,
21 section 13, subsection 2, paragraph "a", subparagraph
22 (2), as amended by 1997 Iowa Acts, chapter 215,
23 section 3, and from the appropriation made in 1997
24 Iowa Acts, chapter 215, section 4, subsection 1, shall
25 not revert but shall be available for the purposes
26 designated in those provisions until the close of the
27 fiscal year beginning July 1, ~~2003~~ 2004.

28 Of the amount of unencumbered and unobligated funds
29 identified in this section, \$180,000 shall be used for
30 the purposes described in 2003 Iowa Acts, chapter 177,
31 section 6, subsection 2, as amended by this 2004 Act.

32 Sec. _____. 2002 Iowa Acts, chapter 1173, section
33 18, as amended by 2003 Iowa Acts, chapter 179, section
34 39, is amended to read as follows:

35 SEC. 18. POOLED TECHNOLOGY FUNDING -- PRIOR
36 ALLOCATIONS -- NONREVERSION. Notwithstanding section
37 8.33, moneys appropriated and allocated in 2001 Iowa
38 Acts, chapter 189, section 5, subsection 1, which
39 remain unobligated or unexpended at the close of the
40 fiscal year for which they were appropriated shall not
41 revert, but shall remain available for expenditure for
42 the purposes for which they were appropriated and
43 allocated, for the fiscal period beginning July 1,
44 2002, and ending June 30, ~~2004~~ 2005. Notwithstanding
45 the expenditure limitation in this section, the
46 information technology enterprise within the
47 department of administrative services may expend
48 available moneys in the pooled technology account
49 established in the office of the treasurer of state to
50 complete the comprehensive study required under 2003

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1 Iowa Acts, chapter 145, section 290, subsection 2,
2 paragraph "c".

3 Sec. ____ 2000 Iowa Acts, chapter 1225, section 2,
4 as amended by 2001 Iowa Acts, chapter 185, section 2,
5 is amended to read as follows:

6 SEC. 2. There is appropriated from the rebuild
7 Iowa infrastructure fund to the department of
8 corrections for the fiscal year beginning July 1,
9 2000, and ending June 30, 2001, the following amounts,
10 or so much thereof as is necessary, to be used for the
11 purposes designated:

12 1. To supplement funds appropriated in 1998 Iowa
13 Acts, chapter 1219, section 2, subsection 3, for
14 construction of a 200-bed facility at the Iowa state
15 penitentiary at Fort Madison:

16 \$ 3,000,000

17 2. For community-based corrections projects:
18 \$ 900,000

19 The first \$300,000 of the amount appropriated in
20 this subsection shall be allocated for community-based
21 corrections projects in Council Bluffs. The next
22 \$600,000 of the amount appropriated in this subsection
23 shall be allocated for community-based corrections
24 projects in the judicial district in which the city of
25 Davenport is located. These moneys may be used by the
26 department to enter into lease-purchasing agreements
27 or the payment of rent for such projects.

28 Notwithstanding section 8.33 and section 20 of this
29 Act, moneys appropriated in subsection 2 that remain
30 unencumbered or unobligated at the close of the fiscal
31 year that begins July 1, 2003, shall revert at the
32 close of the fiscal year that begins July 1, 2006.
33 However, if the projects for which the moneys are
34 appropriated are completed in an earlier fiscal year,
35 unencumbered or unobligated moneys shall revert at the
36 close of that fiscal year.

37 Sec. ____ 2000 Iowa Acts, chapter 1225, section
38 19, unnumbered paragraph 2, is amended to read as
39 follows:

40 To supplement moneys appropriated in prior fiscal
41 years for construction of a new dining hall and food
42 services facility and renovation of the former Sheeler
43 food preparation area:

44 \$ 992,000

45 Sec. ____ 2000 Iowa Acts, chapter 1225, section
46 20, is amended to read as follows:

47 SEC. 20. REVERSION. Notwithstanding section 8.33,
48 moneys appropriated in this division of this Act that
49 remain unencumbered or unobligated at the close of the
50 fiscal year that begins July 1, ~~2003~~ 2004, shall

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1 revert at the close of that fiscal year. However, if
2 the projects for which the moneys are appropriated are
3 completed in an earlier fiscal year, unencumbered or
4 unobligated moneys shall revert at the close of that
5 fiscal year.

6 Sec. _____. EXAMINATION OF DEPARTMENT OF
7 ADMINISTRATION -- FY 2003-2004. Notwithstanding
8 section 11.5B, for the fiscal year beginning July 1,
9 2003, and ending June 30, 2004, the auditor of state
10 shall not be entitled to reimbursement for performing
11 any examination of the department of administrative
12 services or funds received by the department of
13 administrative services, except for an examination of
14 the information technology enterprise within the
15 department of administrative services and funds
16 received by the information technology enterprise.

17 Sec. _____. SECURE AN ADVANCED VISION FOR EDUCATION
18 FUND. Notwithstanding the maximum amount of the
19 appropriation from the rebuild Iowa infrastructure
20 fund to the secure an advanced vision for education
21 fund specified in section 8.57, subsection 5,
22 paragraph "f", the maximum amount of such
23 appropriation for the fiscal year beginning July 1,
24 2004, and ending June 30, 2005, shall not exceed
25 \$8,160,000.

26 Sec. _____. The following sections of this division
27 of this Act, being deemed of immediate importance,
28 take effect upon enactment:

29 1. The section amending 2003 Iowa Acts, chapter
30 177, section 6.

31 2. The section amending 2003 Iowa Acts, chapter
32 179, section 140.

33 3. The section amending 2002 Iowa Acts, chapter
34 1173, section 18, as amended by 2003 Iowa Acts,
35 chapter 179, section 39.

36 4. The section amending 2000 Iowa Acts, chapter
37 1225, section 2, as amended by 2001 Iowa Acts, chapter
38 185, section 2.

39 5. The section amending 2000 Iowa Acts, chapter
40 1225, section 19.

41 6. The section amending 2000 Iowa Acts, chapter
42 1225, section 20.

43 7. The section addressing the examination of the
44 department of administration in fiscal year 2003-2004.

DIVISION

ENVIRONMENT FIRST FUND

47 Sec. _____. There is appropriated from the
48 environment first fund to the following departments
49 and agencies for the fiscal year beginning July 1,
50 2004, and ending June 30, 2005, the following amounts,

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

3 1. DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP

4 a. For the conservation reserve enhancement
5 program to restore and construct wetlands for the
6 purposes of intercepting tile line runoff, reducing
7 nutrient loss, improving water quality, and enhancing
8 agricultural production practices:

9 \$ 1,500,000

10 Not more than 5 percent of the moneys appropriated
11 in this lettered paragraph may be used for costs of
12 administration and implementation of soil and water
13 conservation practices.

14 b. For continuation of a program that provides
15 multiobjective resource protections for flood control,
16 water quality, erosion control, and natural resource
17 conservation:

18 \$ 2,700,000

19 Not more than 5 percent of the moneys appropriated
20 in this lettered paragraph may be used for costs of
21 administration and implementation of soil and water
22 conservation practices.

23 c. For continuation of a statewide voluntary farm
24 management demonstration program to demonstrate the
25 effectiveness and adaptability of emerging practices
26 in agronomy that protect water resources and provide
27 other environmental benefits:

28 \$ 850,000

29 Not more than 5 percent of the moneys appropriated
30 in this lettered paragraph may be used for costs of
31 administration and implementation of soil and water
32 conservation practices.

33 Of the amount appropriated in this lettered
34 paragraph, \$400,000 shall be allocated to the Iowa
35 soybean association's agriculture and environment
36 performance program.

37 d. For deposit in the alternative drainage system
38 assistance fund created in section 460.303 to be used
39 for purposes of supporting the alternative drainage
40 system assistance program as provided in section
41 460.304:

42 \$ 500,000

43 Not more than 5 percent of the moneys appropriated
44 in this lettered paragraph may be used for costs of
45 administration and implementation of soil and water
46 conservation practices.

47 e. To provide financial assistance for the
48 establishment of permanent soil and water conservation
49 practices:

50 \$ 5,500,000

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1 (1) Not more than 5 percent of the moneys
2 appropriated in this lettered paragraph may be
3 allocated for cost-sharing to abate complaints filed
4 under section 161A.47.

5 (2) Of the moneys appropriated in this lettered
6 paragraph, 5 percent shall be allocated for financial
7 incentives to establish practices to protect
8 watersheds above publicly owned lakes of the state
9 from soil erosion and sediment as provided in section
10 161A.73.

11 (3) Not more than 30 percent of a district's
12 allocation of moneys as financial incentives may be
13 provided for the purpose of establishing management
14 practices to control soil erosion on land that is row-
15 cropped, including but not limited to no-till
16 planting, ridge-till planting, contouring, and contour
17 strip-cropping as provided in section 161A.73.

18 (4) The state soil conservation committee created
19 in section 161A.4 may allocate moneys appropriated in
20 this lettered paragraph to conduct research and
21 demonstration projects to promote conservation tillage
22 and nonpoint source pollution control practices.

23 (5) The financial incentive payments may be used
24 in combination with department of natural resources
25 moneys.

26 (6) Not more than 10 percent of the moneys
27 appropriated in this lettered paragraph may be used
28 for costs of administration and implementation of soil
29 and water conservation practices.

30 f. To encourage and assist farmers in enrolling in
31 and the implementation of federal conservation
32 programs and work with them to enhance their
33 revegetation efforts to improve water quality and
34 habitat:

35 \$ 2,000,000

36 Not more than 5 percent of the moneys appropriated
37 in this lettered paragraph may be used for costs of
38 administration and implementation of soil and water
39 conservation practices.

40 g. For deposit in the loess hills development and
41 conservation fund created in section 161D.2:

42 \$ 600,000

43 Of the amount appropriated in this lettered
44 paragraph, \$400,000 shall be allocated to the hungry
45 canyons account and \$200,000 shall be allocated to the
46 loess hills alliance account, to be used for the
47 purposes for which the moneys in those accounts are
48 authorized to be used under chapter 161D. No more
49 than 5 percent of the moneys allocated to each account
50 in this lettered paragraph may be used for

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1 administrative costs.

2 h. For deposit in the southern Iowa development
3 and conservation fund created in section 161D.12:

4 \$ 300,000

5 Not more than 5 percent of the moneys appropriated
6 in this lettered paragraph may be used for
7 administrative costs.

8 2. DEPARTMENT OF ECONOMIC DEVELOPMENT

9 For deposit in the brownfield redevelopment fund
10 created in section 15.293 to provide assistance under
11 the brownfield redevelopment program:

12 \$ 500,000

13 3. DEPARTMENT OF NATURAL RESOURCES

14 a. To provide local watershed managers with
15 geographic information system data for their use in
16 developing, monitoring, and displaying results of
17 their watershed work:

18 \$ 195,000

19 b. For statewide coordination of volunteer efforts
20 under the water quality and keepers of the land
21 programs:

22 \$ 100,000

23 c. For continuing the establishment and operation
24 of water quality monitoring stations:

25 \$ 2,955,000

26 d. For deposit in the administration account of
27 the water quality protection fund, to carry out the
28 purposes of that account:

29 \$ 500,000

30 e. For air quality monitoring equipment:

31 \$ 500,000

32 f. For the dredging of lakes, including necessary
33 preparation for dredging, in accordance with the
34 department's classification of Iowa lakes restoration
35 report:

36 \$ 1,000,000

37 The department shall consider the following
38 criteria for funding lake dredging projects as
39 provided in this lettered paragraph, and shall
40 prioritize projects based on the following:

41 (1) Documented efforts to address watershed
42 protection, considering testing, conservation efforts,
43 and amount of time devoted to watershed protection.

44 (2) Protection of a natural resource and natural
45 habitat.

46 (3) Percentage of public access and undeveloped
47 lakefront property.

48 (4) Continuation of current projects partially
49 funded by state resources to achieve department
50 recommendations.

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1 g. For purposes of funding capital projects for
 2 the purposes specified in section 452A.79, and for
 3 expenditures for the local cost share grants to be
 4 used for capital expenditures to local governmental
 5 units for boating accessibility:

6 \$ 2,300,000

7 h. For regular maintenance of state parks and
 8 staff time associated with these activities:
 9 \$ 2,000,000

10 RESOURCES ENHANCEMENT AND PROTECTION FUND

11 Sec. _____. Notwithstanding the amount of the
 12 standing appropriation from the general fund of the
 13 state under section 455A.18, subsection 3, there is
 14 appropriated from the environment first fund to the
 15 Iowa resources enhancement and protection fund, in
 16 lieu of the appropriation made in section 455A.18, for
 17 the fiscal year beginning July 1, 2004, and ending
 18 June 30, 2005, the following amount, to be allocated
 19 as provided in section 455A.19:
 20 \$ 11,000,000

21 Sec. _____. REVERSION.

22 1. Except as provided in subsection 2, and
 23 notwithstanding section 8.33, moneys appropriated in
 24 this division of this Act that remain unencumbered or
 25 unobligated shall not revert at the close of the
 26 fiscal year for which they were appropriated but shall
 27 remain available for the purposes designated until the
 28 close of the fiscal year beginning July 1, 2005, or
 29 until the project for which the appropriation was made
 30 is completed, whichever is earlier.

31 2. Notwithstanding section 8.33, moneys
 32 appropriated in this division of this Act to the
 33 department of agriculture and land stewardship to
 34 provide financial assistance for the establishment of
 35 permanent soil and water conservation practices that
 36 remain unencumbered or unobligated at the close of the
 37 fiscal year shall not revert but shall remain
 38 available for expenditure for the purposes designated
 39 until the close of the fiscal year that begins July 1,
 40 2007.

41 DIVISION

42 TOBACCO SETTLEMENT TRUST FUND

43 Sec. _____. There is appropriated from the tax-
 44 exempt bond proceeds restricted capital funds account
 45 of the tobacco settlement trust fund to the following
 46 departments and agencies for the fiscal year beginning
 47 July 1, 2004, and ending June 30, 2005, the following
 48 amounts, or so much thereof as is necessary, to be
 49 used for the purposes designated:

50 1. DEPARTMENT OF ADMINISTRATIVE SERVICES

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1 a. For the payment of claims relating to the
 2 purchase and implementation of an integrated
 3 information for Iowa system, notwithstanding section
 4 12E.12, subsection 1, paragraph "b", subparagraph (1):
 5 \$ 6,049,284

6 b. For capitol interior restoration:
 7 \$ 3,500,000

8 The department shall consult with the leaders of
 9 the senate and house of representatives prior to
 10 planning or implementing any capitol interior
 11 restoration project or other activity.

12 2. TAX-EXEMPT STATUS -- USE OF APPROPRIATIONS.
 13 Payment of moneys from the appropriations in this
 14 section shall be made in a manner that does not
 15 adversely affect the tax-exempt status of any
 16 outstanding bonds issued by the tobacco settlement
 17 authority.

18 3. REVERSION. Notwithstanding section 8.33,
 19 moneys appropriated in this section shall not revert
 20 at the close of the fiscal year for which they were
 21 appropriated but shall remain available for the
 22 purposes designated until the close of the fiscal year
 23 that begins July 1, 2006, or until the project for
 24 which the appropriation was made is completed,
 25 whichever is earlier.

26 Sec. ____ . PAYMENTS IN LIEU OF TUITION. There is
 27 appropriated from the tax-exempt bond proceeds
 28 restricted capital funds account of the tobacco
 29 settlement trust fund of the state to the state board
 30 of regents for the fiscal year beginning July 1, 2004,
 31 and ending June 30, 2005, the following amount, or so
 32 much thereof as is necessary, to be used for the
 33 purpose designated:

34 For allocation by the state board of regents to the
 35 state university of Iowa, the Iowa state university of
 36 science and technology, and the university of northern
 37 Iowa to reimburse the institutions for deficiencies in
 38 their operating funds resulting from the pledging of
 39 tuitions, student fees and charges, and institutional
 40 income to finance the cost of providing academic and
 41 administrative buildings and facilities and utility
 42 services at the institutions, notwithstanding section
 43 12E.12, subsection 1, paragraph "b", subparagraph (1):
 44 \$ 10,437,174

45 Sec. ____ . IOWA COMMUNICATIONS NETWORK DEBT
 46 SERVICE. There is appropriated from the tax-exempt
 47 bond proceeds restricted capital funds account of the
 48 tobacco settlement trust fund to the office of the
 49 treasurer of state for the fiscal year beginning July
 50 1, 2004, and ending June 30, 2005, the following

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

3 For debt service for the Iowa communications
4 network, notwithstanding section 12E.12, subsection 1,
5 paragraph "b", subparagraph (1):
6 \$ 13,039,778

7 Funds appropriated in this section shall be
8 deposited in a separate fund established in the office
9 of the treasurer of state to be used solely for debt
10 service for the Iowa communications network. The Iowa
11 telecommunications and technology commission shall
12 certify to the treasurer of state when a debt service
13 payment is due, and upon receipt of the certification,
14 the treasurer shall make the payment. The commission
15 shall pay any additional amount due from funds
16 deposited in the Iowa communications network fund.

17 Sec. ____ . PRISON DEBT SERVICE. There is
18 appropriated from the tax-exempt bond proceeds
19 restricted capital funds account of the tobacco
20 settlement trust fund to the office of the treasurer
21 of state for the fiscal year beginning July 1, 2004,
22 and ending June 30, 2005, the following amount, or so
23 much thereof as is necessary, to be used for the
24 purpose designated:

25 For repayment of prison infrastructure bonds under
26 section 16.177, notwithstanding section 12E.12,
27 subsection 1, paragraph "b", subparagraph (1):
28 \$ 5,413,324

29 Sec. ____ . ENDOWMENT FOR IOWA'S HEALTH ACCOUNT --
30 TRANSFER TO REBUILD IOWA INFRASTRUCTURE FUND.
31 Notwithstanding 2001 Iowa Acts, chapter 174, section
32 1, subsection 1, as amended by 2002 Iowa Acts, chapter
33 1167, section 4, 2002 Iowa Acts, chapter 1174, section
34 8, and 2002 Iowa Acts, chapter 1175, section 95, there
35 is transferred from the endowment for Iowa's health
36 account of the tobacco settlement trust fund created
37 in section 12E.12 to the rebuild Iowa infrastructure
38 fund for the fiscal year beginning July 1, 2004, and
39 ending June 30, 2005, the following amount:

40 \$ 10,966,960

41 Notwithstanding section 8.33, moneys transferred in
42 this section shall not revert.

43 Sec. ____ . 2003 Iowa Acts, chapter 177, section 23,
44 subsection 3, is amended to read as follows:

45 3. Notwithstanding section 8.33, moneys
46 appropriated in this section shall not revert at the
47 close of the fiscal year for which they were
48 appropriated, but shall remain available for the
49 purpose designated until the close of the fiscal year
50 that begins July 1, ~~2008~~ 2006, or until the project

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1 for which the appropriation was made is completed,
2 whichever is earlier.

3 Sec. _____. 2002 Iowa Acts, chapter 1173, section 1,
4 subsection 7, paragraph a, is amended to read as
5 follows:

6 a. For parking improvements and provision of
7 street access for the judicial building:

8	FY 2002-2003	\$	700,000
9	FY 2003-2004	\$	0
10	FY 2004-2005	\$	0
11	FY 2005-2006	\$	0

12 Of the amount appropriated in this lettered
13 paragraph for FY 2002-2003, up to \$330,000 may be used
14 for costs associated with operation of the judicial
15 building, notwithstanding section 12E.12, subsection
16 1, paragraph "b", subparagraph (1).

17 DIVISION

18 MISCELLANEOUS FUNDS

19 Sec. _____. HELP AMERICA VOTE ACT. There is
20 appropriated from the general fund of the state to the
21 office of the secretary of state for the fiscal year
22 beginning July 1, 2003, and ending June 30, 2004, the
23 following amount, or so much thereof as is necessary,
24 to be used for the purposes designated:

25 For the purchase and installation of voting
26 machines to implement the federal Help America Vote
27 Act (HAVA):
28 \$ 765,000

29 Of the federal funds drawn down pursuant to HAVA,
30 not less than 80 percent shall be distributed to
31 counties for the implementation of that Act.

32 The state commissioner of elections shall report to
33 the general assembly regarding the expenditure of the
34 moneys appropriated in this subsection by January 2,
35 2005, and July 1, 2005.

36 Notwithstanding section 8.33, moneys appropriated
37 in this section that remain unencumbered or
38 unobligated at the close of the fiscal year shall not
39 revert but shall remain available for expenditure for
40 the purposes designated until the close of the
41 succeeding fiscal year.

42 Sec. _____. GENERAL FUND APPROPRIATIONS.

43 1. There is appropriated from the general fund of
44 the state to the state department of transportation
45 for the fiscal year beginning July 1, 2004, and ending
46 June 30, 2005, the following amounts, or so much
47 thereof as is necessary, to be used for the purposes
48 designated:

49 a. For operation and maintenance of the network of
50 automated weather observation and data transfer

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1 systems associated with the Iowa aviation weather
 2 system, the runway marking program for public
 3 airports, the windsock program for public airports,
 4 and the aviation improvement program:
 5 \$ 64,792

6 b. For the rail assistance program and to provide
 7 economic development project funding:
 8 \$ 35,959

9 2. There is appropriated from the general fund of
 10 the state to the racing and gaming commission within
 11 the department of inspections and appeals for the
 12 fiscal year beginning July 1, 2004, and ending June
 13 30, 2005, in addition to any other appropriation made
 14 by the general assembly, the following amount, or so
 15 much thereof as is necessary, to be used for the
 16 purposes designated:

17 For salaries, support, maintenance, and
 18 miscellaneous purposes for the regulation of pari-
 19 mutual racetracks:
 20 \$ 217,161

21 The funds appropriated in this subsection shall be
 22 used for one additional gaming representative at each
 23 of the three licensed racetracks.

24 Sec. ____ . PRIMARY ROAD FUND APPROPRIATION. There
 25 is appropriated from the primary road fund to the
 26 department of administrative services for the fiscal
 27 year beginning July 1, 2004, and ending June 30, 2005,
 28 the following amount, or so much thereof as is
 29 necessary, to be used for distribution to the state
 30 department of transportation:

31 \$ 465,491

32 Moneys appropriated in this section shall be
 33 separately accounted for in a distribution account and
 34 shall be distributed to the state department of
 35 transportation to pay for services provided the state
 36 department of transportation by the department of
 37 administrative services as described in chapter 8A.

38 Sec. ____ . ROAD USE TAX FUND APPROPRIATION. There
 39 is appropriated from the road use tax fund to the
 40 department of administrative services for the fiscal
 41 year beginning July 1, 2004, and ending June 30, 2005,
 42 the following amount, or so much thereof as is
 43 necessary, to be used for distribution to the state
 44 department of transportation:

45 \$ 76,059

46 Moneys appropriated in this section shall be
 47 separately accounted for in a distribution account and
 48 shall be distributed to the state department of
 49 transportation to pay for services provided the state
 50 department of transportation by the department of

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1 administrative services as described in chapter 8A.
2 Sec. _____. TRANSFER AND DEPOSIT OF SURPLUS MONEYS
3 IN LOCAL HOUSING ASSISTANCE PROGRAM FUND. The sum of
4 \$800,000 is transferred from moneys declared by the
5 Iowa finance authority under section 16.10 to be
6 surplus moneys to the housing trust fund created in
7 section 16.181 for the fiscal year beginning July 1,
8 2004, and ending June 30, 2005.

9 Sec. _____. 2003 Iowa Acts, chapter 171, section 2,
10 is amended by inserting the following new unnumbered
11 paragraph:

12 NEW UNNUMBERED PARAGRAPH. Notwithstanding section
13 8.33, moneys appropriated in subsection 1 that remain
14 unencumbered or unobligated at the close of the fiscal
15 year shall not revert but shall remain available for
16 expenditure until the close of the fiscal year that
17 begins July 1, 2004, for the purpose of restocking the
18 department's salt storage.

19 Sec. _____. EFFECTIVE DATE.

20 1. The section of this division of this Act
21 providing an appropriation for implementation of the
22 federal Help America Vote Act, being deemed of
23 immediate importance, takes effect upon enactment.

24 2. The section of this division of this Act,
25 amending 2003 Iowa Acts, chapter 171, section 2, being
26 deemed of immediate importance, takes effect upon
27 enactment.

DIVISION

CODE CHANGES

28
29
30 Sec. _____. Section 15.109, subsection 2, Code 2003,
31 is amended to read as follows:

32 2. Apply for, receive, administer, and use federal
33 or other funds available for achieving the purposes of
34 this chapter. For purposes of this subsection, the
35 term "federal funds" includes federal tax credits,
36 grants, or other economic benefits allocated or
37 provided by the United States government to encourage
38 investment in low-income or other specified areas or
39 to otherwise promote economic development. The
40 department may enter into an agreement pursuant to
41 chapter 28E, or any other agreement, with a person,
42 including for-profit and nonprofit legal entities, in
43 order to directly or indirectly apply for, receive,
44 administer, and use federal funds. As part of such
45 agreements and in furtherance of this public purpose
46 and in addition to powers and duties conferred under
47 other provisions of law, the department may, including
48 for or on behalf of for-profit or nonprofit legal
49 entities, appoint, remove, and replace board members
50 and advisors; provide oversight; make its personnel

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1 and resources available to perform administrative,
2 management, and compliance functions; coordinate
3 investments; and engage in other acts as reasonable
4 and necessary to encourage investment in low-income or
5 other areas or to promote economic development. The
6 department, including department officials and
7 employees in their official and personal capacities,
8 are immune from liability for all acts or omissions
9 under this subsection.

10 Sec. ____ . Section 80.9, subsection 2, paragraph f,
11 Code 2003, is amended to read as follows:

12 f. Provide protection and security for persons and
13 property on the grounds of the state capitol complex.
14 Notwithstanding chapter 8A or any other provision of
15 law, the department shall be solely responsible for
16 the purchase, installation, and maintenance of,
17 including making any improvements or additions to,
18 executive branch capitol complex security systems or
19 equipment, including the changing of locks and
20 issuance of keys, access cards, and identification
21 badges. The department of administrative services
22 shall cooperate with the department of public safety
23 in executing the department's duties under this
24 paragraph.

25 Sec. ____ . Section 423.3, subsections 2 and 37, as
26 enacted by 2003 Iowa Acts, First Extraordinary
27 Session, chapter 2, section 96, are amended to read as
28 follows:

29 2. The sales price of sales for resale of tangible
30 personal property or taxable services, or for resale
31 of tangible personal property in connection with the
32 furnishing of taxable services except for sales, other
33 than leases or rentals, which are sales, of machinery,
34 equipment, attachments, and replacement parts
35 specifically enumerated in subsection 37 and used in
36 the manner described in subsection 37.

37 37. The sales price of services on or connected
38 with new construction, reconstruction, alteration,
39 expansion, remodeling, or the services of a general
40 building contractor, architect, or engineer. The
41 exemption in this subsection also applies to the sales
42 price on the lease or rental of self-propelled
43 building equipment, self-constructed cranes, pile
44 drivers, structural concrete forms, regular and
45 motorized scaffolding, generators, or attachments
46 customarily drawn or attached to self-propelled
47 building equipment, self-constructed cranes, pile
48 drivers, structural concrete forms, regular and
49 motorized scaffolding, and generators, including
50 auxiliary attachments which improve the performance,

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1 safety, operation, or efficiency of the equipment and
2 replacement parts and are directly and primarily used
3 by contractors, subcontractors, and builders for new
4 construction, reconstruction, alterations, expansion,
5 or remodeling of real property or structures.

DIVISION

MISCELLANEOUS PROVISIONS

8 Sec. ____ . Section 8.57, subsection 5, Code
9 Supplement 2003, is amended by adding the following
10 new paragraph:

11 NEW PARAGRAPH. g. Notwithstanding any other
12 provision to the contrary, and prior to the
13 appropriation of moneys from the rebuild Iowa
14 infrastructure fund pursuant to paragraph "c", and
15 section 8.57A, subsection 4, moneys shall first be
16 appropriated from the rebuild Iowa infrastructure fund
17 to the vertical infrastructure fund as provided in
18 section 8.57B, subsection 4.

19 Sec. ____ . NEW SECTION. 8.57B VERTICAL
20 INFRASTRUCTURE FUND.

21 1. A vertical infrastructure fund is created under
22 the authority of the department of management. The
23 fund shall consist of appropriations made to the fund
24 and transfers of interest, earnings, and moneys from
25 other funds as provided by law. The fund shall be
26 separate from the general fund of the state and the
27 balance in the fund shall not be considered part of
28 the balance of the general fund of the state.
29 However, the fund shall be considered a special
30 account for the purposes of section 8.53, relating to
31 generally accepted accounting principles.

32 2. Notwithstanding section 12C.7, subsection 2,
33 interest or earnings on moneys in the vertical
34 infrastructure fund shall be credited to the rebuild
35 Iowa infrastructure fund.

36 3. Moneys in the fund in a fiscal year shall be
37 used as appropriated by the general assembly for
38 public vertical infrastructure projects. For the
39 purposes of this section, "vertical infrastructure"
40 includes only land acquisition and construction, major
41 renovation, and major repair of buildings, all
42 appurtenant structures, utilities, and site
43 development. "Vertical infrastructure" does not
44 include routine, recurring maintenance, debt service,
45 or operational expenses or leasing of a building,
46 appurtenant structure, or utility without a lease-
47 purchase agreement.

48 4. There is appropriated from the rebuild Iowa
49 infrastructure fund to the vertical infrastructure
50 fund, the following:

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1 a. For the fiscal year beginning July 1, 2005, and
2 ending June 30, 2006, the sum of fifteen million
3 dollars.

4 b. For the fiscal year beginning July 1, 2006, and
5 ending June 30, 2007, the sum of fifty million
6 dollars.

7 c. For the fiscal year beginning July 1, 2007, and
8 ending June 30, 2008, the sum of seventy-five million
9 dollars.

10 d. For the fiscal year beginning July 1, 2008, and
11 each fiscal year thereafter, the sum of one hundred
12 million dollars.

13 Sec. ____ . Section 8D.13, subsection 12, Code
14 Supplement 2003, is amended to read as follows:

15 12. The commission, on its own or as recommended
16 by an advisory committee of the commission and
17 approved by the commission, shall permit a fee to be
18 charged by a receiving site to the originator of the
19 communication provided on the network. The fee
20 charged shall be for the purpose of recovering the
21 operating costs of a receiving site. The fee charged
22 shall be reduced by an amount received by the
23 receiving site pursuant to a state appropriation for
24 such costs, or federal assistance received for such
25 costs. Fees established under this subsection shall
26 be paid by the originator of the communication
27 directly to the receiving site. In the event that an
28 entity requests a receiving site location in a video
29 classroom facility which is authorized by, but not
30 funded by, the originator of the communication, the
31 requesting entity shall be directly billed by the
32 video classroom facility for operating costs relating
33 to the communication. For purposes of this section,
34 "operating costs" include the costs associated with
35 the management or coordination, operations, utilities,
36 classroom, equipment, maintenance, and other costs
37 directly related to providing the receiving site.

38 Sec. ____ . Section 15E.208, subsection 3, paragraph
39 b, subparagraph (2), Code Supplement 2003, is amended
40 by adding the following new subparagraph subdivisions:

41 NEW SUBPARAGRAPH SUBDIVISION. (c) Notwithstanding
42 any provision of this division to the contrary,
43 payments on the principal balance of the loan granted
44 by the corporation to an eligible person and assigned
45 to the department pursuant to this subparagraph during
46 calendar year 2003 shall be deferred until October 1,
47 2007. The eligible person shall make principal
48 payments to the department in the amount of one
49 million dollars for each year on October 1, 2007,
50 October 1, 2008, and October 1, 2009. The eligible

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1 person shall pay the department four hundred eighty-
2 two thousand seven hundred sixty-one dollars in
3 interest, which shall be deemed to be the total amount
4 of interest accruing on the principal amount of the
5 loan. The eligible person shall pay the interest
6 amount on October 1, 2010. Upon the payment of the
7 principal balance of the loan and the accrued
8 interest, the debt shall be retired.

9 NEW SUBPARAGRAPH SUBDIVISION. (d) Notwithstanding
10 any provision of this division to the contrary, the
11 corporation shall repay the department the principal
12 balance of the Iowa agricultural industry finance loan
13 beginning on October 1, 2007. The principal balance
14 of the loan equals twenty-one million five hundred
15 seventeen thousand two hundred thirty-nine dollars.
16 The corporation shall repay the department five
17 hundred seventeen thousand two hundred thirty-nine
18 dollars by October 1, 2007, and for each subsequent
19 year the corporation shall repay the department at
20 least one million dollars by October 1 until the total
21 principal balance of the loan is repaid. This
22 subparagraph subdivision shall not be construed to
23 limit the department's authority to negotiate the
24 payment of interest accruing on the principal balance
25 which shall be paid to the department as provided by
26 an agreement executed by the department and the
27 corporation.

28 Sec. _____. Section 28M.1, if enacted by 2004 Iowa
29 Acts, Senate File 2284, section 1, is amended by
30 adding the following new subsection:

31 NEW SUBSECTION. 3. "Transportation" means the
32 movement of individuals in a four or more wheeled
33 motorized vehicle designed to carry passengers,
34 including a car, van, or bus, or the carrying of
35 individuals upon cars operated upon stationary rails,
36 between one geographic point and another geographic
37 point. "Transportation" does not include emergency or
38 incidental transportation or transportation conducted
39 by the department of human services at its
40 institutions.

41 Sec. _____. Section 28M.2, subsections 1 and 3, if
42 enacted by 2004 Iowa Acts, Senate File 2284, section
43 2, are amended to read as follows:

44 1. A county with a population in excess of ~~three~~
45 one hundred seventy-five thousand and participating
46 cities may create, by chapter 28E agreement, a
47 regional transit district in the county pursuant to
48 this chapter. Two or more contiguous counties and
49 participating cities may create, by chapter 28E
50 agreement, a regional transit district pursuant to

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1 this chapter if one of the counties has a population
2 in excess of ~~three~~ one hundred seventy-five thousand.
3 A district shall consist of the unincorporated area of
4 any participating county and the incorporated area of
5 any city in the county that does not have an urban
6 transit system. However, a city without an urban
7 transit system may decline, by resolution forwarded to
8 the board of supervisors, to participate in a regional
9 transit district.

10 3. A city that is located in a nonparticipating
11 county that is contiguous to a county with a
12 population in excess of ~~three~~ one hundred seventy-five
13 thousand that is creating a regional transit district
14 may notify that county, by resolution forwarded to the
15 board of supervisors of that county, that the city
16 wishes to participate.

17 Sec. _____. Section 28M.5, subsection 1, unnumbered
18 paragraph 2, if enacted by 2004 Iowa Acts, Senate File
19 2284, section 5, is amended to read as follows:

20 The amount of the regional transit district levy
21 that is the responsibility of a participating county
22 shall be deducted from the maximum rates of taxes
23 authorized to be levied by the county pursuant to
24 section 331.423, subsections 1 and 2, as applicable.
25 However, for a regional transit district that includes
26 a county with a population of less than three hundred
27 thousand, the amount of the regional transit district
28 levy that is the responsibility of a participating
29 county shall be deducted from the maximum rate of
30 taxes authorized to be levied by the county pursuant
31 to section 331.423, subsection 1.

32 Sec. _____. Section 99F.7, subsection 13, Code 2003,
33 as amended by 2004 Iowa Acts, House File 2302, if
34 enacted, is amended to read as follows:

35 13. ~~An~~ When applicable, an excursion gambling boat
36 operated on inland waters of this state or an
37 excursion boat that has been removed from navigation
38 and is designated as a permanently moored vessel by
39 the United States coast guard shall be subject to the
40 exclusive jurisdiction of the department of natural
41 resources and meet all of the requirements of chapter
42 462A and is further subject to an inspection of its
43 sanitary facilities to protect the environment and
44 water quality before a certificate of registration is
45 issued by the department of natural resources or a
46 license is issued or renewed under this chapter.

47 Sec. _____. Section 165B.5, subsection 3, if enacted
48 by 2004 Iowa Acts, House File 2476, section 6, is
49 amended to read as follows:

50 3. a. A person who owns or operates a restricted

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1 concentration point is subject to a civil penalty of
2 ~~not less than~~ five thousand dollars for the first
3 violation and ~~not less than~~ twenty-five thousand
4 dollars for each subsequent violation. Each day that
5 a violation continues constitutes a separate
6 violation.

7 b. A person who has a legal interest in infected
8 poultry or has custody of infected poultry which are
9 located at a restricted concentration point is subject
10 to a civil penalty of ~~not less than~~ five thousand
11 dollars for the first violation and ~~not less than~~
12 twenty-five thousand dollars for each subsequent
13 violation. Each day that a violation continues
14 constitutes a separate violation.

15 c. A person who transports poultry to or from a
16 restricted concentration point is subject to a civil
17 penalty of ~~not less than~~ one thousand dollars for the
18 first violation and ~~not less than~~ five thousand
19 dollars for each subsequent violation. Each day that
20 a violation continues constitutes a separate
21 violation.

22 d. A person who purchases, offers to purchase,
23 barter, or offers to barter for poultry at a
24 restricted concentration point is subject to a civil
25 penalty of ~~not less than~~ one hundred dollars for the
26 first violation and ~~not less than~~ one thousand dollars
27 for each subsequent violation. Each day that a
28 violation continues constitutes a separate violation.

29 e. A person who charges admission for entry into a
30 restricted concentration point where a contest occurs
31 or otherwise holds, advertises, or conducts the
32 contest is subject to a civil penalty of ~~not less than~~
33 one thousand dollars for the first violation and ~~not~~
34 ~~less than~~ five thousand dollars for each subsequent
35 violation. Each day that a violation continues
36 constitutes a separate violation.

37 f. A person who attends or participates in a
38 contest at a restricted concentration point where a
39 contest occurs is subject to a civil penalty of ~~not~~
40 ~~less than~~ one hundred dollars for the first violation
41 and ~~not less than~~ one thousand dollars for each
42 subsequent violation. Each day that a violation
43 continues constitutes a separate violation.

44 Sec. _____. Section 260C.18A, subsection 3, Code
45 Supplement 2003, is amended to read as follows:

46 3. Of the moneys appropriated in this section, for
47 the fiscal period beginning July 1, 2003, and ending
48 June 30, ~~2006~~ 2007, the following amounts shall be
49 designated for the purposes of funding job retention
50 projects under section 260F.9:

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1 a. One million dollars for the fiscal year
2 beginning July 1, 2003.

3 b. One million dollars for the fiscal year
4 beginning July 1, 2004.

5 c. One million dollars for the fiscal year
6 beginning July 1, 2005.

7 d. One million dollars for the fiscal year
8 beginning July 1, 2006. However, this paragraph only
9 applies if moneys allocated under paragraph "a" were
10 distributed to community colleges as provided under
11 subsection 8.

12 Sec. _____. Section 260C.18A, Code Supplement 2003,
13 is amended by adding the following new subsection:

14 NEW SUBSECTION. 8. If moneys allocated under
15 subsection 3, paragraph "a", are unobligated and
16 unencumbered on June 30, 2004, those moneys shall be
17 distributed to community colleges in accordance with
18 subsection 5 for the fiscal year beginning July 1,
19 2004, and ending June 30, 2005.

20 Sec. _____. Section 306.46, as enacted by 2004 Iowa
21 Acts, Senate File 2118, section 1, is amended by
22 adding the following new subsection:

23 NEW SUBSECTION. 3. This section shall not impair
24 or interfere with a city's authority to grant, amend,
25 extend, or renew a franchise as provided in section
26 364.2, and shall not impair or interfere with a city's
27 existing general police powers to control the use of
28 its right-of-way.

29 Sec. _____. Section 321.34, subsection 11,
30 paragraphs c and d, Code Supplement 2003, are amended
31 to read as follows:

32 c. The special natural resources fee for letter
33 number designated natural resources plates is ~~thirty-~~
34 ~~five~~ forty-five dollars. The fee for personalized
35 natural resources plates is forty-five dollars which
36 shall be paid in addition to the special natural
37 resources fee of ~~thirty-five~~ forty-five dollars. The
38 fees collected by the director under this subsection
39 shall be paid monthly to the treasurer of state and
40 credited to the road use tax fund. Notwithstanding
41 section 423.24, and prior to the crediting of revenues
42 to the road use tax fund under section 423.24,
43 subsection 1, paragraph "b", the treasurer of state
44 shall credit monthly from those revenues to the Iowa
45 resources enhancement and protection fund created
46 pursuant to section 455A.18, the amount of the special
47 natural resources fees collected in the previous month
48 for the natural resources plates.

49 From the moneys credited to the Iowa resources
50 enhancement and protection fund under this paragraph

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1 "c", ten dollars of the fee collected for each natural
2 resources plate issued, and fifteen dollars from each
3 renewal fee, shall be allocated to the department of
4 natural resources wildlife bureau to be used for
5 nongame wildlife programs.

6 d. Upon receipt of the special registration
7 plates, the applicant shall surrender the current
8 registration receipt and plates to the county
9 treasurer. The county treasurer shall validate the
10 special registration plates in the same manner as
11 regular registration plates are validated under this
12 section. The annual special natural resources fee for
13 letter number designated plates is ~~ten~~ twenty-five
14 dollars which shall be paid in addition to the regular
15 annual registration fee. The annual fee for
16 personalized natural resources plates is five dollars
17 which shall be paid in addition to the annual special
18 natural resources fee and the regular annual
19 registration fee. The annual special natural
20 resources fee shall be credited as provided under
21 paragraph "c".

22 Sec. ____ . NEW SECTION. 327F.38 FIRST AID AND
23 MEDICAL TREATMENT FOR EMPLOYEES.

24 The department shall adopt rules requiring railroad
25 corporations within the state to provide reasonable
26 and adequate access to first aid and medical treatment
27 for employees injured in the course of employment. A
28 railroad corporation found guilty of a rule adopted
29 pursuant to this section shall, upon conviction, be
30 subject to a schedule "one" penalty.

31 Sec. ____ . Section 331.362, subsection 5, Code
32 Supplement 2003, is amended to read as follows:

33 5. The Notwithstanding any provision of law to the
34 contrary, the board may enter into agreements with the
35 department of transportation as provided in section
36 313.2, including but not limited to agreements for the
37 disposition of county property in accordance with
38 section 331.361, subsection 2.

39 Sec. ____ . Section 422.11J, subsection 5, paragraph
40 a, if enacted by 2004 Iowa Acts, Senate File 2295, is
41 amended to read as follows:

42 a. "Disabled student" means a child requiring
43 special education, as defined in section 256B.2,
44 subsection 1, or a student with disabilities who
45 qualifies for educational services under section 504
46 of the federal Rehabilitation Act of 1973, as amended
47 and codified in 29 U.S.C. § 794.

48 Sec. ____ . Section 432.1, subsection 6, paragraph
49 b, unnumbered paragraph 1, Code Supplement 2003, is
50 amended to read as follows:

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1 In addition to the prepayment amount in paragraph
2 "a", each life insurance company or association which
3 is subject to tax under subsection 1 of this section
4 and each mutual health service corporation which is
5 subject to tax under section 432.2 shall remit on or
6 before ~~June 30~~ August 15, on a prepayment basis, an
7 additional amount equal to the following percent of
8 the premium tax liability for the preceding calendar
9 year as follows:

10 Sec. _____. Section 432.1, subsection 6, paragraph
11 c, unnumbered paragraph 1, Code Supplement 2003, is
12 amended to read as follows:

13 In addition to the prepayment amount in paragraph
14 "a", each insurance company or association, other than
15 a life insurance company or association, which is
16 subject to tax under subsection 3 shall remit on or
17 before ~~June 30~~ August 15, on a prepayment basis, an
18 additional amount equal to the following percent of
19 the premium tax liability for the preceding calendar
20 year as follows:

21 Sec. _____. Section 518.18, subsection 3, paragraph
22 b, unnumbered paragraph 1, Code Supplement 2003, is
23 amended to read as follows:

24 In addition to the prepayment amount in paragraph
25 "a", each association shall remit on or before ~~June 30~~
26 August 15, on a prepayment basis, an additional amount
27 equal to the following percent of the premium tax
28 liability for the preceding calendar year as follows:

29 Sec. _____. Section 518A.35, subsection 3, paragraph
30 b, unnumbered paragraph 1, Code Supplement 2003, is
31 amended to read as follows:

32 In addition to the prepayment amount in paragraph
33 "a", each association shall remit on or before ~~June 30~~
34 August 15, on a prepayment basis, an additional amount
35 equal to the following percent of the premium tax
36 liability for the preceding calendar year as follows:

37 Sec. _____. 2004 Iowa Acts, Senate File 2257,
38 section 1, subsection 10, if enacted, is amended to
39 read as follows:

40 10. APPLICABILITY DATE. This section applies to
41 personal insurance contracts or policies delivered,
42 issued for delivery, continued, or renewed in this
43 state on or after ~~April 1, 2005~~ October 1, 2004.

44 Sec. _____. 2003 Iowa Acts, chapter 145, section
45 290, subsection 2, paragraph c, is amended to read as
46 follows:

47 c. By ~~September~~ December 1, 2004, the department
48 of administrative services, with the assistance of the
49 department of management, shall conduct a
50 comprehensive study of the impact of transferring all

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1 state agency employees delivering information
2 technology services to the department of
3 administrative services and of the impact of
4 physically merging the data centers of the department,
5 the state department of transportation, and the
6 department of workforce development, into one data
7 center. The study shall include an assessment of
8 advantages and disadvantages, economies of scale,
9 cost, and space availability, and shall solicit input
10 from outside vendors, both public and private. The
11 department shall report to the legislative ~~fiscal~~
12 ~~bureau~~ services agency and the committees on
13 government oversight of the senate and house of
14 representatives on the department's findings and
15 recommendations by ~~November 1~~, December 15, 2004.

16 Sec. _____. 2004 Iowa Acts, House File 2562, section
17 11, subsection 1, if enacted, is amended to read as
18 follows:

19 1. This Act, except for the provision of this Act
20 enacting section 99B.10, subsection 5B, being deemed
21 of immediate importance, takes effect upon enactment.

22 Sec. _____. MENTAL HEALTH INSTITUTE AT CHEROKEE. If
23 building space located at the state mental health
24 institute at Cherokee being used by an organization
25 other than the state will be vacated by the
26 organization, the department of human services shall
27 reserve the space to be available for the purposes
28 described in this section. The department shall
29 develop a plan for using vacant building space at the
30 institute for a program to address the treatment needs
31 of persons with a developmental disability who exhibit
32 sexually violent behavior and are residents at state
33 resource centers or other residential settings.

34 Sec. _____. EFFECTIVE DATE. The sections of this
35 division of this Act amending section 260C.18A, Code
36 Supplement 2003, being deemed of immediate importance,
37 take effect upon enactment.

38 Sec. _____. EFFECTIVE DATE. The section of this
39 division of this Act amending section 306.46, being
40 deemed of immediate importance, takes effect upon
41 enactment.

42 Sec. _____. REAP PLATES -- EFFECTIVE DATE. The
43 section of this division of this Act amending section
44 321.34, subsection 11, paragraphs "c" and "d", takes
45 effect January 1, 2005.

46 Sec. _____. EFFECTIVE DATE. The sections of this
47 division of this Act amending sections 432.1, 518.18,
48 and 518A.35, being deemed of immediate importance,
49 take effect upon enactment.

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1 CORRECTIVE PROVISIONS

2 Sec. ____ . Section 9E.6A, unnumbered paragraph 1,
3 Code 2003, as amended by 2004 Iowa Acts, House File
4 2516, section 1, if enacted, is amended to read as
5 follows:

6 Each person performing a notarial act pursuant to
7 section 9E.10 must acquire and use a stamp or seal as
8 provided in this chapter. However, this section shall
9 not apply to a notarial act performed by a judicial
10 officer as defined in section 602.1101, if the
11 notarial act is performed in accordance with state or
12 federal statutory authority, ~~or is~~ and shall not apply
13 to a certification by a chief officer or a chief
14 officer's designee of a peace officer's verification
15 of a uniform citation and complaint pursuant to
16 section 805.6, subsection 5.

17 Sec. ____ . Section 9H.1, subsection 17, Code
18 Supplement 2003, is amended to read as follows:

19 17. "Limited partnership" means a limited
20 partnership as defined in section 487.101, ~~subsection~~
21 7, ~~and~~ or 488.102, or a limited liability limited
22 partnership under section 487.1301 or chapter 488,
23 which owns or leases agricultural land or is engaged
24 in farming.

25 Sec. ____ . Section 9H.1, subsection 17, Code
26 Supplement 2003, as amended by this division of this
27 Act to take effect January 1, 2005, is amended to read
28 as follows:

29 17. "Limited partnership" means a limited
30 partnership as defined in section ~~487.101 or~~ 488.102,
31 or a limited liability limited partnership under
32 ~~section 487.1301 or~~ chapter 488, which owns or leases
33 agricultural land or is engaged in farming.

34 Sec. ____ . Section 10B.1, subsection 8, Code
35 Supplement 2003, is amended to read as follows:

36 8. "Limited partnership" means a foreign or
37 domestic limited partnership, including a limited
38 partnership as defined in section 487.101, ~~subsection~~
39 ~~7 or~~ 488.102, and a domestic or foreign limited
40 liability limited partnership under section 487.1301
41 or 487.1303, or chapter 488.

42 Sec. ____ . Section 10B.1, subsection 8, Code
43 Supplement 2003, as amended by this division of this
44 Act to take effect January 1, 2005, is amended to read
45 as follows:

46 8. "Limited partnership" means a foreign or
47 domestic limited partnership, including a limited
48 partnership as defined in section ~~487.101 or~~ 488.102,
49 and a domestic or foreign limited liability limited
50 partnership under ~~section 487.1301 or 487.1303, or~~

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1 chapter 488.

2 Sec. _____. Section 34A.7A, subsection 2, paragraph
3 f, if enacted by 2004 Iowa Acts, House File 2434, is
4 amended by striking the paragraph and inserting in
5 lieu thereof the following:

6 f. (1) The program manager shall allocate an
7 amount up to one hundred twenty-seven thousand dollars
8 per calendar quarter equally to the joint E911 service
9 boards and the department of public safety that have
10 submitted an annual written request to the program
11 manager in a form approved by the program manager by
12 May 15 of each year.

13 (2) Upon retirement of outstanding obligations
14 referred to in paragraph "e", the amount allocated
15 under this paragraph "f" shall be an amount up to four
16 hundred thousand dollars per calendar quarter
17 allocated as follows:

18 (a) Sixty-five percent of the total dollars
19 available for allocation shall be allocated in
20 proportion to the square miles of the service area to
21 the total square miles in this state.

22 (b) Thirty-five percent of the total dollars
23 available for allocation shall be allocated in
24 proportion to the wireless E911 calls taken at the
25 public safety answering point in the service area to
26 the total number of wireless E911 calls originating in
27 this state.

28 (c) Notwithstanding subparagraph subdivisions (a)
29 and (b), the minimum amount allocated to each joint
30 E911 service board and to the department of public
31 safety shall be no less than one thousand dollars for
32 each public safety answering point within the service
33 area of the department of public safety or joint E911
34 service board.

35 (3) The funds allocated in this paragraph "f"
36 shall be used for communication equipment located
37 inside the public safety answering points for the
38 implementation and maintenance of wireless E911 phase
39 2. The joint E911 service boards and the department
40 of public safety shall provide an estimate of phase 2
41 implementation costs to the program manager by January
42 1, 2005.

43 Sec. _____. Section 48A.11, subsection 1, paragraph
44 e, Code 2003, as amended by 2004 Iowa Acts, Senate
45 File 2269, section 8, if enacted, is amended to read
46 as follows:

47 e. Iowa driver's license number if the registrant
48 has a current and valid Iowa driver's license, Iowa
49 nonoperator's identification card if the registrant
50 has a current and valid Iowa nonoperator's

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1 identification card, or the last four numerals of the
2 registrant's social security number. If the
3 registrant does not have an Iowa driver's license
4 number, an Iowa nonoperator's identification card
5 number, or a social security number, the form shall
6 provide space for a number to be assigned as provided
7 in subsection 7.

8 Sec. _____. Section 48A.25A, unnumbered paragraph 1,
9 if enacted by 2004 Iowa Acts, Senate File 2269,
10 section 13, is amended to read as follows:.

11 Upon receipt of an application for voter
12 registration by mail, the state registrar of voters
13 shall compare the driver's license number, the Iowa
14 nonoperator's identification card number, or the last
15 four numerals of the social security number provided
16 by the registrant with the records of the state
17 department of transportation. To be verified, the
18 voter registration record shall contain the same name,
19 date of birth, and driver's license number or Iowa
20 nonoperator's identification card number or whole or
21 partial social security number as the records of the
22 department of transportation. If the information
23 cannot be verified, the application shall be rejected
24 and the registrant shall be notified of the reason for
25 the rejection. If the information can be verified, a
26 record shall be made of the verification and the
27 application shall be accepted.

28 Sec. _____. Section 48A.37, subsection 2, Code 2003,
29 as amended by 2004 Iowa Acts, Senate File 2269,
30 section 18, if enacted, is amended to read as follows:

31 2. Electronic records shall include a status code
32 designating whether the records are active, inactive,
33 local, or pending. Inactive records are records of
34 registered voters to whom notices have been sent
35 pursuant to section 48A.28, subsection 3, and who have
36 not returned the card or otherwise responded to the
37 notice, and those records have been designated
38 inactive pursuant to section 48A.29. Local records
39 are records of applicants who did not answer either
40 "yes" or "no" to the question in section 48A.11,
41 subsection 2A, paragraph "a". Pending records are
42 records of applicants whose applications have not been
43 verified pursuant to section 48A.25A. All other
44 records are active records. An inactive record shall
45 be made active when the registered voter votes at an
46 election, registers again, or reports a change of
47 name, address, telephone number, or political party
48 affiliation. A pending record shall be made active
49 upon verification. A local record shall be valid for
50 any election for which no candidates for federal

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1 office appear on the ballot, ~~but the~~. A registrant
2 ~~may~~ with only a local record shall not vote in a
3 federal election unless the registrant submits a new
4 voter registration application before election day
5 indicating that the applicant is a citizen of the
6 United States.

7 Sec. _____. Section 49.81, subsection 2, unnumbered
8 paragraph 3, if enacted by 2004 Iowa Acts, Senate File
9 2269, section 20, is amended to read as follows:

10 You must show identification before your ballot can
11 be counted. Please bring or mail a copy of a current
12 and valid photo identification card to the county
13 ~~commissioners~~ commissioner's office or bring or mail a
14 copy of one of the following current documents that
15 show your name and address:

16 Sec. _____. Section 52.7, unnumbered paragraph 4,
17 Code 2003, as amended by 2004 Iowa Acts, Senate File
18 2269, section 27, if enacted, is amended to read as
19 follows:

20 Such machine shall be so constructed as to
21 accurately account for every vote cast upon it. The
22 machine shall be so constructed as to remove
23 information from the ballot identifying the voter
24 before the ballot is recorded and counted. If the
25 machine is a direct ~~electronic~~ recording electronic
26 device, the machine shall be so constructed as to
27 store each ballot cast separate from the ballot
28 tabulation function, which ballot may be reproduced on
29 paper in the case of a recount, manual audit, or
30 machine malfunction.

31 Sec. _____. Section 53.3, subsection 7, if enacted
32 by 2004 Iowa Acts, Senate File 2269, section 30, is
33 amended to read as follows:

34 7. A statement that an absentee ballot will ~~by~~ be
35 mailed to the applicant within twenty-four hours after
36 the ballot for the election is available.

37 Sec. _____. Section 53.17, subsection 1, paragraph
38 a, if enacted by 2004 Iowa Acts, Senate File 2269,
39 section 33, is amended to read as follows:

40 a. The sealed carrier envelope may be delivered by
41 the registered voter, by the special precinct election
42 officials designated pursuant to section 53.22,
43 subsection 1, or by the voter's designee if the
44 absentee ballot is voted by a voter described in
45 section 53.22, subsection 5, to the commissioner's
46 office no later than the time the polls are closed on
47 election day, ~~except as otherwise provided in~~
48 ~~subsection 4.~~

49 Sec. _____. Section 53.17, subsection 4, paragraph
50 d, subparagraph (2), if enacted by 2004 Iowa Acts,

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1 Senate File 2269, section 33, is amended to read as
2 follows:

3 (2) The date and time the ~~voted~~ completed absentee
4 ballot was received from the voter.

5 Sec. _____. Section 68A.402, subsection 7, paragraph
6 b, as amended by 2004 Iowa Acts, House File 2319,
7 section 1, if enacted, is amended to read as follows:

8 b. COUNTY ELECTIONS. A political committee
9 expressly advocating the nomination, election, or
10 defeat of candidates for county office shall file
11 reports on the same dates as a candidate's committee
12 is required to file reports under subsection 2,
13 paragraph "a" and subsection 5, paragraph "b".

14 Sec. _____. Section 68A.503, subsection 4,
15 unnumbered paragraph 1, as amended by 2004 Iowa Acts,
16 House File 2318, section 7, if enacted, is amended to
17 read as follows:

18 The prohibitions in ~~sections~~ subsections 1 and 2
19 shall not apply to an insurance company, savings and
20 loan association, bank, credit union, or corporation
21 engaged in any of the following activities:

22 Sec. _____. Section 99B.11, subsection 2, paragraph
23 c, Code 2003, as amended by 2004 Iowa Acts, Senate
24 File 2249, section 1, is amended to read as follows:

25 c. Contests or exhibitions of cooking,
26 horticulture, livestock, poultry, fish or other
27 animals, artwork, hobbywork or craftwork, except those
28 prohibited by chapter 717A ~~or section 725.11~~.

29 Sec. _____. Section 174.1, subsection 0B, paragraph
30 a, as enacted by House File 2403, section 8, is
31 amended to read as follows:

32 a. The organization owns or leases at least ten
33 acres of fairgrounds. ~~A society~~ An organization may
34 meet the requirement of owning or leasing land,
35 buildings, and improvements through ownership by a
36 joint entity under chapter 28E.

37 Sec. _____. Section 174.12, subsection 2, unnumbered
38 paragraph 1, Code 2003, as amended by 2004 Iowa Acts,
39 House File 2403, section 16, is amended to read as
40 follows:

41 A district director of the association representing
42 the district in which the county is located, and the
43 director of the Iowa state fair board representing the
44 state fair board district in which the county is
45 located, certify to the association that the fair had
46 an accredited delegate in attendance at at least one
47 of the district meetings, and at the association's
48 annual meeting.

49 Sec. _____. Section 229.27, subsection 1, Code 2003,
50 is amended to read as follows:

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1 1. Hospitalization of a person under this chapter,
2 either voluntarily or involuntarily, does not
3 constitute a finding of nor equate with nor raise a
4 presumption of incompetency, nor cause the person so
5 hospitalized to be deemed a person of unsound mind nor
6 a person under legal disability for any purpose,
7 including but not limited to any circumstances to
8 which sections 6B.15, 447.7, 487.402, subsection 5,
9 paragraph "b", section 488.603, subsection 6,
10 paragraph "c", sections 487.705, 488.704, 597.6,
11 600B.21, 614.8, 614.19, 614.22, 614.24, 614.27, and
12 633.244 are applicable.

13 Sec. _____. Section 229.27, subsection 1, Code 2003,
14 as amended by this division of this Act to take effect
15 January 1, 2005, is amended to read as follows:

16 1. Hospitalization of a person under this chapter,
17 either voluntarily or involuntarily, does not
18 constitute a finding of nor equate with nor raise a
19 presumption of incompetency, nor cause the person so
20 hospitalized to be deemed a person of unsound mind nor
21 a person under legal disability for any purpose,
22 including but not limited to any circumstances to
23 which sections 6B.15, 447.7, ~~487.402, subsection 5,~~
24 ~~paragraph "b",~~ section 488.603, subsection 6,
25 paragraph "c", sections 487.705, 488.704, 597.6,
26 600B.21, 614.8, 614.19, 614.22, 614.24, 614.27, and
27 633.244 are applicable.

28 Sec. _____. Section 260C.18A, subsection 2,
29 unnumbered paragraph 1, Code Supplement 2003, is
30 amended to read as follows:

31 On July 1 of each year for the fiscal year
32 beginning July 1, 2003, and for every fiscal year
33 thereafter, moneys from the grow Iowa values fund
34 created in section 15G.108 are appropriated to the
35 department of economic development for deposit in the
36 workforce training and economic development funds in
37 amounts determined pursuant to subsection ~~3~~ 4. Moneys
38 deposited in the funds and disbursed to community
39 colleges for a fiscal year shall be expended for the
40 following purposes, provided seventy percent of the
41 moneys shall be used on projects in the areas of
42 advanced manufacturing, information technology and
43 insurance, and life sciences which include the areas
44 of biotechnology, health care technology, and nursing
45 care technology:

46 Sec. _____. Section 321I.10, if enacted by 2004 Iowa
47 Acts, Senate File 297, section 53, is amended by
48 adding the following new subsection:

49 NEW SUBSECTION. 2A. Cities may designate streets
50 under the jurisdiction of cities within their

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1 respective corporate limits which may be used for the
2 sport of driving all-terrain vehicles.

3 Sec. _____. Section 331.606B, subsection 4,
4 paragraph a, if enacted by 2004 Iowa Acts, Senate File
5 371, section 3, is amended to read as follows:

6 a. A document or instrument that was signed before
7 July 1, ~~2004~~ 2005.

8 Sec. _____. Section 488.102, subsection 10,
9 paragraph a, subparagraph (2), as enacted by 2004 Iowa
10 Acts, House File 2347, section 2, is amended to read
11 as follows:

12 (2) A person that was a general partner in a
13 limited partnership when the limited partnership
14 became subject to this chapter under section ~~488.1206~~
15 488.1204, subsection 1 or 2.

16 Sec. _____. Section 488.102, subsection 12,
17 paragraph a, subparagraph (2), as enacted by 2004 Iowa
18 Acts, House File 2347, section 2, is amended to read
19 as follows:

20 (2) A person that was a limited partner in a
21 limited partnership when the limited partnership
22 became subject to this chapter under section ~~488.1206~~
23 488.1204, subsection 1 or 2.

24 Sec. _____. Section 488.102, subsection 13, as
25 enacted by 2004 Iowa Acts, House File 2347, section 2,
26 is amended to read as follows:

27 13. "Limited partnership", except in the phrases
28 "foreign limited partnership" and "foreign limited
29 liability limited partnership", means an entity,
30 having one or more general partners and one or more
31 limited partners, which is formed under this chapter
32 by two or more persons or becomes subject to this
33 chapter under article 11 or section ~~488.1206~~ 488.1204,
34 subsection 1 or 2. The term includes a limited
35 liability limited partnership.

36 Sec. _____. Section 488.202, subsection 3,
37 unnumbered paragraph 1, as enacted by 2004 Iowa Acts,
38 House File 2347, section 20, is amended to read as
39 follows:

40 A general partner that knows that any information
41 in a filed certificate of limited partnership was
42 false when the certificate was filed or has become
43 false due to changed circumstances shall promptly do
44 at least one of the following:

45 Sec. _____. Section 488.209, subsection 1, paragraph
46 c, as enacted by 2004 Iowa Acts, House File 2347,
47 section 27, is amended to read as follows:

48 c. Whether all fees, taxes, and penalties under
49 this chapter or other law due to the secretary of
50 state have been paid.

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1 Sec. _____. Section 488.209, subsection 2, paragraph
2 c, as enacted by 2004 Iowa Acts, House File 2347,
3 section 27, is amended to read as follows:

4 c. Whether all fees, taxes, and penalties under
5 this chapter or other law due ~~to~~ the secretary of
6 state have been paid.

7 Sec. _____. Section 488.508, subsection 6, as
8 enacted by 2004 Iowa Acts, House File 2347, section
9 50, is amended to read as follows:

10 6. A limited partnership's indebtedness, including
11 indebtedness issued in connection with or as part of a
12 distribution, is not considered a liability for
13 purposes of subsection 2 if the terms of the
14 indebtedness provide that payment of principal and
15 interest ~~are~~ is made only to the extent that a
16 distribution could then be made to partners under this
17 section.

18 Sec. _____. Section 488.703, subsection 1, as
19 enacted by 2004 Iowa Acts, House File 2347, section
20 61, is amended to read as follows:

21 1. On application to a court of competent
22 jurisdiction by any judgment creditor of a partner or
23 transferee, the court may charge the transferable
24 interest of the judgment debtor with payment of the
25 unsatisfied amount of the judgment with interest. To
26 the extent so charged, the judgment creditor has only
27 the rights of a transferee. The court may appoint a
28 receiver of the share of the distributions due or to
29 become due ~~to~~ the judgment debtor in respect of the
30 partnership and make all other orders, directions,
31 accounts, and inquiries the judgment debtor might have
32 made or which the circumstances of the case may
33 require to give effect to the charging order.

34 Sec. _____. Section 488.809, subsection 1, paragraph
35 a, as enacted by 2004 Iowa Acts, House File 2347,
36 section 72, is amended to read as follows:

37 a. Pay any fee, tax, or penalty under this chapter
38 or other law due ~~to~~ the secretary of state.

39 Sec. _____. Section 488.906, subsection 1, paragraph
40 a, as enacted by 2004 Iowa Acts, House File 2347,
41 section 81, is amended to read as follows:

42 a. Pay, within sixty days after the due date, any
43 fee, tax or penalty under this chapter or other law
44 due ~~to~~ the secretary of state.

45 Sec. _____. Section 488.1106, subsection 1,
46 paragraph a, as enacted by 2004 Iowa Acts, House File
47 2347, section 94, is amended to read as follows:

48 a. The governing statute of each of the other
49 organizations authorizes the merger.

50 Sec. _____. Section 504.304, subsection 1, if

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1 enacted by 2004 Iowa Acts, Senate File 2274, section
2 27, is amended to read as follows:

3 1. Except as provided in subsection 2, the
4 validity of corporate action ~~may~~ shall not be
5 challenged on the ground that the corporation lacks or
6 lacked power to act.

7 Sec. _____. Section 504.854, subsection 3, paragraph
8 b, if enacted by 2004 Iowa Acts, Senate File 2274,
9 section 104, is amended to read as follows:

10 b. By the members, but the director who, at the
11 time does not qualify as a disinterested director, ~~may~~
12 shall not vote as a member or on behalf of a member.

13 Sec. _____. Section 504.1422, subsection 3, if
14 enacted by 2004 Iowa Acts, Senate File 2274, section
15 145, is amended to read as follows:

16 3. A corporation that is administratively
17 dissolved continues its corporate existence but ~~may~~
18 shall not carry on any activities except those
19 necessary to wind up and liquidate its affairs
20 pursuant to section 504.1406 and notify its claimants
21 pursuant to sections 504.1407 and 504.1408.

22 Sec. _____. Section 614.37, Code 2003, as amended by
23 2004 Iowa Acts, House File 2450, section 8, if
24 enacted, is amended to read as follows:

25 614.37 LIMITATION STATUTES NOT EXTENDED.

26 Nothing contained in this chapter shall be
27 construed to extend the period for the bringing of an
28 action or for the doing of any other required act
29 under any statutes of limitations, nor, except as
30 herein specifically provided, to effect the operation
31 of any statutes governing the effect of the recording
32 or the failure to record any instrument affecting
33 land. It is intended that nothing contained in this
34 ~~division~~ chapter be interpreted to revive or extend
35 the period of filing a claim or bringing an action
36 that may be limited or barred by any other statute.

37 Sec. _____. Section 669.14, subsection 11,
38 unnumbered paragraph 1, Code Supplement 2003, as
39 amended by 2004 Iowa Acts, House File 2347, section
40 116, is amended to read as follows:

41 Any claim for financial loss based upon an act or
42 omission in financial regulation, including but not
43 limited to examinations, inspections, audits, or other
44 financial oversight responsibilities, pursuant to
45 chapters 87, 203, 203C, 203D, 421B, 486, ~~or the figure~~
46 ~~"487"~~ 487, 488, and 490 through 553, excluding
47 chapters 540A, 542, 542B, 543B, 543C, 543D, 544A, and
48 544B.

49 Sec. _____. Section 709A.1, subsection 2, paragraph
50 c, Code 2003, as amended by 2004 Iowa Acts, Senate

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1 File 2249, section 2, is amended to read as follows:

2 c. Any premises the use of which constitutes a
3 violation of chapter 717A, or section 725.5, or
4 725.10, ~~or 725.11.~~

5 Sec. _____. Section 714.26, subsection 1, paragraph
6 c, if enacted by 2004 Iowa Acts, House File 2395, is
7 amended to read as follows:

8 c. "Retail value" means the highest value of an
9 item determined by any reasonable standard at the time
10 the item bearing or identified by a counterfeit mark
11 is seized. If a seized item bearing or identified by
12 a counterfeit mark is a component of a finished
13 product, "retail value" also means the highest value,
14 determined by any reasonable standard, of the finished
15 product on which the component would have been
16 utilized. The retail value shall be the retail value
17 of the aggregate quantity of all items seized which
18 bear or are identified by a counterfeit mark. For
19 purposes of this paragraph, reasonable standard
20 includes but is not limited ~~the~~ to the market value
21 within the community, actual value, replacement value,
22 or the counterfeiter's regular selling price for the
23 item bearing or identified by a counterfeit mark, or
24 the intellectual property owner's regular selling
25 price for an item similar to the item bearing or
26 identified by a counterfeit mark.

27 Sec. _____. Section 717E.1, subsection 3, paragraph
28 a, if enacted by 2004 Iowa Acts, House File 2480,
29 section 1, is amended to read as follows:

30 a. The annual fair and exposition held by the Iowa
31 state fair board pursuant to chapter 173 or any fair
32 held event conducted by a ~~county or district~~ fair ~~or~~
33 ~~agricultural society~~ under the provisions of chapter
34 174.

35 Sec. _____. Section 812.6, subsection 2, unnumbered
36 paragraph 1, if enacted by 2004 Iowa Acts, Senate File
37 2272, section 8, is amended to read as follows:

38 If the court finds by clear and convincing evidence
39 that the defendant poses a danger to the public peace
40 or safety, or that the defendant is otherwise not
41 qualified for pretrial release, or the defendant
42 refuses to cooperate with treatment, the court shall
43 commit the defendant to an appropriate inpatient
44 treatment facility as provided in ~~paragraphs~~ paragraph
45 "a" ~~and or~~ "b". The defendant shall receive mental
46 health treatment designed to restore the defendant to
47 competency.

48 Sec. _____. Sections 7D.15, 10D.1, 15.114, 15.221,
49 15E.64, 18A.11, 84A.1C, 225C.13, 303.3, 331.441,
50 357A.2, 357A.11, 357A.20, 357A.21, 357A.22A, 357A.23,

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1 357A.24, 425.11, 476.1, 476.27, 480.3, 499.5, 499.5A,
2 500.3, 504C.1, 514.19, 514.23, and 515.1, Code 2003,
3 are amended by inserting before the figure "504A" the
4 following: "504 or", if 2004 Iowa Acts, Senate File
5 2274 is enacted.

6 Sec. _____. Sections 9H.1, 9H.4, 10B.1, 190C.6,
7 304A.21, 331.427, 357A.15, 422.45, 490.1701, 504B.1,
8 504B.6, 513C.10, 514.1, 514.2, 514.5, 616.10, 633.63,
9 and 716.6B, Code Supplement 2003, are amended by
10 inserting before the figure "504A" the following:
11 "504 or", if 2004 Iowa Acts, Senate File 2274 is
12 enacted.

13 Sec. _____. 2004 Iowa Acts, House File 401, section
14 1, is amended by striking the section and inserting in
15 lieu thereof the following:

16 SECTION 1. Section 404A.4, subsection 4, Code
17 Supplement 2003, is amended to read as follows:

18 4. The total amount of tax credits that may be
19 approved for a fiscal year under this chapter shall
20 not exceed two million four hundred thousand dollars.
21 For the fiscal years beginning July 1, 2005, and July
22 1, 2006, an additional five hundred thousand dollars
23 of tax credits may be approved each fiscal year for
24 purposes of projects located in cultural and
25 entertainment districts certified pursuant to section
26 303.3B. Any of the additional tax credits allocated
27 for projects located in certified cultural and
28 entertainment districts that are not approved during a
29 fiscal year may be carried over to the succeeding
30 fiscal year. ~~Tax credit certificates shall be issued~~
31 ~~on the basis of the earliest awarding~~ The department
32 of cultural affairs shall establish by rule the
33 procedures for the application, review, selection, and
34 awarding of certifications of completion as provided
35 ~~in subsection 1.~~ The departments of economic
36 development, cultural affairs, and revenue shall each
37 adopt rules to jointly administer this subsection and
38 shall provide by rule for the method to be used to
39 determine for which fiscal year the tax credits are
40 approved available.

41 Sec. _____. 2004 Iowa Acts, House File 2562, section
42 10, subsection 2, if enacted, is amended to read as
43 follows:

44 2. On and after July 1, 2005, an owner of an
45 electrical and mechanical amusement device as
46 described in subsection 1 shall not offer the device
47 for use by the public. However, the owner of a device
48 shall be permitted to sell the device to a
49 distributor, as defined in section 99B.1, as amended
50 by this Act, or to a person authorized to offer the

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1 device to the public pursuant to section 99B.10,
2 subsection 4, as amended by this Act for which a class
3 "A", class "B", class "C", or class "D" liquor control
4 license ~~or class "B" or class "C" beer permit~~ has been
5 issued pursuant to chapter 123.

6 Sec. _____. 2004 Iowa Acts, Senate File 2070,
7 section 35, subsection 1, is amended to read as
8 follows:

9 1. Except as provided in subsections 2 through 4
10 6, this Act takes effect January 1, 2005.

11 Sec. _____. The section of 2004 Iowa Acts, House
12 File 2489, amending section 523A.502, subsection 7, is
13 repealed if 2004 Iowa Acts, House File 2269, is
14 enacted.

15 Sec. _____. 2004 Iowa Acts, Senate File 2282,
16 section 1, if enacted, is amended to read as follows:

17 SECTION 1. LOESS HILLS STUDY AND REPORT. The
18 loess hills development and conservation authority, in
19 consultation with the state advisory board for
20 preserves, shall conduct a comprehensive study to
21 determine the archaeological and paleontological
22 significance and the significance of the flora and
23 fauna of the loess hills and to determine the
24 feasibility of designating land in the loess hills for
25 dedication as a state native prairie preserve and of
26 other various uses of the loess hills. The ~~natural~~
27 ~~resource commission loess hills development and~~
28 ~~conservation authority~~ may accept gifts, grants,
29 bequests, and other private contributions, as well as
30 federal, state, or local funds for the purposes of
31 conducting the study. The loess hills development and
32 conservation authority and the state advisory board
33 for preserves shall file a joint report containing
34 their findings and recommendations with the
35 legislative services agency by December 15, 2006, for
36 distribution to the general assembly.

37 Sec. _____. EFFECTIVE AND RETROACTIVE APPLICABILITY
38 DATES.

39 1. The sections of this division of this Act
40 amending sections 9H.1 and 10B.1, Code Supplement
41 2003, and 229.27, Code 2003, take effect January 1,
42 2005. The sections of this division of this Act
43 further amending sections 9H.1 and 10B.1, Code
44 Supplement 2003, and 229.27, Code 2003, as amended by
45 this division of this Act to take effect January 1,
46 2005, take effect January 1, 2006.

47 2. The section of this division of this Act
48 amending section 260C.18A, being deemed of immediate
49 importance, takes effect upon enactment and applies
50 retroactively to July 1, 2003.

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1 3. The section of this division of this Act
2 amending 2004 Iowa Acts, Senate File 2070, being
3 deemed of immediate importance, takes effect upon
4 enactment and applies retroactively to the date of
5 enactment of Senate File 2070.

6 DIVISION

7 COMMUNITY ATTRACTION AND TOURISM FUND

8 Sec. _____. Section 15F.204, subsection 3, Code
9 2003, is amended to read as follows:

10 3. The fund shall be used to provide assistance
11 only from funds, rights, and assets legally available
12 to the board in the form of grants, loans, forgivable
13 loans, and credit enhancements and financing
14 instruments under the community attraction and tourism
15 program established in section 15F.202. A project
16 with a total cost exceeding twenty million dollars may
17 receive financial assistance under the program. An
18 applicant under the community attraction and tourism
19 program shall not receive financial assistance from
20 the fund in an amount exceeding fifty percent of the
21 total cost of the project.

22 Sec. _____. Section 15F.204, Code 2003, is amended
23 by adding the following new subsection:

24 NEW SUBSECTION. 8. a. There is appropriated from
25 the rebuild Iowa infrastructure fund to the community
26 attraction and tourism fund, the following amounts:

27 (1) For the fiscal year beginning July 1, 2004,
28 and ending June 30, 2005, the sum of twelve million
29 dollars.

30 (2) For the fiscal year beginning July 1, 2005,
31 and ending June 30, 2006, the sum of five million
32 dollars.

33 (3) For the fiscal year beginning July 1, 2006,
34 and ending June 30, 2007, the sum of five million
35 dollars.

36 (4) For the fiscal year beginning July 1, 2007,
37 and ending June 30, 2008, the sum of five million
38 dollars.

39 (5) For the fiscal year beginning July 1, 2008,
40 and ending June 30, 2009, the sum of five million
41 dollars.

42 (6) For the fiscal year beginning July 1, 2009,
43 and ending June 30, 2010, the sum of five million
44 dollars.

45 b. There is appropriated from the franchise tax
46 revenues deposited in the general fund of the state to
47 the community attraction and tourism fund, the
48 following amounts:

49 (1) For the fiscal year beginning July 1, 2005,
50 and ending June 30, 2006, the sum of seven million

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1 dollars.

2 (2) For the fiscal year beginning July 1, 2006,
3 and ending June 30, 2007, the sum of seven million
4 dollars.

5 (3) For the fiscal year beginning July 1, 2007,
6 and ending June 30, 2008, the sum of seven million
7 dollars.

8 (4) For the fiscal year beginning July 1, 2008,
9 and ending June 30, 2009, the sum of seven million
10 dollars.

11 (5) For the fiscal year beginning July 1, 2009,
12 and ending June 30, 2010, the sum of seven million
13 dollars.

14 Notwithstanding the allocation requirements in
15 subsection 5, the board may make a multiyear
16 commitment to an applicant of up to four million
17 dollars in any one fiscal year.

DIVISION

REGULATORY EFFICIENCY COMMISSION

20 Sec. ____ REGULATORY EFFICIENCY COMMISSION.

21 1. A regulatory efficiency commission is
22 established for purposes of identifying unneeded
23 regulations, fines, and fees that hinder business
24 development. The commission shall also identify
25 methods for streamlining access to regulatory
26 information.

27 2. The commission shall consist of eight voting
28 members appointed by the governor and four ex officio
29 members.

30 a. The eight voting members appointed by the
31 governor are subject to the requirements of sections
32 69.16, 69.16A, and 69.19. The eight members shall
33 consist of the following:

34 (1) Two members shall be economic development
35 representatives from two different chambers of
36 commerce. One shall be from a metropolitan area with
37 more than fifty thousand people and one shall be from
38 a metropolitan area with fifty thousand people or
39 less.

40 (2) Two members representing agricultural
41 interests.

42 (3) One member representing the Iowa association
43 of business and industry.

44 (4) Two members representing commercial-based and
45 manufacturing-based businesses.

46 (5) One member representing the Iowa environmental
47 council.

48 b. The four ex officio members shall be members of
49 the general assembly. Two members shall be from the
50 senate and two members shall be from the house of

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1 representatives, with not more than one member from
2 each chamber being from the same political party. The
3 two senators shall be designated by the president of
4 the senate after consultation with the majority and
5 minority leaders of the senate. The two
6 representatives shall be designated by the speaker of
7 the house of representatives after consultation with
8 the majority and minority leaders of the house of
9 representatives. Legislative members shall serve in
10 an ex officio, nonvoting capacity.

11 3. Meetings of the commission are subject to the
12 provisions of chapter 21.

13 4. By January 10, 2005, the commission shall
14 submit a written report to the governor and the
15 general assembly. The report shall include the
16 findings and legislative recommendations of the
17 commission. The report shall be distributed by the
18 secretary of the senate and the chief clerk of the
19 house of representatives to the chairpersons and
20 members of the administrative rules review committee
21 and the economic growth committees in the senate and
22 the house of representatives.

DIVISION

WIND ENERGY TAX CREDITS

25 Sec. ____ . NEW SECTION. 422.11J WIND ENERGY
26 PRODUCTION TAX CREDIT.

27 The taxes imposed under this division, less the
28 credits allowed under sections 422.12 and 422.12B,
29 shall be reduced by a wind energy production tax
30 credit allowed under chapter 476B.

31 Sec. ____ . Section 422.33, Code Supplement 2003, is
32 amended by adding the following new subsection:

33 NEW SUBSECTION. 16. The taxes imposed under this
34 division shall be reduced by a wind energy production
35 tax credit allowed under chapter 476B.

36 Sec. ____ . Section 422.60, Code Supplement 2003, is
37 amended by adding the following new subsection:

38 NEW SUBSECTION. 9. The taxes imposed under this
39 division shall be reduced by a wind energy production
40 tax credit allowed under chapter 476B.

41 Sec. ____ . NEW SECTION. 432.12E WIND ENERGY
42 PRODUCTION TAX CREDIT.

43 The taxes imposed under this chapter shall be
44 reduced by a wind energy production tax credit allowed
45 under chapter 476B.

46 Sec. ____ . Section 437A.6, subsection 1, paragraph
47 c, Code 2003, is amended to read as follows:

48 c. Wind energy conversion property subject to
49 section 427B.26 or eligible for a tax credit under
50 chapter 476B.

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1 Sec. ____ . NEW SECTION. 476B.1 DEFINITIONS.

2 For purposes of this chapter, unless the context
3 otherwise requires:

4 1. "Board" means the utilities board within the
5 utilities division of the department of commerce.

6 2. "Department" means the department of revenue.

7 3. "Qualified electricity" means electricity
8 produced from wind at a qualified facility.

9 4. "Qualified facility" means an electrical
10 production facility that meets all of the following:

11 a. Produces electricity from wind.

12 b. Is located in Iowa.

13 c. Was originally placed in service on or after
14 July 1, 2004, but before July 1, 2007.

15 Sec. ____ . NEW SECTION. 476B.2 GENERAL RULE.

16 The owner of a qualified facility shall, for each
17 kilowatt-hour of qualified electricity that the owner
18 sells during the ten-year period beginning on the date
19 the qualified facility was originally placed in
20 service, be allowed a wind energy production tax
21 credit to the extent provided in this chapter against
22 the tax imposed in chapter 422, divisions II, III, and
23 V, and chapter 432.

24 Sec. ____ . NEW SECTION. 476B.3 CREDIT AMOUNT.

25 1. Except as limited by subsection 2, the wind
26 energy production tax credit allowed under this
27 chapter equals the product of one cent multiplied by
28 the number of kilowatt-hours of qualified electricity
29 sold by the owner during the taxable year.

30 2. a. The maximum amount of tax credit which a
31 group of qualified facilities operating as one unit
32 may receive for a taxable year equals the rate of
33 credit times thirty-two percent of the total number of
34 kilowatts of nameplate generating capacity.

35 b. However, if for the previous taxable year the
36 amount of the tax credit for the group of qualified
37 facilities operating as one unit is less than the
38 maximum amount available as provided in paragraph "a",
39 the maximum amount for the next taxable year shall be
40 increased by the amount of the previous year's unused
41 maximum credit.

42 Sec. ____ . NEW SECTION. 476B.4 LIMITATIONS.

43 1. a. The wind energy production tax credit shall
44 not be allowed for any kilowatt-hour of electricity
45 produced on wind energy conversion property for which
46 the owner has claimed or otherwise received for that
47 property the benefit of special valuation under
48 section 427B.26 or section 441.21, subsection 8, or
49 the exemption from retail sales tax under section
50 422.45, subsection 48, or section 423.3, subsection

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1 53, as applicable.

2 b. The disallowance of the tax credit pursuant to
3 paragraph "a" does not apply to an owner of a
4 qualified facility that owns, directly or indirectly,
5 in the aggregate, a total annual turbine nameplate
6 capacity of all such property of less than one
7 megawatt. A qualified facility under this paragraph
8 shall not be owned by more than one person.

9 2. The wind energy production tax credit shall not
10 be allowed for any kilowatt-hour of electricity that
11 is sold to a related person. For purpose of this
12 subsection, persons shall be treated as related to
13 each other if such persons would be treated as a
14 single employer under the regulations prescribed under
15 section 52(b) of the Internal Revenue Code. In the
16 case of a corporation that is a member of an
17 affiliated group of corporations filing a consolidated
18 return, such corporation shall be treated as selling
19 electricity to an unrelated person if such electricity
20 is sold to such a person by another member of such
21 group.

22 Sec. ____ . NEW SECTION. 476B.5 APPLICATION FOR
23 TAX CREDIT CERTIFICATES.

24 1. a. To be eligible to receive the wind energy
25 production tax credit, the owner must first receive
26 approval of the board of supervisors of the county in
27 which the qualified facility is located. The
28 application for approval may be submitted prior to
29 commencement of the construction of the qualified
30 facility but shall be submitted no later than the
31 close of the owner's first taxable year for which the
32 credit is to be applied for. The application must
33 contain the owner's name and address, the address of
34 the qualified facility, and the dates of the owner's
35 first and last taxable years for which the credit will
36 be applied for. Within forty-five days of the receipt
37 of the application for approval, the board of
38 supervisors shall either approve or disapprove the
39 application. After the forty-five-day limit, the
40 application is deemed to be approved.

41 b. Upon approval of the application, the owner may
42 apply for the tax credit as provided in subsection 2.
43 In addition, approval of the application is acceptance
44 by the applicant for the assessment of the qualified
45 facility for property tax purposes for a period of
46 twelve years and approval by the board of supervisors
47 for the payment of the property taxes levied on the
48 qualified property to the state. For purposes of
49 property taxation, the qualified facility shall be
50 centrally assessed and shall be exempt from any

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1 replacement tax under section 437A.6 for the period
2 during which the facility is subject to property
3 taxation. The property taxes to be paid to the state
4 are those property taxes which make up the
5 consolidated tax levied on the qualified facility and
6 which are due and payable in the twelve-year period
7 beginning with the first fiscal year beginning on or
8 after the end of the owner's first taxable year for
9 which the credit is applied for. Upon approval of the
10 application, the board of supervisors shall notify the
11 county treasurer to state on the tax statement which
12 lists the taxes on the qualified facility that the
13 amount of the property taxes shall be paid to the
14 department. Payment of the designated property taxes
15 to the department shall be in the same manner as
16 required for the payment of regular property taxes and
17 failure to pay designated property taxes to the
18 department shall be treated the same as failure to pay
19 property taxes to the county treasurer.

20 c. Once the owner of the qualified facility
21 receives approval under paragraph "a", subsequent
22 approval under paragraph "a" is not required for the
23 same qualified facility for subsequent taxable years.

24 2. To receive the wind energy production tax
25 credit, an owner of the qualified facility must submit
26 an application for a tax credit certificate to the
27 board not later than thirty days after the close of
28 the taxable year for which the credit is applied for.
29 The owner's application must contain, but need not be
30 limited to, all of the following information: the
31 owner's name, tax identification number, and address,
32 the number of kilowatt-hours of qualified electricity
33 sold by the owner during the preceding taxable year,
34 the address of the qualified facility at which the
35 qualified electricity was produced, and the
36 denomination that each tax credit certificate is to
37 carry. For the first taxable year for which the
38 credit is applied for, there shall be attached to the
39 application a notarized copy of the board of
40 supervisors' approval as required in subsection 1.

41 3. The board shall, in conjunction with the
42 department, prescribe appropriate forms, including
43 board of supervisors' approval forms, and instructions
44 to enable owners to claim the tax credit allowed under
45 this chapter. If the board prescribes these forms and
46 instructions, an owner's application for a tax credit
47 certificate shall not be valid unless made on and in
48 accordance with these forms and instructions.

49 Sec. ____ . NEW SECTION. 476B.6 ISSUANCE OF TAX
50 CREDIT CERTIFICATES.

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1 1. If the owner meets the criteria for eligibility
2 for the wind energy production tax credit, the board
3 shall determine the validity of the application and if
4 valid, shall approve the application for credit. Once
5 approval of the credit for a qualified facility is
6 granted, subsequent approval is not required for the
7 same qualified facility. However, application is
8 required to be filed as provided in section 476B.5,
9 subsection 2, for purposes of the issuance of credit
10 certificates. The board shall issue one or more tax
11 credit certificates to the owner not later than thirty
12 days after the application is submitted to the board.
13 Each tax credit certificate must contain the owner's
14 name, address, and tax identification number, amount
15 of tax credits, the first taxable year the
16 certificates may be used, which shall not be for a
17 taxable year beginning prior to July 1, 2005, and the
18 expiration date of the tax credit certificate, which
19 shall be seven years from its date of issuance and any
20 other information required by the department. Once
21 issued by the board, the tax credit certificate shall
22 be binding on the board and the department and shall
23 not be modified, terminated, or rescinded. The board
24 shall notify the department and identify the qualified
25 facility for which the owner received tax credit
26 certificates that property taxes levied on the
27 qualified facility are to be paid to the department.

28 2. If the tax credit application is filed by a
29 partnership, limited liability company, S corporation,
30 estate, trust, or other reporting entity all of the
31 income of which is taxed directly to its equity
32 holders or beneficiaries, the tax credit certificate
33 may, at the election of the owner, be issued directly
34 to equity holders or beneficiaries of the owner in
35 proportion to their pro rata share of the income of
36 such entity. If the owner elects to have the tax
37 credit certificate issued directly to its equity
38 holders or beneficiaries, the owner must, in the
39 application made under section 476B.5, identify its
40 equity holders or beneficiaries, and the amount of
41 such entity's income that is allocable to each equity
42 holder or beneficiary.

43 Sec. ____ . NEW SECTION. 476B.7 TRANSFER OF TAX
44 CREDIT CERTIFICATES.

45 Wind energy production tax credit certificates
46 issued under this chapter may be transferred to any
47 person or entity. Within thirty days of transfer, the
48 transferee must submit the transferred tax credit
49 certificate to the board along with a statement
50 containing the transferee's name, tax identification

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1 number, and address, and the denomination that each
2 replacement tax credit certificate is to carry and any
3 other information required by the department. Within
4 thirty days of receiving the transferred tax credit
5 certificate and the transferee's statement, the board
6 shall issue one or more replacement tax credit
7 certificates to the transferee. Each replacement
8 certificate must contain the information required
9 under section 476B.6 and must have the same effective
10 taxable year and the same expiration date that
11 appeared in the transferred tax credit certificate.
12 Tax credit certificate amounts of less than the
13 minimum amount established by rule of the board shall
14 not be transferable. A tax credit shall not be
15 claimed by a transferee under this chapter until a
16 replacement tax credit certificate identifying the
17 transferee as the proper holder has been issued.

18 The tax credit shall only be transferred once. The
19 transferee may use the amount of the tax credit
20 transferred against the taxes imposed under chapter
21 422, divisions II, III, and V, and chapter 432 for any
22 tax year the original transferor could have claimed
23 the tax credit. Any consideration received for the
24 transfer of the tax credit shall not be included as
25 income under chapter 422, divisions II, III, and V.
26 Any consideration paid for the transfer of the tax
27 credit shall not be deducted from income under chapter
28 422, divisions II, III, and V.

29 Sec. ____ . NEW SECTION. 476B.8 USE OF TAX CREDIT
30 CERTIFICATES.

31 To claim a wind energy production tax credit under
32 this chapter, a taxpayer must attach one or more tax
33 credit certificates to the taxpayer's tax return. A
34 tax credit certificate shall not be used or attached
35 to a return filed for a taxable year beginning prior
36 to July 1, 2005. The tax credit certificate or
37 certificates attached to the taxpayer's tax return
38 shall be issued in the taxpayer's name, expire on or
39 after the last day of the taxable year for which the
40 taxpayer is claiming the tax credit, and show a tax
41 credit amount equal to or greater than the tax credit
42 claimed on the taxpayer's tax return. Any tax credit
43 in excess of the taxpayer's tax liability for the
44 taxable year may be credited to the taxpayer's tax
45 liability for the following seven taxable years or
46 until depleted, whichever is the earlier.

47 Sec. ____ . NEW SECTION. 476B.9 REGISTRATION OF
48 TAX CREDIT CERTIFICATES.

49 The board shall, in conjunction with the
50 department, develop a system for the registration of

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1 the wind energy production tax credit certificates
2 issued or transferred under this chapter and a system
3 that permits verification that any tax credit claimed
4 on a tax return is valid and that transfers of the tax
5 credit certificates are made in accordance with the
6 requirements of this chapter. The tax credit
7 certificates issued under this chapter shall not be
8 classified as a security pursuant to chapter 502.
9 Sec. _____. EFFECTIVE AND APPLICABILITY DATES. This
10 division of this Act, being deemed of immediate
11 importance, takes effect upon enactment and applies
12 retroactively to taxable years beginning on or after
13 January 1, 2004.

DIVISION

LICENSED INTERPRETER FOR THE HEARING IMPAIRED

15 Sec. _____. Section 147.1, subsection 2, paragraph
16 c, Code 2003, is amended to read as follows:

17 c. "Licensed" or "certified" when applied to a
18 physician and surgeon, podiatric physician, osteopath,
19 osteopathic physician and surgeon, physician
20 assistant, psychologist or associate psychologist,
21 chiropractor, nurse, dentist, dental hygienist,
22 optometrist, speech pathologist, audiologist,
23 pharmacist, physical therapist, occupational
24 therapist, respiratory care practitioner, practitioner
25 of cosmetology arts and sciences, practitioner of
26 barbering, funeral director, dietitian, marital and
27 family therapist, mental health counselor, social
28 worker, massage therapist, athletic trainer, ~~or~~
29 acupuncturist, or interpreter for the hearing
30 impaired, means a person licensed under this subtitle.

31 Sec. _____. Section 147.1, subsection 2, paragraph
32 f, Code 2003, is amended to read as follows:

33 f. "Profession" means medicine and surgery,
34 podiatry, osteopathy, osteopathic medicine and
35 surgery, practice as a physician assistant,
36 psychology, chiropractic, nursing, dentistry, dental
37 hygiene, optometry, speech pathology, audiology,
38 pharmacy, physical therapy, occupational therapy,
39 respiratory care, cosmetology arts and sciences,
40 barbering, mortuary science, marital and family
41 therapy, mental health counseling, social work,
42 dietetics, massage therapy, athletic training, ~~or~~
43 acupuncture, or interpreting for the hearing impaired.

44 Sec. _____. Section 147.2, unnumbered paragraph 1,
45 Code 2003, is amended to read as follows:

46 A person shall not engage in the practice of
47 medicine and surgery, podiatry, osteopathy,
48 osteopathic medicine and surgery, psychology,
49 chiropractic, physical therapy, nursing, dentistry,
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1 dental hygiene, optometry, speech pathology,
2 audiology, occupational therapy, respiratory care,
3 pharmacy, cosmetology, barbering, social work,
4 dietetics, marital and family therapy or mental health
5 counseling, massage therapy, mortuary science, ~~or~~
6 acupuncture, or interpreting for the hearing impaired,
7 or shall not practice as a physician assistant as
8 defined in the following chapters of this subtitle,
9 unless the person has obtained from the department a
10 license for that purpose.

11 Sec. _____. Section 147.13, Code 2003, is amended by
12 adding the following new subsection:

13 NEW SUBSECTION. 21. For interpreters, interpreter
14 for the hearing impaired examiners.

15 Sec. _____. Section 147.14, Code 2003, is amended by
16 adding the following new subsection:

17 NEW SUBSECTION. 21. For interpreting for the
18 hearing impaired, four members licensed to practice
19 interpreting, three of whom shall be practicing
20 interpreters at the time of appointment to the board
21 and at least one of whom is employed in an educational
22 setting; and three members who are consumers of
23 interpreting services as defined in section 154E.1,
24 each of whom shall be deaf. A majority of members of
25 the board constitutes a quorum.

26 Sec. _____. Section 147.74, Code Supplement 2003, is
27 amended by adding the following new subsection:

28 NEW SUBSECTION. 21A. An interpreter licensed
29 under chapter 154E and this chapter may use the title
30 "licensed interpreter" or the letters "L.I." after the
31 person's name.

32 Sec. _____. Section 147.80, Code Supplement 2003, is
33 amended by adding the following new subsection:

34 NEW SUBSECTION. 28A. License to practice
35 interpreting, license to practice interpreting under a
36 reciprocal license, or renewal of a license to
37 practice interpreting.

38 Sec. _____. NEW SECTION. 154E.1 DEFINITIONS.

39 As used in this chapter, unless the context
40 otherwise requires:

41 1. "Board" means the board of interpreter for the
42 hearing impaired examiners established in chapter 147.

43 2. "Consumer" means an individual utilizing
44 interpreting services who uses spoken English,
45 American sign language, or a manual form of English.

46 3. "Department" means the Iowa department of
47 public health.

48 4. "Interpreter training program" means a post-
49 secondary education program training individuals to
50 interpret or transliterate.

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1 5. "Interpreting" means facilitating communication
2 between individuals who communicate via American sign
3 language and individuals who communicate via spoken
4 English.

5 6. "Licensee" means any person licensed to
6 practice interpreting or transliterating for deaf,
7 hard-of-hearing, and hearing individuals in the state
8 of Iowa.

9 7. "Transliterating" means facilitating
10 communication between individuals who communicate via
11 a manual form of English and individuals who
12 communicate via spoken English.

13 Sec. ____ . NEW SECTION. 154E.2 DUTIES OF THE
14 BOARD.

15 The board shall administer this chapter. The
16 board's duties shall include, but are not limited to,
17 the following:

18 1. Adopt rules consistent with this chapter and
19 with chapter 147 which are necessary for the
20 performance of its duties.

21 2. Act on matters concerning licensure and the
22 process of applying for, granting, suspending,
23 imposing supervisory or probationary conditions upon,
24 reinstating, and revoking a license.

25 3. Establish and collect licensure fees. The
26 board shall establish the amounts of license and
27 renewal fees based upon the actual costs of sustaining
28 the board and the actual costs of issuing the
29 licenses, and all fees collected shall be deposited
30 with the treasurer of state who shall deposit them in
31 the general fund of the state.

32 4. Administer the provisions of this chapter
33 regarding documentation required to demonstrate
34 competence as an interpreter, and the processing of
35 applications for licenses and license renewals.

36 5. Establish and maintain as a matter of public
37 record a registry of interpreters licensed pursuant to
38 this chapter.

39 6. Develop continuing education requirements as a
40 condition of license renewal.

41 7. Evaluate requirements for licensure in other
42 states to determine if reciprocity may be granted.

43 Sec. ____ . NEW SECTION. 154E.3 REQUIREMENTS FOR
44 LICENSURE.

45 On or after July 1, 2005, every person providing
46 interpreting or transliterating services in this state
47 shall be licensed pursuant to this chapter. The board
48 shall adopt rules pursuant to chapters 17A, 147, and
49 272C establishing procedures for the licensing of new
50 and existing interpreters. Prior to obtaining

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1 licensure, an applicant shall successfully pass an
2 examination prescribed and approved by the board,
3 demonstrating the following:

4 1. VOICE-TO-SIGN INTERPRETATION. An applicant
5 shall demonstrate proficiency at:

6 a. Message equivalence, producing a true and
7 accurate signed form of the spoken message,
8 maintaining the integrity of content and meaning, and
9 exhibiting few omissions, substitutions, or other
10 errors.

11 b. Affect, producing nonmanual grammar consistent
12 with the intent and emotion of the speaker, and
13 exhibiting no distracting mannerisms.

14 c. Vocabulary choice, making correct sign choices
15 appropriate to the setting and consumers, applying
16 facial grammar consistent with sign choice, selecting
17 signs that remain true to speaker's intent, and
18 demonstrating lexical variety.

19 d. Fluency, displaying confidence in production,
20 exhibiting a strong command of American sign language
21 or manual codes for English, applying nonmanual
22 behaviors consistent with the speaker's intent, and
23 demonstrating understanding of and sensitivity to
24 cultural differences.

25 2. SIGN-TO-VOICE INTERPRETATION. An applicant
26 shall demonstrate proficiency at:

27 a. Message equivalence, producing a true and
28 accurate spoken form of the signed message,
29 maintaining the integrity of content and meaning, and
30 exhibiting few omissions, substitutions, or other
31 errors.

32 b. Affect, producing inflection consistent with
33 the intent and emotion of the speaker, and exhibiting
34 no distracting mannerisms.

35 c. Vocabulary choice, making correct word choices
36 appropriate to the setting and consumers, using vocal
37 inflection consistent with word choice, selecting
38 words that remain true to the speaker's intent, and
39 demonstrating lexical variety.

40 d. Fluency, displaying confidence in production,
41 exhibiting a strong command of English in both spoken
42 and written forms, applying vocal inflections
43 consistent with the speaker's intent, and
44 demonstrating understanding of and sensitivity to
45 cultural differences.

46 3. PROFESSIONAL CONDUCT. An applicant shall
47 demonstrate:

48 a. Proficiency in functioning as a communicator of
49 messages between the sender and receiver, and
50 educating consumers of services about the functions

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1 and logistics of the interpreting process.

2 b. An impartial demeanor, refraining from
3 interjecting opinions or advice and from aligning with
4 one party over another. An applicant shall treat all
5 people fairly and respectfully regardless of their
6 relationship to the interpreting assignment, and
7 present a professional appearance that is not visually
8 distracting and is appropriate to the setting. An
9 applicant shall exhibit knowledge and application of
10 federal and state laws pertaining to the interpreting
11 profession.

12 c. Integrity, and shall be proficient in
13 understanding and applying ethical behavior
14 appropriate for a licensee. An applicant shall
15 demonstrate discretion in accepting and meeting
16 interpreter services requests, and shall engage
17 actively in lifelong learning.

18 Sec. ____: NEW SECTION. 154E.4 EXCEPTIONS.

19 1. A person shall not practice interpreting or
20 transliterating, or represent oneself to be an
21 interpreter, unless the person is licensed under this
22 chapter.

23 2. This chapter does not prohibit any of the
24 following:

25 a. Any person residing outside of the state of
26 Iowa holding a current license from another state that
27 meets the state of Iowa's requirements from providing
28 interpreting or transliterating services in this state
29 for up to fourteen days per calendar year without a
30 license issued pursuant to this chapter.

31 b. Any person who interprets or transliterates
32 solely in a religious setting with the exception of
33 those working in schools that receive government
34 funding.

35 c. Volunteers working without compensation,
36 including emergency situations, until a licensed
37 interpreter is obtained.

38 d. Any person working as a substitute for a
39 licensed interpreter in an early childhood,
40 elementary, or secondary education setting for no more
41 than thirty school days in a calendar year.

42 Sec. ____ . Section 272C.1, subsection 6, Code 2003,
43 is amended by adding the following new paragraph:

44 NEW PARAGRAPH. ad. The board of interpreter for
45 the hearing impaired examiners, created pursuant to
46 chapter 154E.

47 Sec. ____ . INTERPRETER STANDARDS AND REGULATIONS.

48 There is appropriated from the general fund of the
49 state to the Iowa department of public health, for the
50 fiscal year beginning July 1, 2004, and ending June

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1 30, 2005, the following amount, or so much thereof as
2 is necessary, for the purpose designated:

3 For protecting the health and safety of the public
4 through establishing standards and enforcing
5 regulations of interpreters for the deaf, hard-of-
6 hearing, and hearing impaired, and for not more than
7 the following full-time equivalent positions:

8	\$	60,390
9	FTEs	1.00

10 Sec. ____ . TRANSITION PROVISIONS.

11 1. The board of interpreter for the hearing
12 impaired examiners shall be provisionally established
13 as provided in section 147.14, as amended in this
14 division of this Act, effective July 1, 2004, for the
15 sole purpose of appointment of members and organizing,
16 planning, and adopting rules, as described in section
17 154E.2, as enacted in this division of this Act, which
18 rules shall be effective July 1, 2005. The board
19 shall become fully operational July 1, 2007, as
20 provided in this division of this Act.

21 2. Applicants for licensure under chapter 154E who
22 have not passed a licensure examination approved by
23 the board by July 1, 2005, shall be issued a temporary
24 license to practice interpreting for a period of two
25 years, commencing on July 1, 2005.

26 3. Applicants issued a temporary license pursuant
27 to this section shall pass a licensure examination
28 approved by the board on or before July 1, 2007, in
29 order to remain licensed as an interpreter.

30 Sec. ____ . EFFECTIVE DATE. This division of this
31 Act providing for the licensing of interpreters by
32 amending chapters 147 and 272C and enacting chapter
33 154E takes effect July 1, 2005.

34 DIVISION

35 INCOME TAX CHECKOFFS

36 Sec. ____ . NEW SECTION. 100B.13 VOLUNTEER FIRE
37 FIGHTER PREPAREDNESS FUND.

38 1. A volunteer fire fighter preparedness fund is
39 created as a separate and distinct fund in the state
40 treasury under the control of the division of fire
41 protection of the department of public safety.

42 2. Revenue for the volunteer fire fighter
43 preparedness fund shall include, but is not limited
44 to, the following:

45 a. Moneys credited to the fund pursuant to section
46 422.12F.

47 b. Moneys in the form of a devise, gift, bequest,
48 donation, or federal or other grant intended to be
49 used for the purposes of the fund.

50 3. Moneys in the volunteer fire fighter

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1 preparedness fund are not subject to section 8.33.
2 Notwithstanding section 12C.7, subsection 2, interest
3 or earnings on moneys in the fund shall be credited to
4 the fund.

5 4. Moneys in the volunteer fire fighter
6 preparedness fund are appropriated to the division of
7 fire protection of the department of public safety to
8 be used annually to pay the costs of providing
9 volunteer fire fighter training around the state and
10 to pay the costs of providing volunteer fire fighting
11 equipment.

12 Sec. _____. Section 314.28, Code 2003, is reenacted
13 to read as follows:

14 314.28 KEEP IOWA BEAUTIFUL FUND.

15 A keep Iowa beautiful fund is created in the office
16 of the treasurer of state. The fund is composed of
17 moneys appropriated or available to and obtained or
18 accepted by the treasurer of state for deposit in the
19 fund. The fund shall include moneys credited to the
20 fund as provided in section 422.12A. All interest
21 earned on moneys in the fund shall be credited to and
22 remain in the fund. Section 8.33 does not apply to
23 moneys in the fund.

24 Moneys in the fund are subject to appropriation by
25 the general assembly annually for the purposes of
26 educating and encouraging Iowans to take greater
27 responsibility for improving their community
28 environment and enhancing the beauty of the state
29 through litter prevention, improving waste management
30 and recycling efforts, and beautification projects.

31 The department may authorize payment of moneys
32 appropriated from the fund to the department upon
33 approval of an application from a private or public
34 organization. The applicant shall submit a plan for
35 litter prevention, improving waste management and
36 recycling efforts, or a beautification project along
37 with its application. The department shall establish
38 standards relating to the type of projects available
39 for assistance.

40 Sec. _____. Section 422.12A, Code Supplement 2003,
41 is reenacted to read as follows:

42 422.12A INCOME TAX REFUND CHECKOFF FOR KEEP IOWA
43 BEAUTIFUL FUND.

44 1. A person who files an individual or a joint
45 income tax return with the department of revenue under
46 section 422.13 may designate one dollar or more to be
47 paid to the keep Iowa beautiful fund as created in
48 section 314.28. If the refund due on the return or
49 the payment remitted with the return is insufficient
50 to pay the additional amount designated by the

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1 taxpayer to the keep Iowa beautiful fund, the amount
2 designated shall be reduced to the remaining amount of
3 refund or the remaining amount remitted with the
4 return. The designation of a contribution to the keep
5 Iowa beautiful fund under this section is irrevocable.

6 2. The director of revenue shall draft the income
7 tax form to allow the designation of contributions to
8 the keep Iowa beautiful fund on the tax return. The
9 department of revenue, on or before January 31, shall
10 certify the total amount designated on the tax return
11 forms due in the preceding calendar year and shall
12 report the amount to the treasurer of state. The
13 treasurer of state shall credit the amount to the keep
14 Iowa beautiful fund. However, before a checkoff
15 pursuant to this section shall be permitted, all
16 liabilities on the books of the department of revenue
17 and accounts identified as owing under section 421.17
18 and the political contribution allowed under section
19 68A.601 shall be satisfied.

20 3. Moneys in the fund are subject to appropriation
21 as provided in section 314.28.

22 4. The department of revenue shall adopt rules to
23 administer this section.

24 5. This section is subject to repeal under section
25 422.12E.

26 Sec. _____. Section 422.12E, Code Supplement 2003,
27 is amended to read as follows:

28 422.12E INCOME TAX RETURN CHECKOFFS LIMITED.

29 For tax years beginning on or after January 1, ~~1995~~
30 2004, there shall be allowed no more than ~~three~~ four
31 income tax return checkoffs on each income tax return.
32 When the same ~~three~~ four income tax return checkoffs
33 have been provided on the income tax return for ~~three~~
34 two consecutive years, the ~~checkoff~~ two checkoffs for
35 which the least amount has been contributed, in the
36 aggregate for the first ~~two~~ tax years ~~year~~ and through
37 March 15 of the ~~third~~ second tax year, ~~shall be~~ are
38 repealed. This section does not apply to the income
39 tax return checkoff provided in section 68A.601.

40 If more checkoffs are enacted in the same session
41 of the general assembly than there is space for
42 inclusion on the individual tax return form, the
43 earliest enacted checkoffs for which there is space
44 for inclusion on the return form shall be included on
45 the return form, and all other checkoffs enacted
46 during that session of the general assembly are
47 repealed.

48 Sec. _____. NEW SECTION. 422.12F INCOME TAX
49 CHECKOFF FOR VOLUNTEER FIRE FIGHTER PREPAREDNESS.

50 1. A person who files an individual or a joint

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1 income tax return with the department of revenue under
2 section 422.13 may designate one dollar or more to be
3 paid to the volunteer fire fighter preparedness fund
4 as created in section 100B.13. If the refund due on
5 the return or the payment remitted with the return is
6 insufficient to pay the additional amount designated
7 by the taxpayer to the volunteer fire fighter
8 preparedness fund, the amount designated shall be
9 reduced to the remaining amount of refund or the
10 remaining amount remitted with the return. The
11 designation of a contribution to the volunteer fire
12 fighter preparedness fund under this section is
13 irrevocable.

14 2. The director of revenue shall draft the income
15 tax form to allow the designation of contributions to
16 the volunteer fire fighter preparedness fund on the
17 tax return. The department of revenue, on or before
18 January 31, shall certify the total amount designated
19 on the tax return forms due in the preceding calendar
20 year and shall report the amount to the treasurer of
21 state. The treasurer of state shall credit the amount
22 to the volunteer fire fighter preparedness fund.
23 However, before a checkoff pursuant to this section
24 shall be permitted, all liabilities on the books of
25 the department of revenue and accounts identified as
26 owing under section 421.17 and the political
27 contribution allowed under section 68A.601 shall be
28 satisfied.

29 3. The department of revenue shall adopt rules to
30 administer this section.

31 4. This section is subject to repeal under section
32 422.12E.

33 Sec. ____ . EFFECTIVE AND APPLICABILITY DATES.

34 1. The section of this division of this Act
35 amending section 422.12E, being deemed of immediate
36 importance, takes effect upon enactment.

37 2. The sections of this division of this Act
38 reenacting section 422.12A and enacting section
39 422.12F apply retroactively to tax years beginning on
40 or after January 1, 2004.

41 DIVISION

42 STATE TAX IMPLEMENTATION COMMITTEE

43 Sec. ____ . STATE TAX IMPLEMENTATION COMMITTEE.

44 1. On or before July 1, 2004, the department of
45 revenue, in consultation with the department of
46 management, shall initiate and coordinate the
47 establishment of a state tax implementation committee.
48 The department of revenue and the department of
49 management shall provide staffing assistance to the
50 committee.

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1 The state tax implementation committee shall
2 include four members of the general assembly, one each
3 appointed by the majority leader of the senate, the
4 speaker of the house of representatives, the minority
5 leader of the senate, and the minority leader of the
6 house of representatives. The committee shall also
7 include members appointed by the department of
8 revenue. One member shall be appointed to represent
9 each of the following:

- 10 a. The department of revenue.
- 11 b. The department of management.
- 12 c. Counties
- 13 d. Cities.
- 14 e. School districts.
- 15 f. Local assessors.
- 16 g. County auditors.
- 17 h. Commercial property taxpayers.
- 18 i. Industrial property taxpayers.
- 19 j. Residential property taxpayers.
- 20 k. Agricultural property taxpayers.
- 21 l. Chapter 437A taxpayers.

22 One additional stakeholder shall be appointed
23 jointly by the majority leader of the senate and the
24 speaker of the house of representatives.

25 Any vacancy shall be filled in the same manner as
26 regular appointments are made.

27 The chairpersons of the committee shall be those
28 members of the general assembly appointed by the
29 majority leader of the senate and the speaker of the
30 house of representatives.

31 The members of the committee representing the
32 department of revenue and the department of management
33 are nonvoting, ex officio members.

34 The committee shall meet quarterly and at other
35 times as necessary at the call of the chairpersons.
36 Written notice of the time and place of each meeting
37 shall be given to each member of the committee. The
38 only vote taken by the committee shall be the vote
39 approving the final report in subsection 2.

40 2. The committee shall review and analyze the
41 following:

42 a. Revenue sources available to local governments
43 and school districts, including taxes, payments in
44 lieu of property taxes, fees, state appropriations,
45 and federal moneys.

46 b. Revenue sources available to the state,
47 including taxes, fees, and federal moneys, and the
48 portion of state revenues annually appropriated, or
49 otherwise disbursed, to local governments.

50 c. Exemptions, credits, deductions, exclusions,

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1 and other reductions in state or local taxes made
2 available, by state statute or local ordinance, to
3 state and local taxpayers; and state reimbursement of
4 any property tax credits and exemptions.

5 d. Services provided by local governments,
6 including those provided at the discretion of a local
7 government and those mandated by federal or state
8 statutes and regulations.

9 e. The role of property taxes in funding local
10 government services, the types of services currently
11 funded by property taxes, and the property tax
12 financing portion of the school funding formula.

13 f. Alternative systems of property taxation,
14 alternative procedures for protesting property
15 assessments, and various methods of controlling
16 property tax revenues and expenditures.

17 In conducting its review and analysis, the
18 committee shall study state and local taxes from the
19 standpoint of neutrality; competitiveness; simplicity;
20 stability; and equity, including maintenance of equity
21 among classes of taxpayers and among taxpayers within
22 the same class.

23 The committee may hold public hearings to allow
24 persons and organizations to be heard.

25 The committee shall submit a final report to the
26 general assembly no later than final adjournment of
27 the 2005 regular legislative session. The report
28 shall summarize the committee's activities to date,
29 analyze issues studied to date, and may include such
30 other information that the committee deems relevant
31 and necessary.

32 3. The committee may request from any state agency
33 or official the information and assistance as needed
34 to perform the review and analysis required in
35 subsection 2. A state agency or official shall
36 furnish the information or assistance requested within
37 the authority and resources of the state agency or
38 official. This subsection does not allow the
39 examination or copying of any public record required
40 by law to be kept confidential.

41 Sec. _____. FUTURE REPEAL. The section of this
42 division of this Act establishing the state tax
43 implementation committee is repealed effective June
44 30, 2005.

45 Sec. _____. 2003 Iowa Acts, First Extraordinary
46 Session, chapter 1, section 41, is repealed.

47 Sec. _____. EFFECTIVE DATE. This division of this
48 Act, being deemed of immediate importance, takes
49 effect upon enactment.

50 DIVISION

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1 911 EMERGENCY

2 Sec. ____ . Section 34A.1, Code 2003, is amended to
3 read as follows:

4 34A.1 PURPOSE.

5 The ~~legislature~~ general assembly finds that
6 enhanced 911 emergency telephone communication systems
7 and other emergency 911 notification devices further
8 the public interest and protect the health, safety,
9 and welfare of the people of Iowa. The purpose of
10 this chapter is to enable the orderly development,
11 installation, and operation of enhanced 911 emergency
12 telephone communication systems and other emergency
13 911 notification devices statewide. These systems are
14 to be operated under governmental management and
15 control for the public benefit.

16 Sec. ____ . Section 34A.2, Code 2003, is amended to
17 read as follows:

18 34A.2 DEFINITIONS.

19 As used in this chapter, unless the context
20 otherwise requires:

21 1. "Access line" means ~~a local~~ an exchange access
22 line that has the ability to access local dial tone
23 and reach a local public safety agency answering
24 point.

25 2. "Administrator" means the ~~E911~~ administrator
26 appointed pursuant to section 34A.2A of the homeland
27 security and emergency management division of the
28 department of public defense.

29 3. "Competitive local exchange service provider"
30 means the same as defined in section 476.96.

31 4. "Emergency 911 notification device" means a
32 product capable of accessing a public safety answering
33 point through the 911 system.

34 ~~3.~~ 5. "Enhanced 911" or "E911" means a service
35 ~~which that~~ that provides the user of a public telephone
36 system communications service with the ability to
37 reach a public safety answering point by dialing the
38 digits 911, and which that has the following
39 additional features:

40 a. Routes an incoming 911 call to the appropriate
41 public safety answering point ~~selected from the public~~
42 ~~safety answering points operating in a 911 service~~
43 ~~area.~~

44 b. Automatically provides voice, displays the
45 name, address or location, and telephone number of an
46 incoming 911 call and public safety agency servicing
47 the address on a video monitor at the appropriate
48 public safety answering point location.

49 ~~4.~~ 6. "Enhanced 911 service area" means the
50 geographic area to be serviced, or currently serviced

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1 under an enhanced 911 service plan, provided that an
2 enhanced 911 service area must at minimum encompass
3 one entire county. The enhanced 911 service area may
4 encompass more than one county, and need not be
5 restricted to county boundaries.

6 ~~5.~~ 7. "Enhanced 911 service plan" means a plan
7 that includes the following information:

8 a. A description of the enhanced 911 service area.

9 b. A list of all public and private safety
10 agencies within the enhanced 911 service area.

11 c. The number of public safety answering points
12 within the enhanced 911 service area.

13 d. Identification of the agency responsible for
14 management and supervision of the enhanced 911
15 emergency ~~telephone~~ communication system.

16 e. A statement of estimated costs to be incurred
17 by the joint E911 service board or the department of
18 public safety, including separate estimates of the
19 following:

20 (1) Nonrecurring costs, including, but not limited
21 to, public safety answering points, network equipment,
22 software, database, addressing, initial training, and
23 other capital and start-up expenditures, including the
24 purchase or lease of subscriber names, addresses, and
25 telephone information from the local exchange service
26 provider.

27 (2) Recurring costs, including, but not limited
28 to, network access fees and other telephone charges,
29 software, equipment, and database management, and
30 maintenance, including the purchase or lease of
31 subscriber names, addresses, and telephone information
32 from the local exchange service provider. Recurring
33 costs shall not include personnel costs for a public
34 safety answering point.

35 Funds deposited in an E911 service fund ~~shall be~~
36 are appropriated and shall be used for the payment of
37 costs ~~which~~ that are limited to nonrecurring and
38 recurring costs directly attributable to the provision
39 of 911 emergency telephone communication service and
40 may include costs for portable and vehicle radios,
41 communication towers and associated equipment, and
42 other radios and associated equipment permanently
43 located at the public safety answering point and as
44 directed by either the joint E911 service board or the
45 department of public safety. Costs do not include
46 expenditures for any other purpose, and specifically
47 exclude costs attributable to other emergency services
48 or expenditures for buildings or personnel, except for
49 the costs of personnel for database management and
50 personnel directly associated with addressing.

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1 f. Current equipment operated by affected local
2 exchange service providers, and central office
3 equipment and technology upgrades necessary for the
4 provider to implement enhanced 911 service within the
5 enhanced 911 service area ~~on or before July 1, 1992.~~

6 g. A schedule for implementation of the plan
7 throughout the E911 service area. The schedule may
8 provide for phased implementation. ~~However, a joint~~
9 ~~911 service board may decide not to implement E911~~
10 ~~service.~~

11 h. The number of telephone access lines capable of
12 access to 911 in the enhanced 911 service area.

13 i. The total property valuation in the enhanced
14 911 service area.

15 ~~6. "Enhanced 911 service surcharge" is a charge~~
16 ~~set by the E911 service area operating authority and~~
17 ~~assessed on each access line which physically~~
18 ~~terminates within the E911 service area.~~

19 8. "Local exchange carrier" means the same as
20 defined in section 476.96.

21 ~~7.~~ 9. "Local exchange service provider" means a
22 person vendor engaged in providing telecommunications
23 service between points within an exchange and includes
24 but is not limited to a competitive local exchange
25 service provider and a local exchange carrier.

26 10. "Program manager" means the E911 program
27 manager appointed pursuant to section 34A.2A.

28 ~~8.~~ 11. "Provider" means a person vendor who
29 provides, or offers to provide, E911 equipment,
30 installation, maintenance, or exchange access services
31 within the enhanced 911 service area.

32 ~~9.~~ 12. "Public or private safety agency" means a
33 unit of state or local government, a special purpose
34 district, or a private firm which provides or has the
35 authority to provide fire fighting, police, ambulance,
36 or emergency medical services, or hazardous materials
37 response.

38 ~~10.~~ 13. "Public safety answering point" means a
39 twenty-four hour local jurisdiction twenty-four-hour
40 public safety communications facility which that
41 receives enhanced 911 service calls and directly
42 dispatches emergency response services or relays calls
43 to the appropriate public or private safety agency.

44 14. "Wireless E911 phase 1" means a 911 call made
45 from a wireless device in which the wireless service
46 provider delivers the call-back number and address of
47 the tower that received the call to the appropriate
48 public safety answering point.

49 15. "Wireless E911 phase 2" means a 911 call made
50 from a wireless device in which the wireless service

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1 provider delivers the call-back number and the
2 latitude and longitude coordinates of the wireless
3 device to the appropriate public safety answering
4 point.

5 16. "Wire-line E911 service surcharge" is a charge
6 set by the E911 service area operating authority and
7 assessed on each wire-line access line which
8 physically terminates within the E911 service area.

9 Sec. ____ . Section 34A.2A, Code 2003, is amended to
10 read as follows:

11 34A.2A ADMINISTRATOR PROGRAM MANAGER --
12 APPOINTMENT -- DUTIES.

13 1. The administrator of the division of homeland
14 security and emergency management division of the
15 department of public defense shall appoint an E911
16 administrator program manager to administer this
17 chapter.

18 2. The E911 administrator program manager shall
19 act under the supervisory control of the administrator
20 of the division of homeland security and emergency
21 management division of the department of public
22 defense, and in consultation with the E911
23 communications council, and perform the duties
24 specifically set forth in this chapter and as assigned
25 by the administrator.

26 Sec. ____ . Section 34A.3, Code 2003, is amended to
27 read as follows:

28 34A.3 JOINT 911 E911 SERVICE BOARD -- 911 SERVICE
29 PLAN -- IMPLEMENTATION -- WAIVERS.

30 1. JOINT 911 E911 SERVICE BOARDS TO SUBMIT --
31 PLANS.

32 a. The board of supervisors of each county shall
33 establish maintain a joint 911 E911 service board ~~not~~
34 ~~later than January 1, 1989.~~

35 (1) Each political subdivision of the state having
36 a public safety agency serving territory within the
37 county is entitled to voting membership on the joint
38 911 E911 service board. Each private safety agency
39 operating within the area is entitled to nonvoting
40 membership on the board.

41 (2) A township ~~which~~ that does not operate its own
42 public safety agency, but contracts for the provision
43 of public safety services, is not entitled to
44 membership on the joint 911 E911 service board, but
45 its contractor is entitled to membership according to
46 the contractor's status as a public or private safety
47 agency.

48 b. The joint 911 E911 service board shall ~~develop~~
49 maintain an enhanced 911 service plan encompassing at
50 minimum the entire county, unless an exemption is

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1 granted by the ~~administrator~~ program manager
2 permitting a smaller E911 service area.
3 (1) The ~~administrator~~ program manager may grant a
4 discretionary exemption from the single county minimum
5 service area requirement based upon ~~an E911~~ a joint
6 E911 service board's or other E911 service plan
7 operating authority's presentation of evidence which
8 supports the requested exemption if the ~~administrator~~
9 program manager finds that local conditions make
10 adherence to the minimum standard unreasonable or
11 technically infeasible, and that the purposes of this
12 chapter would be furthered by granting an exemption.
13 The minimum size requirement is intended to prevent
14 unnecessary duplication of public safety answering
15 points and minimize other administrative, personnel,
16 and equipment expenses. ~~An E911 service area must~~
17 ~~encompass a geographically contiguous area. No~~
18 ~~exemption shall be granted from the contiguous area~~
19 ~~requirement.~~

20 (2) The ~~administrator~~ program manager may order
21 the inclusion of a specific territory in an adjoining
22 E911 service plan area to avoid the creation by
23 exclusion of a territory smaller than a single county
24 not serviced by surrounding E911 service plan areas
25 upon request of the joint ~~911~~ E911 service board
26 representing the territory.

27 c. The E911 service plan operating authority shall
28 submit proposed changes to the plan ~~on or before~~
29 ~~January 1, 1994,~~ to all of the following:

30 a. (1) The ~~administrator~~ program manager.

31 b. (2) Public and private safety agencies in the
32 enhanced 911 service area.

33 e. (3) Providers Local exchange service providers
34 affected by the enhanced 911 service plan.

35 ~~An E911 joint service board that has a state-~~
36 ~~approved service plan in place prior to July 1, 1993,~~
37 ~~is exempt from the provisions of this section. The~~
38 ~~administrator shall establish, by July 1, 1994, E911~~
39 ~~service plans for those E911 joint service boards~~
40 ~~which do not have a state approved service plan in~~
41 ~~place on or before January 1, 1994.~~

42 ~~The administrator shall prepare a summary of the~~
43 ~~plans submitted and present the summary to the~~
44 ~~legislature on or before August 1, 1994.~~

45 2. COMPLIANCE WAIVERS AVAILABLE IN LIMITED
46 CIRCUMSTANCES.

47 a. The ~~administrator~~ program manager may extend,
48 ~~in whole or in part,~~ the time period for plan
49 implementation by issuing for implementation of an
50 ~~enhanced 911 service plan beyond the scheduled plan of~~

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1 ~~implementation, by issuance of~~ a compliance waiver.

2 b. The compliance waiver shall be based upon a
3 joint ~~911~~ E911 service board's presentation of
4 evidence which supports an extension if the
5 ~~administrator~~ program manager finds that local
6 conditions make implementation financially
7 unreasonable or technically infeasible by the
8 originally scheduled plan of implementation.

9 c. The compliance waiver shall be for a set period
10 of time, and subject to review and renewal or denial
11 of renewal upon its expiration.

12 d. The waiver may cover all or a portion of a 911
13 service plan's enhanced 911 service area to facilitate
14 phased implementation when possible.

15 e. The granting of a compliance waiver does not
16 create a presumption that the identical or similar
17 waiver will be extended in the future.

18 f. Consideration of compliance waivers shall be on
19 a case-by-case basis.

20 3. CHAPTER 28E AGREEMENT -- ALTERNATIVE TO JOINT
21 ~~911~~ E911 SERVICE BOARD. A legal entity created
22 pursuant to chapter 28E by a county or counties, other
23 political divisions, and public or private agencies to
24 jointly plan, implement, and operate a countywide, or
25 larger, enhanced 911 service system may be substituted
26 for the joint ~~911~~ E911 service board required under
27 subsection 1.

28 An alternative legal entity created pursuant to
29 chapter 28E as a substitute for a joint ~~911~~ E911
30 service board, as permitted by this subsection, may be
31 created by either:

32 a. Agreement of the parties entitled to voting
33 membership on a joint ~~911~~ E911 service board.

34 b. Agreement of the members of a joint ~~911~~ E911
35 service board.

36 An alternative chapter 28E entity has all of the
37 powers of a joint ~~911~~ E911 service board and any
38 additional powers granted by the agreement. As used
39 in this chapter, "joint ~~911~~ E911 service board"
40 includes an alternative chapter 28E entity created for
41 that purpose, except as specifically limited by the
42 chapter 28E agreement or unless clearly provided
43 otherwise in this chapter. A chapter 28E agreement
44 related to E911 service shall permit the participation
45 of a private safety agency or other persons allowed to
46 participate in a joint ~~911~~ E911 service board, but the
47 terms, scope, and conditions of participation are
48 subject to the chapter 28E agreement.

49 4. PARTICIPATION IN JOINT E911 SERVICE BOARD
50 REQUIRED. A political subdivision or state agency

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1 having a public safety agency within its territory or
2 jurisdiction shall participate in a joint E911 service
3 board and cooperate in ~~preparing~~ maintaining the E911
4 service plan.

5 Sec. _____. Section 34A.4, Code 2003, is amended to
6 read as follows:

7 34A.4 ~~REQUIRED CONVERSION REQUIREMENTS OF PAY~~
8 ~~TELEPHONES AND OTHER TELECOMMUNICATIONS DEVICES TO~~
9 ~~ALLOW 911 CALLS WITHOUT DEPOSITING COINS OR OTHER~~
10 ~~CHARGE.~~

11 ~~1. CONVERSION AND NOTICE REQUIRED. When an~~
12 ~~enhanced 911 service system becomes operational or as~~
13 ~~soon as feasible thereafter, each provider or other~~
14 ~~owner or lessee of a pay station telephone to be~~
15 ~~operated within the enhanced 911 service area shall do~~
16 ~~the following:~~

17 a. ~~Convert each telephone to permit a caller to~~
18 ~~dial 911 without first inserting a coin or paying any~~
19 ~~other charge.~~

20 b. ~~Prominently display on each pay telephone a~~
21 ~~notice advising callers to dial 911 in an emergency~~
22 ~~and that deposit of a coin is not required.~~

23 ~~2. CERTAIN PAY PHONES PROHIBITED WITHIN SERVICE~~
24 ~~AREA. After commencement of enhanced 911 service in~~
25 In an enhanced 911 service area, a person shall not
26 install or offer for use within the enhanced 911
27 service area a pay station telephone or other fixed
28 device unless the telephone or device is capable of
29 accepting making a 911 call without prior insertion of
30 a coin or payment of any other charge, and unless the
31 telephone or device displays notice of free 911
32 service.

33 Sec. _____. Section 34A.6, subsection 1, unnumbered
34 paragraph 1, Code 2003, is amended to read as follows:

35 Before a joint E911 service board may request
36 imposition of the surcharge by the ~~administrator~~
37 program manager, the board shall submit the following
38 question to voters, as provided in subsection 2, in
39 the proposed E911 service area, and the question shall
40 receive a favorable vote from a simple majority of
41 persons submitting valid ballots on the following
42 question within the proposed E911 service area:

43 Sec. _____. Section 34A.7, unnumbered paragraph 1,
44 Code 2003, is amended to read as follows:

45 When an E911 service plan is implemented, the costs
46 of providing E911 service within an E911 service area
47 are the responsibility of the joint E911 service board
48 and the member political subdivisions. Costs in
49 excess of the amount raised by imposition of the E911
50 service surcharge provided for under subsection 1,

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1 shall be paid by the joint E911 service board from
2 such revenue sources allocated among the member
3 political subdivisions as determined by the joint E911
4 service board. Funding is not limited to the
5 surcharge, and surcharge revenues may be supplemented
6 by other permissible local and state revenue sources.
7 A joint ~~911~~ E911 service board shall not commit a
8 political subdivision to appropriate property tax
9 revenues to fund an E911 service plan without the
10 consent of the political subdivision. A joint ~~911~~
11 E911 service board may approve a ~~911~~ an E911 service
12 plan, including a funding formula requiring
13 appropriations by participating political
14 subdivisions, subject to the approval of the funding
15 formula by each political subdivision. However, a
16 political subdivision may agree in advance to
17 appropriate property tax revenues or other moneys
18 according to a formula or plan developed by an
19 alternative chapter 28E entity.

20 Sec. _____. Section 34A.7, subsections 1, 2, 3, and
21 4, Code 2003, are amended to read as follows:

22 1. LOCAL WIRE-LINE E911 SERVICE SURCHARGE
23 IMPOSITION.

24 a. To encourage local implementation of E911
25 service, one source of funding for E911 emergency
26 telephone communication systems shall come from a
27 surcharge per month, per access line on each access
28 line subscriber, except as provided in subsection 5,
29 equal to the lowest amount of the following:

30 (1) One dollar.

31 (2) An amount less than one dollar, which would
32 fully pay both recurring and nonrecurring costs of the
33 E911 service system within five years from the date
34 the maximum surcharge is imposed.

35 (3) The maximum monetary limitation approved by
36 referendum.

37 b. The surcharge shall be imposed by order of the
38 ~~administrator~~ program manager as follows:

39 (1) The ~~administrator~~ program manager shall notify
40 a local exchange service provider scheduled to provide
41 exchange access line service to an E911 service area,
42 that implementation of an E911 service plan has been
43 approved by the joint ~~911~~ E911 service board and by
44 the service area referendum, and that collection of
45 the surcharge is to begin within one hundred days.

46 (2) The ~~notice shall be provided at least one~~
47 ~~hundred days before the surcharge must be billed for~~
48 ~~the first time~~ program manager shall also provide
49 notice to all affected public safety answering points.

50 e. ~~The surcharge shall terminate at the end of~~

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~~1 twenty four months, unless either, or both, of the
2 following conditions is met:~~

~~3 (1) E911 service is initiated for all or a part of
4 the E911 service area.~~

~~5 (2) An extension is granted by the administrator
6 for good cause.~~

~~7 d. The surcharge shall terminate at the end of
8 twenty four months if the joint E911 service plan has
9 not been approved by the administrator within eighteen
10 months of the original notice to the provider to
11 impose the surcharge, and shall not be reimposed until
12 a service plan is approved by the administrator and
13 the administrator gives providers notice as required
14 by paragraph "a", subparagraphs (1) and (2).~~

15 2. SURCHARGE COLLECTED BY LOCAL EXCHANGE SERVICE
16 PROVIDERS.

17 a. The surcharge shall be collected as part of the
18 access line service provider's periodic billing to a
19 subscriber. In compensation for the costs of billing
20 and collection, the local exchange service provider
21 may retain one percent of the gross surcharges
22 collected. If the compensation is insufficient to
23 fully recover a local exchange service provider's
24 costs for billing and collection of the surcharge, the
25 deficiency shall be included in the local exchange
26 service provider's costs for ratemaking purposes to
27 the extent it is reasonable and just under section
28 476.6. The surcharge shall be remitted to the E911
29 service operating authority for deposit into the E911
30 service fund quarterly by the local exchange service
31 provider. The total amount for multiple exchanges may
32 be combined.

33 b. A local exchange service provider is not liable
34 for an uncollected surcharge for which the local
35 exchange service provider has billed a subscriber but
36 not been paid. The surcharge shall appear as a single
37 line item on a subscriber's periodic billing entitled,
38 "E911 emergency telephone service surcharge". The
39 E911 service surcharge is not subject to sales or use
40 tax.

41 c. The joint E911 service board may request, not
42 more than once each quarter, the following information
43 from the local exchange service provider:

44 (1) The identity of the exchange from which the
45 surcharge is collected.

46 (2) The number of lines to which the surcharge was
47 applied for the quarter.

48 (3) The number of refusals to pay per exchange if
49 applicable.

50 (4) Write-offs applied per exchange if applicable.

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- 1 (5) The number of lines exempt per exchange.
2 (6) The amount retained by the local exchange
3 service provider generated from the one percent
4 administration fee.
5 d. Access line counts and surcharge remittances
6 are confidential public records as provided in section
7 34A.8.

8 3. MAXIMUM LIMIT PER SUBSCRIBER BILLING FOR
9 SURCHARGE. An individual subscriber shall not be
10 required to pay on a single periodic billing the
11 surcharge on more than one hundred access lines, or
12 their equivalent, in an E911 service area. A
13 subscriber shall pay the surcharge in each E911
14 service area in which the subscriber receives access
15 line service.

16 4. E911 SERVICE FUND. Each joint E911 service
17 board shall establish and maintain as a separate
18 account an E911 service fund. Any funds remaining in
19 the account at the end of each fiscal year shall not
20 revert to the general funds of the member political
21 subdivisions, except as provided in subsection 5, but
22 shall remain in the E911 service fund. Moneys in an
23 E911 service fund may only be used for nonrecurring
24 and recurring costs of the E911 service plan as
25 approved by the ~~administrator~~ program manager, as
26 those terms are defined by section 34A.2.

27 Sec. ____ . Section 34A.7, subsection 5, paragraph
28 b, subparagraphs (2) and (3), Code 2003, are amended
29 to read as follows:

30 (2) If money remains in the fund after fully
31 paying for recurring costs incurred in the preceding
32 year, the remainder may be spent to pay for
33 nonrecurring costs, not to exceed actual nonrecurring
34 costs as approved by the ~~administrator~~ program
35 manager.

36 (3) If money remains in the fund after fully
37 paying obligations under subparagraphs (1) and (2),
38 the remainder may be accumulated in the fund as a
39 carryover operating surplus. If the surplus is
40 greater than twenty-five percent of the approved
41 annual operating budget for the next year, the
42 ~~administrator~~ program manager shall reduce the
43 surcharge by an amount calculated to result in a
44 surplus of no more than twenty-five percent of the
45 planned annual operating budget. After nonrecurring
46 costs have been paid, if the surcharge is less than
47 the maximum allowed and the fund surplus is less than
48 twenty-five percent of the approved annual operating
49 budget, the ~~administrator~~ program manager shall, upon
50 application of the joint E911 service board, increase

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1 the surcharge in an amount calculated to result in a
2 surplus of twenty-five percent of the approved annual
3 operating budget. The surcharge may only be adjusted
4 once in a single year, upon one hundred days' prior
5 notice to the provider.

6 Sec. _____. Section 34A.7A, subsection 1, Code 2003,
7 is amended to read as follows:

8 1. a. Notwithstanding section 34A.6, the
9 administrator shall adopt by rule a monthly surcharge
10 of up to ~~fifty~~ sixty-five cents to be imposed on each
11 wireless communications service number provided in
12 this state. The surcharge shall be imposed uniformly
13 on a statewide basis and simultaneously on all
14 wireless communications service numbers as provided by
15 rule of the administrator.

16 b. The ~~administrator~~ program manager shall provide
17 no less than one hundred days' notice of the surcharge
18 to be imposed to each wireless communications service
19 provider. The ~~administrator~~ program manager, subject
20 to the ~~fifty~~ sixty-five cent limit in paragraph "a",
21 may adjust the amount of the surcharge as necessary,
22 but no more than once in any calendar year.

23 c. (1) The surcharge shall be collected as part
24 of the wireless communications service provider's
25 periodic billing to a subscriber. The surcharge shall
26 appear as a single line item on a subscriber's
27 periodic billing indicating that the surcharge is for
28 E911 emergency telephone service. In the case of
29 prepaid wireless telephone service, this surcharge
30 shall be remitted based upon the address associated
31 with the point of purchase, the customer billing
32 address, or the location associated with the mobile
33 telephone number for each active prepaid wireless
34 telephone that has a sufficient positive balance as of
35 the last days of the information, if that information
36 is available. The wireless E911 service surcharge is
37 not subject to sales or use tax.

38 (2) In compensation for the costs of billing and
39 collection, the wireless communications service
40 provider may retain one percent of the gross
41 surcharges collected.

42 (3) The surcharges shall be remitted quarterly by
43 the wireless communications service provider to the
44 ~~administrator~~ program manager for deposit into the
45 fund established in subsection 2.

46 (4) A wireless communications service provider is
47 not liable for an uncollected surcharge for which the
48 wireless communications service provider has billed a
49 subscriber but which has not been paid. ~~The surcharge~~
50 ~~shall appear as a single line item on a subscriber's~~

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1 ~~periodic billing indicating that the surcharge is for~~
2 ~~E911 emergency telephone service. The E911 service~~
3 ~~surcharge is not subject to sales or use tax.~~

4 Sec. ____ Section 34A.7A, subsection 2, Code 2003,
5 is amended to read as follows:

6 2. Moneys collected pursuant to subsection 1 shall
7 be deposited in a separate wireless E911 emergency
8 communications fund within the state treasury under
9 the control of the ~~administrator~~ program manager.

10 Section 8.33 shall not apply to moneys in the fund.
11 Moneys earned as income, including as interest, from
12 the fund shall remain in the fund until expended as
13 provided in this section. Moneys in the fund shall be
14 expended and distributed ~~annually as follows~~ in the
15 following priority order:

16 a. An amount as appropriated by the general
17 assembly to the administrator shall be allocated to
18 the administrator and program manager for
19 implementation, support, and maintenance of the
20 functions of the administrator and program manager and
21 to employ the auditor of state to perform an annual
22 audit of the wireless E911 emergency communications
23 fund.

24 b. The program manager shall allocate twenty-one
25 percent of the total amount of surcharge generated to
26 wireless carriers to recover their costs to deliver
27 E911 phase 1 services. If the allocation in this
28 paragraph is insufficient to reimburse all wireless
29 carriers for such carrier's eligible expenses, the
30 program manager shall allocate a prorated amount to
31 each wireless carrier equal to the percentage of such
32 carrier's eligible expenses as compared to the total
33 of all eligible expenses for all wireless carriers for
34 the calendar quarter during which such expenses were
35 submitted. When prorated expenses are paid, the
36 remaining unpaid expenses shall no longer be eligible
37 for payment under this paragraph.

38 c. The program manager shall reimburse wire-line
39 carriers on a calendar quarter basis for carriers'
40 eligible expenses for transport costs between the
41 selective router and the public safety answering
42 points related to the delivery of wireless E911 phase
43 1 services.

44 ~~b. d. -(1) The administrator shall retain funds~~
45 ~~necessary to reimburse wireless carriers for their~~
46 ~~costs to deliver E911 services. The administrator~~
47 ~~shall assure that wireless carriers recover all~~
48 ~~eligible costs associated with the implementation and~~
49 ~~operation of E911 services, including but not limited~~
50 ~~to hardware, software, and transport costs. The~~

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~~1 administrator shall adopt rules defining eligible
2 costs which are consistent with federal law,
3 regulations, and any order of a federal agency program
4 manager shall reimburse wire-line carriers and third-
5 party E911 automatic location information database
6 providers on a calendar quarterly basis for the costs
7 of maintaining and upgrading the E911 components and
8 functionalities beyond the input to the E911 selective
9 router, including the E911 selective router and the
10 automatic location information database.~~

~~11 (2) The administrator shall provide for the
12 reimbursement of wireless carriers on a quarterly
13 basis. If the total amount of moneys available in the
14 fund for the reimbursement of wireless carriers
15 pursuant to subparagraph (1) is insufficient to
16 reimburse all wireless carriers for such carriers'
17 eligible expenses, the administrator shall remit an
18 amount to each wireless carrier equal to the
19 percentage of such carrier's eligible expenses as
20 compared to the total of all eligible expenses for all
21 wireless carriers for the calendar quarter during
22 which such expenses were submitted.~~

23 e. The program manager shall apply an amount up to
24 five hundred thousand dollars per calendar quarter to
25 any outstanding wireless E911 phase 1 obligations
26 incurred pursuant to this chapter prior to July 1,
27 2004.

28 f. (1) The program manager shall allocate an
29 amount up to one hundred fifty-nine thousand dollars
30 per calendar quarter equally to the joint E911 service
31 boards and the department of public safety that have
32 submitted an annual written request to the program
33 manager in a form approved by the program manager by
34 May 15 of each year. The program manager shall
35 allocate to each joint E911 service board and to the
36 department of public safety a minimum of one thousand
37 dollars per calendar quarter for each public safety
38 answering point within the service area of the
39 department of public safety or joint E911 service
40 board.

41 (2) Upon retirement of outstanding obligations
42 referred to in paragraph "e", the amount allocated
43 under this paragraph "f" shall be twenty-four percent
44 of the total amount of surcharge generated per
45 calendar quarter allocated as follows:

46 (a) Sixty-five percent of the total dollars
47 available for allocation shall be allocated in
48 proportion to the square miles of the service area to
49 the total square miles in this state.

50 (b) Thirty-five percent of the total dollars

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1 available for allocation shall be allocated in
2 proportion to the wireless E911 calls taken at the
3 public safety answering point in the service area to
4 the total number of wireless E911 calls originating in
5 this state.

6 (c) Notwithstanding subparagraph subdivisions (a)
7 and (b), the minimum amount allocated to each joint
8 E911 service board and to the department of public
9 safety shall be no less than one thousand dollars for
10 each public safety answering point within the service
11 area of the department of public safety or joint E911
12 service board.

13 (3) The funds allocated in this paragraph "f"
14 shall be used for communication equipment located
15 inside the public safety answering points for the
16 implementation and maintenance of wireless E911 phase
17 2. The joint E911 service boards and the department
18 of public safety shall provide an estimate of phase 2
19 implementation costs to the program manager by January
20 1, 2005.

21 ~~e. (1) The remainder of the surcharge collected~~
22 ~~shall be remitted to the administrator for~~
23 ~~distribution to the joint E911 service boards and the~~
24 ~~department of public safety pursuant to subparagraph~~
25 ~~(2) to be used for the implementation of enhanced~~
26 ~~wireless communications capabilities.~~

27 g. If moneys remain in the fund after fully paying
28 all obligations under paragraphs "a" through "f", the
29 remainder may be accumulated in the fund as a
30 carryover operating surplus. This surplus shall be
31 used to fund future phase 2 network and public safety
32 answering point improvements and wireless carriers'
33 transport costs related to wireless E911 services, if
34 those costs are not otherwise recovered by wireless
35 carriers through customer billing or other sources and
36 approved by the program manager. Notwithstanding
37 section 8.33, any moneys remaining in the fund at the
38 end of each fiscal year shall not revert to the
39 general fund of the state but shall remain available
40 for the purposes of the fund.

41 ~~(2) h. The administrator, in consultation with the~~
42 ~~program manager and the E911 communications council,~~
43 ~~shall adopt rules pursuant to chapter 17A governing~~
44 ~~the distribution of the surcharge collected and~~
45 ~~distributed pursuant to this lettered paragraph~~
46 ~~subsection. The rules shall include provisions that~~
47 ~~all joint E911 service boards and the department of~~
48 ~~public safety which answer or service wireless E911~~
49 ~~calls are eligible to receive an equitable portion of~~
50 ~~the receipts.~~

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~~1 A joint E911 service board or the department of
2 public safety, to receive funds from the wireless E911
3 emergency communications fund, must submit a written
4 request for such funds to the administrator in a form
5 as approved by the administrator. A request shall be
6 for funding under an approved E911 service plan for
7 equipment which is directly related to the reception
8 and disposition of incoming wireless E911 calls. The
9 administrator may approve the distribution of funds
10 pursuant to such request if the administrator finds
11 that the requested funding is for equipment necessary
12 for the reception and disposition of such calls and
13 that sufficient funds are available for such
14 distribution.~~

~~15 If insufficient funds are available to fund all
16 requests, the administrator shall fund requests in an
17 order deemed appropriate by the administrator after
18 considering factors including, but not limited to, all
19 of the following:~~

~~20 (a) Documented volume of wireless E911 calls
21 received by each public safety answering point.~~

~~22 (b) The population served by each public safety
23 answering point.~~

~~24 (c) The number of wireless telephones in the
25 public safety answering point jurisdiction.~~

~~26 (d) The public safety of the citizens of this
27 state.~~

~~28 (e) Any other factor deemed appropriate by the
29 administrator, in consultation with the E911
30 communications council, and adopted by rule.~~

~~31 (3) 2A. a. The administrator program manager
32 shall submit an annual report by January 15 of each
33 year to the legislative government oversight committee
34 advising the general assembly of the status of E911
35 implementation and operations, including both land-
36 line wire-line and wireless services, and the
37 distribution of surcharge receipts, and an accounting
38 of the revenues and expenses of the E911 program.~~

~~39 b. The program manager shall submit a calendar
40 quarter report of the revenues and expenses of the
41 E911 program to the fiscal services division of the
42 legislative services agency.~~

~~43 c. The legislative government oversight committee
44 shall review the priorities of distribution of funds
45 under this chapter at least every two years.~~

~~46 Sec. ____ . Section 34A.7A, subsection 3, Code 2003,
47 is amended to read as follows:~~

~~48 3. The amount collected from a wireless service
49 provider and deposited in the fund, pursuant to
50 section 22.7, subsection 6, information provided by a~~

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1 wireless service provider to the administrator program
2 manager consisting of trade secrets, pursuant to
3 section 22.7, subsection 3, and other financial or
4 commercial operations information provided by a
5 wireless service provider to the administrator program
6 manager, shall be kept confidential as provided under
7 section 22.7. This subsection does not prohibit the
8 inclusion of information in any report providing
9 aggregate amounts and information which does not
10 identify numbers of accounts or customers, revenues,
11 or expenses attributable to an individual wireless
12 communications service provider.

13 Sec. _____. Section 34A.8, subsection 2, unnumbered
14 paragraph 2, Code 2003, is amended to read as follows:

15 The program manager, joint E911 service board, the
16 designated E911 service provider, and the public
17 safety answering point, their agents, employees, and
18 assigns shall use local exchange service information
19 provided by the local exchange service provider solely
20 for the purposes of providing E911 emergency telephone
21 service, and it shall otherwise be kept confidential.
22 A person who violates this section is guilty of a
23 simple misdemeanor.

24 Sec. _____. Section 34A.9, Code 2003, is amended to
25 read as follows:

26 34A.9 TELECOMMUNICATIONS DEVICES FOR THE DEAF
27 SPEECH AND HEARING-IMPAIRED.

28 ~~By January 1, 1990, each county~~ Each public safety
29 answering point shall provide for the installation and
30 use of ~~at least one telecommunications device~~ devices
31 ~~for the deaf at a public safety answering point~~ speech
32 and hearing-impaired.

33 Sec. _____. NEW SECTION. 34A.10 E911 SELECTIVE
34 ROUTER.

35 On and after July 1, 2004, only the program manager
36 shall approve access to the E911 selective router.

37 Sec. _____. Section 34A.15, Code 2003, is amended by
38 adding the following new subsection:

39 NEW SUBSECTION. 1A. The auditor of state or the
40 auditor of state's designee shall serve as an ex
41 officio nonvoting member.

42 Sec. _____. Section 34A.15, subsection 2, Code 2003,
43 is amended to read as follows:

44 2. The council shall advise and make
45 recommendations to the administrator and program
46 manager regarding the implementation of this chapter.
47 Such advice and recommendations shall be provided on
48 issues at the request of the administrator or program
49 manager or as deemed necessary by the council.

50 Sec. _____. Section 16.161, unnumbered paragraph 1,

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1 Code 2003, is amended to read as follows:

2 The authority shall assist the ~~administrator~~
3 program manager, appointed pursuant to section 34A.2A,
4 as provided in chapter 34A, subchapter II, and the
5 authority shall have all of the powers delegated to it
6 by a joint E911 service board or the department of
7 public defense in a chapter 28E agreement with respect
8 to the issuance and securing of bonds or notes and the
9 carrying out of the purposes of chapter 34A.

DIVISION _____

SEX OFFENDER REGISTRY

12 Sec. _____. Section 22.7, Code Supplement 2003, is
13 amended by adding the following new subsection:

14 NEW SUBSECTION. 48. Sex offender registry records
15 under chapter 692A, except as provided in section
16 692A.13.

17 Sec. _____. Section 229A.8A, subsection 4, Code
18 Supplement 2003, is amended to read as follows:

19 4. ~~For purposes of registering as a sex offender~~
20 ~~under chapter 692A, a person placed in the~~
21 ~~transitional release program shall be classified a~~
22 ~~"high-risk" sex offender and public notification shall~~
23 ~~be as provided in section 692A.13A, subsection 2. A~~
24 committed person who refuses to register as a sex
25 offender is not eligible for placement in a
26 transitional release program.

27 Sec. _____. Section 692A.13, Code Supplement 2003,
28 is amended by striking the section and inserting in
29 lieu thereof the following:

30 692A.13 AVAILABILITY OF RECORDS.

31 1. The department may provide relevant information
32 from the sex offender registry to the following:

33 a. A criminal or juvenile justice agency, an
34 agency of the state, any sex offender registry of
35 another state, or the federal government.

36 b. The general public through the sex offender
37 registry's web page, except that relevant information
38 about an offender who was under twenty years of age at
39 the time the offender committed a violation of section
40 709.4, subsection 2, paragraph "c", subparagraph (4),
41 shall not be disclosed on the web page.

42 c. The single contact repository established
43 pursuant to section 135C.33, in accordance with the
44 rules adopted by the department.

45 2. A criminal or juvenile justice agency may
46 provide relevant information from the sex offender
47 registry to the following:

48 a. A criminal or juvenile justice agency, an
49 agency of the state, or any sex offender registry of
50 another state, or the federal government.

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1 b. The general public, including public and
2 private agencies, organizations, public places, public
3 and private schools, child care facilities, religious
4 and youth organizations, neighbors, neighborhood
5 associations, community meetings, and employers.
6 Registry information may be distributed to the public
7 through printed materials, visual or audio press
8 releases, or through a criminal or juvenile justice
9 agency's web page.

10 3. Any member of the public may contact a county
11 sheriff's office or police department to request
12 relevant information from the registry regarding a
13 specific person required to register under this
14 chapter. The request for information shall be in
15 writing, and shall include the name of the person and
16 at least one of the following identifiers pertaining
17 to the person about whom the information is sought:

- 18 a. The date of birth of the person.
- 19 b. The social security number of the person.
- 20 c. The address of the person.

21 4. A county sheriff shall also provide to any
22 person upon request access to a list of all
23 registrants in that county. However, records of a
24 person protected under 18 U.S.C. § 3521 shall not be
25 disclosed.

26 5. Relevant information provided to the general
27 public may include the offender's name, address, a
28 photograph, locations frequented by the offender,
29 relevant criminal history information from the
30 registry, and any other relevant information.
31 Relevant information provided to the public shall not
32 include the identity of any victim.

33 6. Notwithstanding sections 232.147 through
34 232.151, records concerning convictions which are
35 committed by a minor may be released in the same
36 manner as records of convictions of adults.

37 7. Sex offender registry records are confidential
38 records pursuant to section 22.7 and shall only be
39 released as provided in this section.

40 Sec. _____. Section 901.4, Code Supplement 2003, is
41 amended to read as follows:

42 901.4 PRESENTENCE INVESTIGATION REPORT
43 CONFIDENTIAL -- DISTRIBUTION.

44 The presentence investigation report is
45 confidential and the court shall provide safeguards to
46 ensure its confidentiality, including but not limited
47 to sealing the report, which may be opened only by
48 further court order. At least three days prior to the
49 date set for sentencing, the court shall serve all of
50 the presentence investigation report upon the

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1 defendant's attorney and the attorney for the state,
2 and the report shall remain confidential except upon
3 court order. However, the court may conceal the
4 identity of the person who provided confidential
5 information. The report of a medical examination or
6 psychological or psychiatric evaluation shall be made
7 available to the attorney for the state and to the
8 defendant upon request. The reports are part of the
9 record but shall be sealed and opened only on order of
10 the court. If the defendant is committed to the
11 custody of the Iowa department of corrections and is
12 not a class "A" felon, a copy of the presentence
13 investigation report shall be forwarded to the
14 director with the order of commitment by the clerk of
15 the district court and to the board of parole at the
16 time of commitment. Pursuant to section 904.602, the
17 presentence investigation report may also be released
18 by the department of corrections or a judicial
19 district department of correctional services to
20 another jurisdiction for the purpose of providing
21 interstate probation and parole compact services or
22 evaluations, or to a substance abuse or mental health
23 services provider when referring a defendant for
24 services. The defendant or the defendant's attorney
25 may file with the presentence investigation report, a
26 denial or refutation of the allegations, or both,
27 contained in the report. The denial or refutation
28 shall be included in the report. If the person is
29 sentenced for an offense which requires registration
30 under chapter 692A, the court shall release the report
31 to the department ~~which is responsible under section~~
32 ~~692A.13A for performing the assessment of risk.~~

33 Sec. _____. Section 692A.13A, Code 2003, is
34 repealed.

35 Sec. _____. APPLICABILITY OF AVAILABLE RECORDS IN
36 THE SEX OFFENDER REGISTRY. Section 692A.13, as
37 amended by this division of this Act, shall apply
38 retroactively to all offenders on the registry.

39 Sec. _____. EFFECTIVE DATE. This division of this
40 Act, being deemed of immediate importance, takes
41 effect upon enactment."

42 _____. Title page, by striking lines 1 through 3
43 and inserting the following: "An Act making,
44 reducing, and transferring appropriations, providing
45 for government and economic development-related
46 taxation, surcharge, and fee matters, providing for
47 other properly related matters, and including penalty
48 and effective and retroactive and other applicability
49 date provisions.""

RECEIVED FROM THE SENATE

H-8643 FILED APRIL 20, 2004

ADOPTED

Angelo
Lamberti
Dvorsky

Succeeded By
HF 2298 SB# 3169
Appropriations

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
APPROPRIATIONS BILL BY
CHAIRPERSON ANGELO)

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

A BILL FOR

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

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

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DIVISION I

ADMINISTRATION AND REGULATION

1
2
3 Section 1. DEPARTMENT OF ADMINISTRATIVE SERVICES. There
4 is appropriated from the general fund of the state to the
5 department of administrative services for the fiscal year
6 beginning July 1, 2004, and ending June 30, 2005, the
7 following amounts, or so much thereof as is necessary, to be
8 used for the purposes designated:

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

12 \$ 4,564,351
13 FTEs 233.95

14 UTILITY COSTS

15 2. For the payment of utility costs:

16 \$ 2,576,000

17 Notwithstanding section 8.33, any excess funds appropriated
18 for utility costs in this subsection shall not revert to the
19 general fund of the state at the end of the fiscal year but
20 shall remain available for expenditure for the purposes of
21 this subsection during the fiscal year beginning July 1, 2005.

22 3. For distribution to other departments:

23 \$ 10,802,911

24 Moneys appropriated in this subsection shall be separately
25 accounted for in a distribution account and shall be
26 distributed to other governmental entities based upon formulas
27 established by the department to pay for services provided
28 governmental entities by the department as described in
29 chapter 8A.

30 4. Members of the general assembly serving as members of
31 the deferred compensation advisory board shall be entitled to
32 receive per diem and necessary travel and actual expenses
33 pursuant to section 2.10, subsection 5, while carrying out
34 their official duties as members of the board.

35 5. Any funds and premiums collected by the department for

1 workers' compensation shall be segregated into a separate
 2 workers' compensation fund in the state treasury to be used
 3 for payment of state employees' workers' compensation claims
 4 and administrative costs. Notwithstanding section 8.33,
 5 unencumbered or unobligated moneys remaining in this workers'
 6 compensation fund at the end of the fiscal year shall not
 7 revert but shall be available for expenditure for purposes of
 8 the fund for subsequent fiscal years.

9 6. DEPARTMENT OF TRANSPORTATION -- PERSONNEL SERVICES
 10 PAYMENT. The department of administrative services shall
 11 periodically provide a billing statement to the state
 12 department of transportation outlining the costs of personnel
 13 services provided to the state department of transportation.
 14 The amount indicated on each billing statement shall be paid
 15 by the state department of transportation out of funds
 16 available to the department from the road use tax fund and the
 17 primary road fund. Amounts received by the department of
 18 administrative services shall be considered repayment receipts
 19 as defined in section 8.2, and deposited into the accounts of
 20 the department.

21 Sec. 2. REVOLVING FUNDS.

22 1. There is appropriated from the general fund of the
 23 state to the department of administrative services for the
 24 fiscal year beginning July 1, 2004, and ending June 30, 2005,
 25 the following amount, or so much thereof as is necessary, to
 26 be used for the purposes designated:

27 For start-up funding for revolving funds under the control
 28 of the department of administrative services and for salaries,
 29 support, maintenance, and miscellaneous purposes:

30 \$ 1,950,000

31 Notwithstanding any provision of this section to the
 32 contrary, the department of administrative services shall
 33 deposit \$1,950,000 in the general fund of the state from
 34 moneys in departmental revolving funds and internal service
 35 funds at the end of the fiscal year.

1 2. There is appropriated to the department of
2 administrative services for the fiscal year beginning July 1,
3 2004, and ending June 30, 2005, from the revolving funds
4 designated in chapter 8A and from internal service funds
5 created by the department, such amounts as the department
6 deems necessary for the operation of the department consistent
7 with the requirements of chapter 8A.

8 Sec. 3. READY TO WORK PROGRAM COORDINATOR. There is
9 appropriated from the workers' compensation trust fund to the
10 department of administrative services for the fiscal year
11 beginning July 1, 2004, and ending June 30, 2005, the
12 following amount, or so much thereof as is necessary, to be
13 used for the purposes designated:

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

16 \$ 89,416

17 Sec. 4. FUNDING FOR IOWACCESS.

18 1. Notwithstanding section 321A.3, subsection 1, for the
19 fiscal year beginning July 1, 2004, and ending June 30, 2005,
20 the first \$1,000,000 collected and transferred by the
21 department of transportation to the treasurer of state with
22 respect to the fees for transactions involving the furnishing
23 of a certified abstract of a vehicle operating record under
24 section 321A.3, subsection 1, shall be transferred to the
25 IowAccess revolving fund established by section 8A.224 and
26 administered by the department of administrative services for
27 the purposes of developing, implementing, maintaining, and
28 expanding electronic access to government records as provided
29 by law.

30 2. All fees collected with respect to transactions
31 involving IowAccess shall be deposited in the IowAccess
32 revolving fund and shall be used only for the support of
33 IowAccess projects.

34 Sec. 5. STATE EMPLOYEE HEALTH INSURANCE ADMINISTRATION
35 CHARGE. For the fiscal year beginning July 1, 2004, and

1 ending June 30, 2005, the monthly per contract administrative
2 charge which may be assessed by the department of
3 administrative services shall be \$2.00 per contract on all
4 health insurance plans administered by the department.

5 Sec. 6. AUDITOR OF STATE. There is appropriated from the
6 general fund of the state to the office of the auditor of
7 state for the fiscal year beginning July 1, 2004, and ending
8 June 30, 2005, the following amount, or so much thereof as is
9 necessary, to be used for the purposes designated:

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

13	\$	1,144,755
14	FTEs	106.30

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

26 Sec. 7. IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD. There
27 is appropriated from the general fund of the state to the Iowa
28 ethics and campaign disclosure board for the fiscal year
29 beginning July 1, 2004, and ending June 30, 2005, the
30 following amount, or so much thereof as is necessary, for the
31 purposes designated:

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

35	\$	411,296
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1 FTEs 6.00

2 Sec. 8. DEPARTMENT OF COMMERCE. There is appropriated
3 from the general fund of the state to the department of
4 commerce for the fiscal year beginning July 1, 2004, and
5 ending June 30, 2005, the following amounts, or so much
6 thereof as is necessary, for the purposes designated:

7 1. ALCOHOLIC BEVERAGES DIVISION

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

11 \$ 1,876,497

12 FTEs 33.00

13 2. BANKING DIVISION

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

17 \$ 6,344,805

18 FTEs 65.00

19 3. CREDIT UNION DIVISION

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

23 \$ 1,377,364

24 FTEs 19.00

25 4. INSURANCE DIVISION

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

29 \$ 3,850,498

30 FTEs 95.00

31 b. The insurance division may reallocate authorized full-
32 time equivalent positions as necessary to respond to
33 accreditation recommendations or requirements. The insurance
34 division expenditures for examination purposes may exceed the
35 projected receipts, refunds, and reimbursements, estimated

1 pursuant to section 505.7, subsection 7, including the
2 expenditures for retention of additional personnel, if the
3 expenditures are fully reimbursable and the division first
4 does both of the following:

5 (1) Notifies the department of management, the legislative
6 services agency, and the legislative fiscal committee of the
7 need for the expenditures.

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

11 5. PROFESSIONAL LICENSING AND REGULATION DIVISION

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

15	\$	766,766
16	FTEs	12.00

17 6. UTILITIES DIVISION

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

21	\$	6,877,319
22	FTEs	79.00

23 b. The utilities division may expend additional funds,
24 including funds for additional personnel, if those additional
25 expenditures are actual expenses which exceed the funds
26 budgeted for utility regulation and the expenditures are fully
27 reimbursable. Before the division expends or encumbers an
28 amount in excess of the funds budgeted for regulation, the
29 division shall first do both of the following:

30 (1) Notify the department of management, the legislative
31 services agency, and the legislative fiscal committee of the
32 need for the expenditures.

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

1 7. CHARGES -- TRAVEL

2 Each division and the office of consumer advocate shall
3 include in its charges assessed or revenues generated, an
4 amount sufficient to cover the amount stated in its
5 appropriation, and any state-assessed indirect costs
6 determined by the department of administrative services. The
7 director of the department of commerce shall review on a
8 quarterly basis all out-of-state travel for the previous
9 quarter for officers and employees of each division of the
10 department if the travel is not already authorized by the
11 executive council.

12 Sec. 9. DEPARTMENT OF COMMERCE -- PROFESSIONAL LICENSING
13 AND REGULATION. There is appropriated from the housing
14 improvement fund of the Iowa department of economic
15 development to the division of professional licensing and
16 regulation of the department of commerce for the fiscal year
17 beginning July 1, 2004, and ending June 30, 2005, the
18 following amount, or so much thereof as is necessary, to be
19 used for the purposes designated:

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

22 \$ 62,317

23 Sec. 10. GOVERNOR AND LIEUTENANT GOVERNOR. There is
24 appropriated from the general fund of the state to the offices
25 of the governor and the lieutenant governor for the fiscal
26 year beginning July 1, 2004, and ending June 30, 2005, the
27 following amounts, or so much thereof as is necessary, to be
28 used for the purposes designated:

29 1. GENERAL OFFICE

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

34 \$ 1,536,949

35 FTEs 19.25

1 2. TERRACE HILL QUARTERS

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

5	\$	343,149
6	FTEs	8.00

7 3. ADMINISTRATIVE RULES COORDINATOR

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

12	\$	136,458
13	FTEs	3.00

14 4. NATIONAL GOVERNORS ASSOCIATION

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

17	\$	64,393
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18 5. STATE-FEDERAL RELATIONS

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

22	\$	111,236
23	FTEs	2.00

24 Sec. 11. GOVERNOR'S OFFICE OF DRUG CONTROL POLICY.

25 1. There is appropriated from the general fund of the
26 state to the governor's office of drug control policy for the
27 fiscal year beginning July 1, 2004, and ending June 30, 2005,
28 the following amount, or so much thereof as is necessary, to
29 be used for the purposes designated:

30 For salaries, support, maintenance, and miscellaneous
31 purposes including statewide coordination of the drug abuse
32 resistance education (D.A.R.E.) programs or similar programs,
33 and for not more than the following full-time equivalent
34 positions:

35	\$	254,386
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1 FTEs 9.00

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

7 Sec. 12. DEPARTMENT OF HUMAN RIGHTS. There is
8 appropriated from the general fund of the state to the
9 department of human rights for the fiscal year beginning July
10 1, 2004, and ending June 30, 2005, the following amounts, or
11 so much thereof as is necessary, to be used for the purposes
12 designated:

13 1. CENTRAL ADMINISTRATION DIVISION

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

17 \$ 264,102
18 FTEs 7.00

19 2. DEAF SERVICES DIVISION

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

23 \$ 362,710
24 FTEs 6.00

25 The fees collected by the division for provision of
26 interpretation services by the division to obligated agencies
27 shall be disbursed pursuant to the provisions of section 8.32,
28 and shall be dedicated and used by the division for continued
29 and expanded interpretation services.

30 3. PERSONS WITH DISABILITIES DIVISION

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

34 \$ 184,971
35 FTEs 3.50

1 4. LATINO AFFAIRS DIVISION

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

5	\$	166,718
6	FTEs	3.00

7 5. STATUS OF WOMEN DIVISION

8 For salaries, support, maintenance, and miscellaneous
9 purposes, including the Iowans in transition program, and the
10 domestic violence and sexual assault-related grants, and for
11 not more than the following full-time equivalent positions:

12	\$	329,530
13	FTEs	3.00

14 6. STATUS OF AFRICAN-AMERICANS DIVISION

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

18	\$	118,296
19	FTEs	2.00

20 7. CRIMINAL AND JUVENILE JUSTICE PLANNING DIVISION

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

24	\$	403,774
25	FTEs	6.96

26 The criminal and juvenile justice planning advisory council
27 and the juvenile justice advisory council shall coordinate
28 their efforts in carrying out their respective duties relative
29 to juvenile justice.

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

33 Sec. 13. DEPARTMENT OF INSPECTIONS AND APPEALS. There is
34 appropriated from the general fund of the state to the
35 department of inspections and appeals for the fiscal year

1 beginning July 1, 2004, and ending June 30, 2005, the
2 following amounts, or so much thereof as is necessary, for the
3 purposes designated:

4 1. ADMINISTRATION DIVISION

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

8 \$ 1,489,090
9 FTEs 32.25

10 2. ADMINISTRATIVE HEARINGS DIVISION

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

14 \$ 614,114
15 FTEs 23.00

16 3. INVESTIGATIONS DIVISION

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

20 \$ 1,407,295
21 FTEs 41.00

22 4. HEALTH FACILITIES DIVISION

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

26 \$ 2,276,836
27 FTEs 108.75

28 5. EMPLOYMENT APPEAL BOARD

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

32 \$ 35,215
33 FTEs 15.00

34 The employment appeal board shall be reimbursed by the
35 labor services division of the department of workforce

1 development for all costs associated with hearings conducted
 2 under chapter 91C, related to contractor registration. The
 3 board may expend, in addition to the amount appropriated under
 4 this subsection, additional amounts as are directly billable
 5 to the labor services division under this subsection and to
 6 retain the additional full-time equivalent positions as needed
 7 to conduct hearings required pursuant to chapter 91C.

8 6. CHILD ADVOCACY BOARD

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

13	\$	1,752,780
14	FTEs	38.99

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

20 b. The court appointed special advocate program shall
 21 investigate and develop opportunities for expanding fund-
 22 raising for the program.

23 c. Administrative costs charged by the department of
 24 inspections and appeals for items funded under this subsection
 25 shall not exceed 4 percent of the amount appropriated in this
 26 subsection.

27 Sec. 14. RACING AND GAMING COMMISSION.

28 1. RACETRACK REGULATION

29 There is appropriated from the general fund of the state to
 30 the racing and gaming commission of the department of
 31 inspections and appeals for the fiscal year beginning July 1,
 32 2004, and ending June 30, 2005, the following amount, or so
 33 much thereof as is necessary, to be used for the purposes
 34 designated:

35 For salaries, support, maintenance, and miscellaneous

1 purposes for the regulation of pari-mutuel racetracks, and for
2 not more than the following full-time equivalent positions:

3 \$ 2,201,453
4 FTEs 27.53

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

7 2. EXCURSION BOAT REGULATION

8 There is appropriated from the general fund of the state to
9 the racing and gaming commission of the department of
10 inspections and appeals for the fiscal year beginning July 1,
11 2004, and ending June 30, 2005, the following amount, or so
12 much thereof as is necessary, to be used for the purposes
13 designated:

14 For salaries, support, maintenance, and miscellaneous
15 purposes for administration and enforcement of the excursion
16 boat gambling laws, and for not more than the following full-
17 time equivalent positions:

18 \$ 1,806,048
19 FTEs 30.22

20 Sec. 15. USE TAX APPROPRIATION. There is appropriated
21 from the use tax receipts collected pursuant to sections
22 423.26 and 423.27 as enacted by 2003 Iowa Acts, First
23 Extraordinary Session, chapter 2, sections 119 and 120 prior
24 to their deposit in the road use tax fund pursuant to section
25 423.43 as enacted by 2003 Iowa Acts, First Extraordinary
26 Session, chapter 2, section 136, to the administrative
27 hearings division of the department of inspections and appeals
28 for the fiscal year beginning July 1, 2004, and ending June
29 30, 2005, the following amount, or so much thereof as is
30 necessary, for the purposes designated:

31 For salaries, support, maintenance, and miscellaneous
32 purposes:

33 \$ 1,325,632

34 Sec. 16. DEPARTMENT OF MANAGEMENT. There is appropriated
35 from the general fund of the state to the department of

1 management for the fiscal year beginning July 1, 2004, and
2 ending June 30, 2005, the following amounts, or so much
3 thereof as is necessary, to be used for the purposes
4 designated:

5 1. GENERAL OFFICE -- STATEWIDE PROPERTY TAX ADMINISTRATION

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

9	\$	2,137,824
10	FTEs	32.00

11 2. ENTERPRISE RESOURCE PLANNING

12 If funding is provided for the redesign of the enterprise
13 resource planning budget system for the fiscal year beginning
14 July 1, 2004, then there is appropriated from the general fund
15 of the state to the department of management for the fiscal
16 year beginning July 1, 2004, and ending June 30, 2005, the
17 following amount, or so much thereof as is necessary, to be
18 used for the purposes designated:

19 For salaries, support, maintenance, and miscellaneous
20 purposes for administration of the enterprise resource
21 planning system, and for not more than the following full-time
22 equivalent positions:

23	\$	57,435
24	FTEs	1.00

25 3. SALARY MODEL ADMINISTRATOR

26 For salary, support, and miscellaneous purposes of the
27 salary model administrator, and for not more than the
28 following full-time equivalent positions:

29	\$	123,598
30	FTEs	1.00

31 The salary model administrator shall work in conjunction
32 with the legislative services agency to maintain the state's
33 salary model used for analyzing, comparing, and projecting
34 state employee salary and benefit information, including
35 information relating to employees of the state board of

1 regents. The department of revenue, the department of
2 administrative services, the five institutions under the
3 jurisdiction of the state board of regents, the judicial
4 district departments of correctional services, and the state
5 department of transportation shall provide salary data to the
6 department of management and the legislative services agency
7 to operate the state's salary model. The format and frequency
8 of provision of the salary data shall be determined by the
9 department of management and the legislative services agency.
10 The information shall be used in collective bargaining
11 processes under chapter 20 and in calculating the funding
12 needs contained within the annual salary adjustment
13 legislation. A state employee organization as defined in
14 section 20.3, subsection 4, may request information produced
15 by the model, but the information provided shall not contain
16 information attributable to individual employees.

17 4. FEDERAL OVERRECOVERY

18 For providing matching funds for information technology
19 services provided by the department of administrative services
20 to the department of human services:

21 \$ 3,000,000

22 Sec. 17. ROAD USE TAX APPROPRIATION. There is
23 appropriated from the road use tax fund to the department of
24 management for the fiscal year beginning July 1, 2004, and
25 ending June 30, 2005, the following amount, or so much thereof
26 as is necessary, to be used for the purposes designated:

27 For salaries, support, maintenance, and miscellaneous
28 purposes:

29 \$ 56,000

30 Sec. 18. SECRETARY OF STATE. There is appropriated from
31 the general fund of the state to the office of the secretary
32 of state for the fiscal year beginning July 1, 2004, and
33 ending June 30, 2005, the following amounts, or so much
34 thereof as is necessary, to be used for the purposes
35 designated:

1 1. ADMINISTRATION AND ELECTIONS

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

5	\$	660,233
6	FTEs	10.00

7 The state department or state agency which provides data
8 processing services to support voter registration file
9 maintenance and storage shall provide those services without
10 charge.

11 2. BUSINESS SERVICES

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

15	\$	1,615,893
16	FTEs	32.00

17 Sec. 19. SECRETARY OF STATE FILING FEES REFUND.

18 Notwithstanding the obligation to collect fees pursuant to the
19 provisions of section 490.122, subsection 1, paragraphs "a"
20 and "s", and section 504A.85, subsections 1 and 9, for the
21 fiscal year beginning July 1, 2004, and ending June 30, 2005,
22 the secretary of state may refund these fees to the filer
23 pursuant to rules established by the secretary of state. The
24 decision of the secretary of state not to issue a refund under
25 rules established by the secretary of state is final and not
26 subject to review pursuant to the provisions of the Iowa
27 administrative procedure Act.

28 Sec. 20. TREASURER. There is appropriated from the
29 general fund of the state to the office of treasurer of state
30 for the fiscal year beginning July 1, 2004, and ending June
31 30, 2005, the following amount, or so much thereof as is
32 necessary, to be used for the purposes designated:

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

1 \$ 800,564
2 FTEs 28.80

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

5 Sec. 21. IPERS -- GENERAL OFFICE. There is appropriated
6 from the Iowa public employees' retirement system fund to the
7 Iowa public employees' retirement system for the fiscal year
8 beginning July 1, 2004, and ending June 30, 2005, the
9 following amount, or so much thereof as is necessary, to be
10 used for the purposes designated:

11 For salaries, support, maintenance, and other operational
12 purposes to pay the costs of the Iowa public employees'
13 retirement system, and for not more than the following full-
14 time equivalent positions:

15 \$ 8,879,900
16 FTEs 90.13

17 Sec. 22. DEPARTMENT OF REVENUE. There is appropriated
18 from the general fund of the state to the department of
19 revenue for the fiscal year beginning July 1, 2004, and ending
20 June 30, 2005, the following amounts, or so much thereof as is
21 necessary, to be used for the purposes designated:

22 1. COMPLIANCE -- INTERNAL RESOURCES MANAGEMENT --
23 STATEWIDE PROPERTY TAX ADMINISTRATION

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

27 \$ 24,776,391
28 FTEs 389.66

29 Of the funds appropriated pursuant to this subsection,
30 \$400,000 shall be used to pay the direct costs of compliance
31 related to the collection and distribution of local sales and
32 services taxes imposed pursuant to chapters 422B and 422E or
33 successor chapters.

34 The director of revenue shall prepare and issue a state
35 appraisal manual and the revisions to the state appraisal

3169

1 manual as provided in section 421.17, subsection 17, without
2 cost to a city or county.

3 2. COLLECTION COSTS AND FEES

4 For payment of collection costs and fees pursuant to
5 section 422.26:

6 \$ 27,462

7 Sec. 23. MOTOR VEHICLE FUEL TAX APPROPRIATION. There is
8 appropriated from the motor fuel tax fund created by section
9 452A.77 to the department of revenue for the fiscal year
10 beginning July 1, 2004, and ending June 30, 2005, the
11 following amount, or so much thereof as is necessary, to be
12 used for the purposes designated:

13 For salaries, support, maintenance, and miscellaneous
14 purposes for administration and enforcement of the provisions
15 of chapter 452A and the motor vehicle use tax program:

16 \$ 1,181,082

17 Sec. 24. Section 7J.1, Code Supplement 2003, is amended by
18 adding the following new subsection:

19 NEW SUBSECTION. 7A. EXECUTIVE COUNCIL FLEXIBILITY.

20 Notwithstanding any provision of law to the contrary, a
21 charter agency shall not be required to obtain executive
22 council approval for claims for expenses of attending
23 conventions, out-of-state travel requests, and memberships in
24 professional organizations.

25 Sec. 25. Section 8.63, subsection 5, Code Supplement 2003,
26 is amended to read as follows:

27 5. A state agency seeking a loan from the innovations fund
28 shall complete an application form designed by the state
29 innovations fund committee which employs, for projects, a
30 return on investment concept and demonstrates how state
31 general fund expenditures will be reduced or how state general
32 fund revenues will increase, or for enterprises, a business
33 plan that shows how the enterprise will meet customer needs,
34 provide value to customers, and demonstrate financial
35 viability. Minimum loan requirements for state agency

1 requests shall be determined by the committee. As an
2 incentive to increase state general fund revenues, an agency
3 may retain up to fifty percent of savings realized in
4 connection with a project loan from the innovations fund. The
5 amount retained shall be determined by the innovations fund
6 committee. Savings realized but not retained by an agency
7 shall not be deposited in the innovations fund.

8 Sec. 26. Section 8.63, subsection 6, paragraph b, Code
9 Supplement 2003, is amended to read as follows:

10 b. If the department of management and the department of
11 revenue certify that the savings from a proposed innovations
12 fund project will result in a net increase in the balance of
13 the general fund of the state without a corresponding cost
14 savings to the requesting agency, and if the requesting agency
15 meets all other eligibility requirements, the innovations fund
16 committee may approve the loan for the project and not require
17 repayment by the requesting agency. There is appropriated
18 from the general fund of the state to the department of
19 management for deposit in the innovations fund an amount
20 sufficient to repay the loan amount, which amount shall not
21 exceed the principal amount of the loan plus interest on the
22 loan.

23 Sec. 27. Section 543B.14, Code 2003, is amended to read as
24 follows:

25 543B.14 FEES AND EXPENSES -- FUNDS.

26 All fees and charges collected by the real estate
27 commission under this chapter shall be paid into the general
28 fund of the state, except that ~~the equivalent of the greater~~
29 ~~of ten dollars or forty percent per year of the fees for fifty~~
30 dollars from each real estate salesperson's license, ~~plus the~~
31 ~~equivalent of the greater of ten dollars or twenty-five~~
32 ~~percent per year of the fees for~~ and each broker's license
33 shall be paid into the Iowa real estate education fund created
34 in section 543B.54. All expenses incurred by the commission
35 under this chapter, including compensation of staff assigned

1 to the commission, shall be paid from funds appropriated for
2 those purposes, except for expenses incurred and compensation
3 paid for the real estate education director, which shall be
4 paid out of the real estate education fund.

5 Sec. 28. Section 543B.54, Code 2003, is amended to read as
6 follows:

7 543B.54 REAL ESTATE EDUCATION FUND.

8 The Iowa real estate education fund is created as a
9 financial assurance mechanism to assist in the establishment
10 and maintenance of a real estate education program at the
11 university of northern Iowa and to assist the real estate
12 commission in providing an education director. The fund is
13 created as a separate fund in the state treasury, and any
14 funds remaining in the fund at the end of each fiscal year
15 shall not revert to the general fund, but shall remain in the
16 Iowa real estate education fund. ~~Seventy-percent-of-the~~
17 ~~moneys-in-the-fund~~ Twenty-five dollars per license from fees
18 deposited for each real estate salesperson's license and each
19 broker's license shall be distributed and are appropriated to
20 the board of regents for the purpose of establishing and
21 maintaining a real estate education program at the university
22 of northern Iowa. ~~Thirty-percent-of-the~~ The remaining moneys
23 in the fund shall be distributed and are appropriated to the
24 professional licensing and regulation division of the
25 department of commerce for the purpose of hiring and
26 compensating a real estate education director and regulatory
27 compliance personnel.

28 Sec. 29. SPAN OF CONTROL. The department of
29 administrative services, in consultation with the department
30 of management and after discussion and collaboration with
31 executive branch agencies, shall pursue a goal of increasing
32 the ratio of the number of employees per supervisor for
33 executive branch agencies in the aggregate to twelve employees
34 for one supervisor by December 31, 2005.

35

DIVISION II

1 AGRICULTURE AND NATURAL RESOURCES
2 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP
3 GENERAL APPROPRIATIONS

4 Sec. 30. GENERAL DEPARTMENT APPROPRIATION. There is
5 appropriated from the general fund of the state to the
6 department of agriculture and land stewardship for the fiscal
7 year beginning July 1, 2004, and ending June 30, 2005, the
8 following amount, or so much thereof as is necessary, to be
9 used for the purposes designated:

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

15 \$ 16,946,668
16 FTEs 410.64

17 b. Of the amount appropriated in paragraph "a", the
18 department shall not expend less than \$50,000 for salaries,
19 support, maintenance, and miscellaneous purposes of
20 administering the senior farmers market nutrition program
21 under the jurisdiction of the United States department of
22 agriculture.

23 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP
24 DESIGNATED APPROPRIATIONS

25 Sec. 31. RIVER AUTHORITY. There is appropriated from the
26 general fund of the state to the department of agriculture and
27 land stewardship for the fiscal year beginning July 1, 2004,
28 and ending June 30, 2005, the following amount, or so much
29 thereof as is necessary, to be used for the purposes
30 designated:

31 For purposes of supporting the department's membership in
32 the state interagency Missouri river authority, created in
33 section 28L.1, in the Missouri river basin association:

34 \$ 9,535

35 Sec. 32. HORSE AND DOG RACING. There is appropriated from

1 the moneys available under section 99D.13 to the department of
2 agriculture and land stewardship for the fiscal year beginning
3 July 1, 2004, and ending June 30, 2005, the following amount,
4 or so much thereof as is necessary, to be used for the
5 purposes designated:

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

8 \$ 305,516

9 Sec. 33. DAIRY PRODUCTS CONTROL BUREAU. There is
10 appropriated from the general fund of the state to the
11 department of agriculture and land stewardship for the fiscal
12 year beginning July 1, 2004, and ending June 30, 2005, the
13 following amount, or so much thereof as is necessary, to be
14 used for the purposes designated:

15 For purposes of supporting the operations of the dairy
16 products control bureau, including salaries, support,
17 maintenance, and miscellaneous purposes:

18 \$ 632,170

19 Sec. 34. AVIAN INFLUENZA. There is appropriated from the
20 general fund of the state to the department of agriculture and
21 land stewardship for the fiscal year beginning July 1, 2004,
22 and ending June 30, 2005, the following amount, or so much
23 thereof as is necessary, to be used for the purpose
24 designated:

25 For the support of testing and monitoring avian influenza:

26 \$ 50,000

27 Notwithstanding section 8.33, moneys appropriated pursuant
28 to this section which are unencumbered or unobligated on June
29 30, 2005, shall not revert as provided in section 8.33. After
30 June 30, 2005, the department shall retain any such
31 unobligated or unencumbered moneys for the continued testing
32 and monitoring of avian influenza.

33 Sec. 35. SALE AND PURCHASE OF LABORATORY EQUIPMENT --
34 APPROPRIATIONS. Notwithstanding chapter 8A, the department of
35 administrative services shall conduct a sale of equipment or

1 devices owned by the department of agriculture and land
2 stewardship and used by laboratories operated by the
3 department of agriculture and land stewardship. The
4 department of administrative services shall conduct the sale
5 upon authorization of the department of agriculture and land
6 stewardship. The sale shall only include equipment and
7 devices that the department does not move to its new
8 laboratory building. The moneys from the sale are
9 appropriated to the department of agriculture and land
10 stewardship for the fiscal period beginning July 1, 2004, and
11 ending June 30, 2006. The moneys shall only be used to
12 replace, update, enhance, or supplement equipment or devices
13 used by laboratories operated by the department of agriculture
14 and land stewardship. However, the department shall not enter
15 into a lease-purchase agreement to obtain the equipment or
16 devices. Unencumbered and unobligated moneys remaining on
17 June 30, 2006, shall be deposited in the general fund of the
18 state in the same manner as a reversion under section 8.33.

19 DEPARTMENT OF NATURAL RESOURCES

20 GENERAL APPROPRIATIONS

21 Sec. 36. GENERAL DEPARTMENT APPROPRIATION. There is
22 appropriated from the general fund of the state to the
23 department of natural resources for the fiscal year beginning
24 July 1, 2004, and ending June 30, 2005, the following amount,
25 or so much thereof as is necessary, to be used for the
26 purposes designated:

27 For purposes of supporting the department, including its
28 divisions, for administration, regulation, and programs, for
29 salaries, support, maintenance, miscellaneous purposes, and
30 for not more than the following full-time equivalent
31 positions:

32 \$ 16,569,282
33 FTEs 1080.12

34 Sec. 37. STATE FISH AND GAME PROTECTION FUND --
35 APPROPRIATION TO THE DIVISION OF FISH AND WILDLIFE.

1 1. a. There is appropriated from the state fish and game
2 protection fund to the department of natural resources for the
3 fiscal year beginning July 1, 2004, and ending June 30, 2005,
4 the following amount, or so much thereof as is necessary, to
5 be used for the purposes designated:

6 For administrative support, and for salaries, support,
7 maintenance, equipment, and miscellaneous purposes:
8 \$ 30,715,335

9 b. Notwithstanding section 455A.10, the department may use
10 the unappropriated balance remaining in the fish and game
11 protection fund to provide for the funding of health and life
12 insurance premium payments from unused sick leave balances of
13 conservation peace officers employed in a protection
14 occupation who retire, pursuant to section 97B.49B.

15 2. The department shall not expend more moneys from the
16 fish and game protection fund than provided in this section,
17 unless the expenditure derives from contributions made by a
18 private entity, or a grant or moneys received from the federal
19 government, and is approved by the natural resource
20 commission. The department of natural resources shall
21 promptly notify the legislative services agency and the
22 chairpersons and ranking members of the joint appropriations
23 subcommittee on agriculture and natural resources concerning
24 the commission's approval.

25 DEPARTMENT OF NATURAL RESOURCES
26 RELATED TRANSFERS

27 Sec. 38. SNOWMOBILE FEES -- TRANSFER FOR ENFORCEMENT
28 PURPOSES. There is transferred on July 1, 2004, from the fees
29 required to be deposited in the special conservation fund
30 under section 321G.7 to the fish and game protection fund and
31 appropriated to the department of natural resources for the
32 fiscal year beginning July 1, 2004, and ending June 30, 2005,
33 the following amount, or so much thereof as is necessary, to
34 be used for the purpose designated:

35 For enforcing snowmobile laws as part of the state

1 snowmobile program administered by the department of natural
2 resources:

3 \$ 100,000

4 Sec. 39. VESSEL FEES -- TRANSFER FOR ENFORCEMENT PURPOSES.

5 There is transferred on July 1, 2004, from the fees required
6 to be deposited in the special conservation fund under section
7 462A.52 to the fish and game protection fund and appropriated
8 to the natural resource commission for the fiscal year
9 beginning July 1, 2004, and ending June 30, 2005, the
10 following amount, or so much thereof as is necessary, to be
11 used for the purpose designated:

12 For the administration and enforcement of navigation laws
13 and water safety:

14 \$ 1,400,000

15 Notwithstanding section 8.33, moneys transferred and
16 appropriated in this section that remain unencumbered or
17 unobligated at the close of the fiscal year shall not revert
18 to the credit of the fish and game protection fund but shall
19 be credited to the special conservation fund established by
20 section 462A.52 to be used as provided in that section.

21 DEPARTMENT OF NATURAL RESOURCES

22 DESIGNATED APPROPRIATIONS

23 Sec. 40. REVENUE ADMINISTERED BY THE IOWA COMPREHENSIVE
24 UNDERGROUND STORAGE TANK FUND BOARD. There is appropriated
25 from the unassigned revenue fund administered by the Iowa
26 comprehensive underground storage tank fund board, to the
27 department of natural resources for the fiscal year beginning
28 July 1, 2004, and ending June 30, 2005, the following amount,
29 or so much thereof as is necessary, to be used for the purpose
30 designated:

31 For administration expenses of the underground storage tank
32 section of the department of natural resources:

33 \$ 200,000

34 Sec. 41. FLOODPLAIN PERMIT BACKLOG. Notwithstanding any
35 contrary provision of state law, for the fiscal year beginning

1 July 1, 2004, and ending June 30, 2005, the department of
2 natural resources may use additional funds available to the
3 department from stormwater discharge permit fees for the
4 staffing of the following additional full-time staff members
5 to reduce the department's floodplain permit backlog:

6 FTEs 2.00

7 Sec. 42. IMPLEMENTATION OF THE FEDERAL TOTAL MAXIMUM DAILY
8 LOAD PROGRAM. Notwithstanding any contrary provision of state
9 law, for the fiscal year beginning July 1, 2004, and ending
10 June 30, 2005, the department of natural resources may use
11 additional funds available to the department from stormwater
12 discharge permit fees for the staffing of the following
13 additional full-time equivalent positions for implementation
14 of the federal total maximum daily load program:

15 FTEs 2.00

16 MISCELLANEOUS PROVISIONS

17 Sec. 43. Section 424.19, Code Supplement 2003, is amended
18 to read as follows:

19 424.19 FUTURE REPEAL.

20 This chapter is repealed effective June 30, ~~2014~~ 2016.

21 Sec. 44. CONTINGENT EFFECTIVENESS. The moneys
22 appropriated from the general fund of the state to the
23 department of agriculture and land stewardship for purposes of
24 supporting the testing and monitoring of avian influenza as
25 provided in this division of this Act shall not be effective
26 if 2004 Iowa Acts, Senate File 2194, is enacted.

27 Sec. 45. CONTINGENT EFFECTIVENESS. The amendment to
28 section 424.19, as provided in this division of this Act, is
29 effective only if 2004 Iowa Acts, House File 2401, is enacted.

30 DIVISION III

31 ECONOMIC DEVELOPMENT

32 Sec. 46. GOALS AND ACCOUNTABILITY.

33 1. The goals for the department of economic development
34 shall be to expand and stimulate the state economy, increase
35 the wealth of Iowans, and increase the population of the

1 state.

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

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

6 b. Adopt practices and services consistent with free
7 market, private sector philosophies.

8 c. Ensure economic growth and development throughout the
9 state.

10 3. The department of economic development shall
11 demonstrate accountability by using performance measures
12 appropriate to show the attainment of the goals in subsection
13 1 for the state and by measuring the effectiveness and results
14 of the department's programs and activities. The performance
15 measures and associated benchmarks shall be developed or
16 identified in cooperation with the legislative services agency
17 and approved by the joint appropriations subcommittee on
18 economic development. The data demonstrating accountability
19 collected by the department shall be made readily available
20 and maintained in computer-readable format.

21 Sec. 47. DEPARTMENT OF ECONOMIC DEVELOPMENT. There is
22 appropriated from the general fund of the state to the
23 department of economic development for the fiscal year
24 beginning July 1, 2004, and ending June 30, 2005, the
25 following amounts, or so much thereof as is necessary, to be
26 used for the purposes designated:

27 1. ADMINISTRATION DIVISION

28 a. General administration

29 For salaries, support, maintenance, miscellaneous purposes,
30 programs, for the transfer to the Iowa state commission grant
31 program, and for not more than the following full-time
32 equivalent positions:

33	\$	1,562,332
34	FTEs	28.75

35 b. The department shall work with businesses and

1 communities to continually improve the economic development
2 climate along with the economic well-being and quality of life
3 for Iowans. The administration division shall coordinate with
4 other state agencies ensuring that all state departments are
5 attentive to the needs of an entrepreneurial culture.

6 2. BUSINESS DEVELOPMENT DIVISION

7 a. Business development operations

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

15	\$ 6,084,500
16	FTEs 57.00

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

25 c. Notwithstanding section 8.33, moneys appropriated in
26 this subsection that remain unencumbered or unobligated at the
27 close of the fiscal year shall not revert but shall remain
28 available for expenditure for the purposes designated until
29 the close of the succeeding fiscal year.

30 3. COMMUNITY DEVELOPMENT DIVISION

31 a. Community development programs

32 For salaries, support, maintenance, miscellaneous purposes,
33 community economic development programs, tourism operations,
34 community assistance, the film office, the mainstreet and
35 rural mainstreet programs, the school-to-career program, the

1 community development block grant, and housing and shelter-
2 related programs and for not more than the following full-time
3 equivalent positions:

4 \$ 5,730,725
5 FTEs 61.75

6 b. The department shall encourage development of
7 communities and quality of life to foster economic growth.
8 The department shall prepare communities for future growth and
9 development through development, expansion, and modernization
10 of infrastructure.

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

18 d. Notwithstanding section 8.33, moneys appropriated in
19 this subsection that remain unencumbered or unobligated at the
20 close of the fiscal year shall not revert to any fund but
21 shall remain available for expenditure for the designated
22 purposes during the succeeding fiscal year.

23 4. For allocating moneys for the world food prize:
24 \$ 285,000

25 Sec. 48. VISION IOWA PROGRAM -- FTE AUTHORIZATION. For
26 purposes of administrative duties associated with the vision
27 Iowa program, the department of economic development is
28 authorized an additional 2.25 full-time equivalent positions
29 above those otherwise authorized in this division of this Act.

30 Sec. 49. RURAL COMMUNITY 2000 PROGRAM. There is
31 appropriated from loan repayments on loans under the former
32 rural community 2000 program, sections 15.281 through 15.288,
33 Code 2001, to the department of economic development for the
34 fiscal year beginning July 1, 2004, and ending June 30, 2005,
35 the following amounts, or so much thereof as is necessary, to

1 be used for the purposes designated:

2 1. For providing financial assistance to Iowa's councils
3 of governments that provide technical and planning assistance
4 to local governments:

5 \$ 150,000

6 2. For the rural development program for the purposes of
7 the program including the rural enterprise fund and
8 collaborative skills development training:

9 \$ 120,000

10 Sec. 50. INSURANCE ECONOMIC DEVELOPMENT. There is
11 appropriated from moneys collected by the division of
12 insurance in excess of the anticipated gross revenues under
13 section 505.7, subsection 3, to the department of economic
14 development for the fiscal year beginning July 1, 2004, and
15 ending June 30, 2005, the following amount, or so much thereof
16 as is necessary, for insurance economic development and
17 international insurance economic development:

18 \$ 100,000

19 Sec. 51. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding
20 section 15E.120, subsection 5, there is appropriated from the
21 Iowa community development loan fund all the moneys available
22 during the fiscal year beginning July 1, 2004, and ending June
23 30, 2005, to the department of economic development for the
24 community development program to be used by the department for
25 the purposes of the program.

26 Sec. 52. WORKFORCE DEVELOPMENT FUND. There is
27 appropriated from the workforce development fund account
28 created in section 15.342A, to the workforce development fund
29 created in section 15.343, for the fiscal year beginning July
30 1, 2004, and ending June 30, 2005, the following amount, for
31 the purposes of the workforce development fund, and for not
32 more than the following full-time equivalent positions:

33 \$ 4,000,000

34 FTEs 4.00

35 Sec. 53. WORKFORCE DEVELOPMENT ADMINISTRATION. From funds

1 appropriated or transferred to or receipts credited to the
2 workforce development fund created in section 15.343, up to
3 \$400,000 for the fiscal year beginning July 1, 2004, and
4 ending June 30, 2005, may be used for the administration of
5 workforce development activities including salaries, support,
6 maintenance, and miscellaneous purposes and for not more than
7 4.00 full-time equivalent positions.

8 Sec. 54. JOB TRAINING FUND. Notwithstanding section
9 15.251, all remaining moneys in the job training fund on July
10 1, 2004, and any moneys appropriated or credited to the fund
11 during the fiscal year beginning July 1, 2004, shall be
12 transferred to the workforce development fund established
13 pursuant to section 15.343.

14 Sec. 55. IOWA STATE UNIVERSITY.

15 1. There is appropriated from the general fund of the
16 state to the Iowa state university of science and technology
17 for the fiscal year beginning July 1, 2004, and ending June
18 30, 2005, the following amount, or so much thereof as is
19 necessary, to be used for small business development centers,
20 the science and technology research park, the institute for
21 physical research, and for not more than the following full-
22 time equivalent positions:

23	\$	2,363,557
24	FTEs	56.53

25 2. Of the moneys appropriated in subsection 1, Iowa state
26 university shall allocate at least \$550,000 for purposes of
27 funding small business development centers. Small business
28 development centers shall be located equally throughout the
29 different regions of the state. Iowa state university may
30 allocate moneys appropriated in subsection 1 to the various
31 small business development centers in any manner necessary to
32 achieve the purposes of this subsection.

33 3. Iowa state university of science and technology shall
34 do all of the following:

35 a. Direct expenditures for research toward projects that

1 will provide economic stimulus for Iowa.

2 b. Emphasize that a business and an individual that
3 creates a business and receives benefits from a program
4 funded, in part, through moneys appropriated in this section
5 have a commercially viable product or service.

6 c. Provide emphasis to providing services to Iowa-based
7 companies.

8 4. It is the intent of the general assembly that the
9 industrial incentive program focus on Iowa industrial sectors
10 and seek contributions and in-kind donations from businesses,
11 industrial foundations, and trade associations and that moneys
12 for the institute for physical research and technology
13 industrial incentive program shall only be allocated for
14 projects which are matched by private sector moneys for
15 directed contract research or for nondirected research. The
16 match required of small businesses as defined in section
17 15.102, subsection 4, for directed contract research or for
18 nondirected research shall be \$1 for each \$3 of state funds.
19 The match required for other businesses for directed contract
20 research or for nondirected research shall be \$1 for each \$1
21 of state funds. The match required of industrial foundations
22 or trade associations shall be \$1 for each \$1 of state funds.

23 Iowa state university of science and technology shall
24 report annually to the joint appropriations subcommittee on
25 economic development and the legislative services agency the
26 total amount of private contributions, the proportion of
27 contributions from small businesses and other businesses, and
28 the proportion for directed contract research and nondirected
29 research of benefit to Iowa businesses and industrial sectors.

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

35 Sec. 56. UNIVERSITY OF IOWA.

1 1. There is appropriated from the general fund of the
2 state to the state university of Iowa for the fiscal year
3 beginning July 1, 2004, and ending June 30, 2005, the
4 following amount, or so much thereof as is necessary, to be
5 used for the university of Iowa research park and for the
6 advanced drug development program at the Oakdale research
7 park, including salaries, support, maintenance, equipment,
8 miscellaneous purposes, and for not more than the following
9 full-time equivalent positions:

10	.....	\$	247,005
11	.....	FTEs	6.00

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

13 a. Direct expenditures for research toward projects that
14 will provide economic stimulus for Iowa.

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

19 c. Provide emphasis to providing services to Iowa-based
20 companies.

21 3. The board of regents shall submit a report on the
22 progress of regents institutions in meeting the strategic plan
23 for technology transfer and economic development to the
24 secretary of the senate, the chief clerk of the house of
25 representatives, and the legislative services agency by
26 January 15, 2005.

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

32 Sec. 57. UNIVERSITY OF NORTHERN IOWA.

33 1. There is appropriated from the general fund of the
34 state to the university of northern Iowa for the fiscal year
35 beginning July 1, 2004, and ending June 30, 2005, the

1 following amount, or so much thereof as is necessary, to be
2 used for the metal casting institute, and for the institute of
3 decision making, including salaries, support, maintenance,
4 miscellaneous purposes, and for not more than the following
5 full-time equivalent positions:

6	\$	361,291
7	FTEs	4.75

8 2. The university of northern Iowa shall do all of the
9 following:

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

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

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

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

23 Sec. 58. DEPARTMENT OF WORKFORCE DEVELOPMENT.

24 1. There is appropriated from the general fund of the
25 state to the department of workforce development for the
26 fiscal year beginning July 1, 2004, and ending June 30, 2005,
27 the following amount, or so much thereof as is necessary, for
28 the division of labor services, the division of workers'
29 compensation, the workforce development state and regional
30 boards, the new employment opportunity fund, salaries,
31 support, maintenance, miscellaneous purposes, and for not more
32 than the following full-time equivalent positions:

33	\$	4,889,124
34	FTEs	94.20

35 2. From the contractor registration fees, the division of

1 labor services shall reimburse the department of inspections
2 and appeals for all costs associated with hearings under
3 chapter 91C, relating to contractor registration.

4 3. The division of workers' compensation shall continue
5 charging a \$65 filing fee for workers' compensation cases.
6 The filing fee shall be paid by the petitioner of a claim.
7 However, the fee can be taxed as a cost and paid by the losing
8 party, except in cases where it would impose an undue hardship
9 or be unjust under the circumstances.

10 4. Notwithstanding section 8.33, moneys appropriated in
11 this section that remain unencumbered or unobligated at the
12 close of the fiscal year shall not revert but shall remain
13 available for expenditure for the purposes designated until
14 the close of the succeeding fiscal year.

15 Sec. 59. ADMINISTRATIVE CONTRIBUTION SURCHARGE FUND.
16 Notwithstanding section 96.7, subsection 12, paragraph "c",
17 there is appropriated from the administrative contribution
18 surcharge fund of the state to the department of workforce
19 development for the fiscal year beginning July 1, 2004, and
20 ending June 30, 2005, any moneys remaining in the
21 administrative contribution surcharge fund on June 30, 2004,
22 and the entire amount collected during the fiscal year
23 beginning July 1, 2004, and ending June 30, 2005, or so much
24 thereof as is necessary, for salaries, support, maintenance,
25 conducting labor market surveys, miscellaneous purposes, and
26 for workforce development regional advisory board member
27 expenses.

28 Sec. 60. EMPLOYMENT SECURITY CONTINGENCY FUND. There is
29 appropriated from the special employment security contingency
30 fund to the department of workforce development for the fiscal
31 year beginning July 1, 2004, and ending June 30, 2005, the
32 following amounts, or so much thereof as is necessary, for the
33 purposes designated:

34 1. DIVISION OF WORKERS' COMPENSATION

35 For salaries, support, maintenance, and miscellaneous

1 purposes:

2 \$ 471,000

3 2. IMMIGRATION SERVICE CENTERS

4 For salaries, support, maintenance, and miscellaneous
5 purposes for the pilot immigration service centers:

6 \$ 160,000

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

21 Any remaining additional penalty and interest revenue may
22 be allocated and used to accomplish the mission of the
23 department.

24 Sec. 61. PUBLIC EMPLOYMENT RELATIONS BOARD. There is
25 appropriated from the general fund of the state to the public
26 employment relations board for the fiscal year beginning July
27 1, 2004, and ending June 30, 2005, the following amount, or so
28 much thereof as is necessary, for the purposes designated:

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

32 \$ 895,752

33 FTEs 10.00

34 Sec. 62. IOWA COMMUNITY COLLEGE ONE SOURCE TRAINING

35 INITIATIVE. In the interest of putting an emphasis on the

1 software and information technology sector in this state, the
2 Iowa community college one source training initiative is
3 encouraged to explore a partnership with software and
4 information technology of Iowa to identify methods of funding
5 the training and retraining needs of the software and
6 information technology sector in Iowa. To the extent
7 possible, funding from the workforce training and economic
8 development moneys in the grow Iowa values fund should be
9 considered as a potential funding source for these purposes.

10 Sec. 63. VALUE-ADDED AGRICULTURAL PRODUCTS AND PROCESSES
11 FINANCIAL ASSISTANCE FUND MONEYS. The office of renewable
12 fuels and coproducts may apply to the department of economic
13 development for moneys in the value-added agricultural
14 products and processes financial assistance fund for deposit
15 in the renewable fuels and coproducts fund created in section
16 159A.7.

17 Sec. 64. IOWA FINANCE AUTHORITY AUDIT. The auditor of
18 state is requested to review the audit of the Iowa finance
19 authority performed by the auditor hired by the authority.
20 The auditor of state is also requested to conduct a
21 performance audit of the authority to determine the
22 effectiveness of the authority and the programs of the
23 authority.

24 Sec. 65. APPLICATION FOR DEPARTMENT OF ECONOMIC
25 DEVELOPMENT MONEYS. For the fiscal year beginning July 1,
26 2004, any entity that was specifically identified in 2001 Iowa
27 Acts, chapter 188, to receive funding from the department of
28 economic development, excluding any entity identified to
29 receive a direct appropriation beginning July 1, 2004, may
30 apply to the department for assistance through the appropriate
31 program. The department shall provide application criteria
32 necessary to implement this section.

33 Sec. 66. EXPENDITURE AND ALLOCATION REPORTS. The
34 department of economic development, the department of
35 workforce development, and the regents institutions receiving

1 an appropriation pursuant to this division of this Act shall
 2 file a written report on a quarterly basis with the
 3 chairpersons and ranking members of the joint appropriations
 4 subcommittee on economic development and the legislative
 5 services agency regarding all expenditures of moneys
 6 appropriated pursuant to this division of this Act during the
 7 quarter, allocations of moneys appropriated pursuant to this
 8 Act during the quarter, and full-time equivalent positions
 9 allocated during the quarter.

10 Sec. 67. SHELTER ASSISTANCE FUND. In providing moneys
 11 from the shelter assistance fund to homeless shelter programs
 12 in the fiscal year beginning July 1, 2004, and ending June 30,
 13 2005, the department of economic development shall explore the
 14 potential of allocating moneys to homeless shelter programs
 15 based in part on their ability to move their clients toward
 16 self-sufficiency.

17 Sec. 68. FEDERAL GRANTS. All federal grants to and the
 18 federal receipts of agencies appropriated funds under this
 19 division of this Act, not otherwise appropriated, are
 20 appropriated for the purposes set forth in the federal grants
 21 or receipts unless otherwise provided by the general assembly.

22 Sec. 69. UNEMPLOYMENT COMPENSATION PROGRAM.
 23 Notwithstanding section 96.9, subsection 4, paragraph "a",
 24 moneys credited to the state by the secretary of the treasury
 25 of the United States pursuant to section 903 of the Social
 26 Security Act shall be appropriated to the department of
 27 workforce development and shall be used by the department for
 28 the administration of the unemployment compensation program
 29 only. This appropriation shall not apply to any fiscal year
 30 beginning after December 31, 2004.

31 Sec. 70. PAYROLL EXPENDITURE REFUNDS. There is
 32 appropriated from the general fund of the state to the
 33 department of economic development for the fiscal year
 34 beginning July 1, 2004, and ending June 30, 2005, \$27,786, or
 35 so much thereof as is necessary, to pay refunds as provided

1 under section 15.365.

2

DIVISION IV

3

EDUCATION

4

COLLEGE STUDENT AID COMMISSION

5

Sec. 71. There is appropriated from the general fund of the state to the college student aid commission for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

10

1. GENERAL ADMINISTRATION

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

..... \$ 298,825

..... FTEs 4.30

16

2. STUDENT AID PROGRAMS

For payments to students for the Iowa grant program:

..... \$ 1,029,784

19

3. DES MOINES UNIVERSITY -- OSTEOPATHIC MEDICAL CENTER

For the Des Moines university -- osteopathic medical center for an initiative in primary health care to direct primary care physicians to shortage areas in the state:

..... \$ 346,451

24

4. NATIONAL GUARD EDUCATIONAL ASSISTANCE PROGRAM

For purposes of providing national guard educational assistance under the program established in section 261.86:

..... \$ 2,900,000

28

5. TEACHER SHORTAGE FORGIVABLE LOAN PROGRAM

For the teacher shortage forgivable loan program established in section 261.111:

..... \$ 460,472

32

Sec. 72. WORK-STUDY APPROPRIATION NULLIFICATION FOR FY 2004-2005. Notwithstanding section 261.85, for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the amount appropriated for the work-study program under section

1 261.85 shall be zero.

2 DEPARTMENT FOR THE BLIND

3 Sec. 73. ADMINISTRATION. There is appropriated from the
4 general fund of the state to the department for the blind for
5 the fiscal year beginning July 1, 2004, and ending June 30,
6 2005, the following amount, or so much thereof as is
7 necessary, to be used for the purposes designated:

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

11	\$	1,541,907
12	FTEs	109.51

13 DEPARTMENT OF CULTURAL AFFAIRS

14 Sec. 74. There is appropriated from the general fund of
15 the state to the department of cultural affairs for the fiscal
16 year beginning July 1, 2004, and ending June 30, 2005, the
17 following amounts, or so much thereof as is necessary, to be
18 used for the purposes designated:

19 1. ADMINISTRATION

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

23	\$	214,475
24	FTEs	1.17

25 The department of cultural affairs shall coordinate
26 activities with the tourism office of the department of
27 economic development to promote attendance at the state
28 historical building and at this state's historic sites.

29 2. COMMUNITY CULTURAL GRANTS

30 For planning and programming for the community cultural
31 grants program established under section 303.3:

32	\$	299,240
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33 3. HISTORICAL DIVISION

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

1 positions:

2	.....	\$	2,868,725
3	.....	FTEs	54.78

4 4. HISTORIC SITES

5 For salaries, support, maintenance, miscellaneous purposes,
6 and for not more than the following full-time equivalent

7 positions:

8	.....	\$	526,459
9	.....	FTEs	8.00

10 5. ARTS DIVISION

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

14	.....	\$	1,157,486
15	.....	FTEs	7.55

16 DEPARTMENT OF EDUCATION

17 Sec. 75. There is appropriated from the general fund of
18 the state to the department of education for the fiscal year
19 beginning July 1, 2004, and ending June 30, 2005, the
20 following amounts, or so much thereof as may be necessary, to
21 be used for the purposes designated:

22 1. GENERAL ADMINISTRATION

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

26	.....	\$	5,168,114
27	.....	FTEs	85.65

28 The director of the department of education shall ensure
29 that all school districts are aware of the state education
30 resources available on the state website for listing teacher
31 job openings and shall make every reasonable effort to enable
32 qualified practitioners to post their resumes on the state
33 website. The department shall administer the posting of job
34 vacancies for school districts, accredited nonpublic schools,
35 and area education agencies on the state website. The

1 department may coordinate this activity with the Iowa school
2 board association or other interested education associations
3 in the state.

4 2. VOCATIONAL EDUCATION ADMINISTRATION

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

8	\$	514,828
9	FTEs	18.25

10 3. VOCATIONAL REHABILITATION SERVICES DIVISION

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

14	\$	4,278,784
15	FTEs	281.50

16 The division of vocational rehabilitation services shall
17 seek funding from other sources, such as local funds, for
18 purposes of matching the state's federal vocational
19 rehabilitation allocation, as well as for matching other
20 federal vocational rehabilitation funding that may become
21 available.

22 Except where prohibited under federal law, the division of
23 vocational rehabilitation services of the department of
24 education shall accept client assessments, or assessments of
25 potential clients, performed by other agencies in order to
26 reduce duplication of effort.

27 Notwithstanding the full-time equivalent position limit
28 established in this lettered paragraph, for the fiscal year
29 ending June 30, 2005, if federal funding is received to pay
30 the costs of additional employees for the vocational
31 rehabilitation services division who would have duties
32 relating to vocational rehabilitation services paid for
33 through federal funding, authorization to hire not more than
34 4.00 additional full-time equivalent employees shall be
35 provided, the full-time equivalent position limit shall be

1 exceeded, and the additional employees shall be hired by the
2 division.

3 b. For matching funds for programs to enable persons with
4 severe physical or mental disabilities to function more
5 independently, including salaries and support, and for not
6 more than the following full-time equivalent position:

7	\$	54,150
8	FTEs	1.00

9 The highest priority use for the moneys appropriated under
10 this lettered paragraph shall be for programs that emphasize
11 employment and assist persons with severe physical or mental
12 disabilities to find and maintain employment to enable them to
13 function more independently.

14 4. STATE LIBRARY

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

18	\$	1,262,603
19	FTEs	18.00

20 b. For the enrich Iowa program:

21	\$	1,698,432
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22 (1) Funds allocated for purposes of the enrich Iowa
23 program as provided in this lettered paragraph shall be
24 distributed by the division of libraries and information
25 services to provide support for Iowa's libraries. The
26 commission of libraries shall develop rules governing the
27 allocation of funds provided by the general assembly for the
28 enrich Iowa program to provide direct state assistance to
29 public libraries and to fund the open access and access plus
30 programs. Direct state assistance to eligible public
31 libraries is provided as an incentive to improve library
32 services and to reduce inequities among communities in the
33 delivery of library services based on recognized and adopted
34 performance measures. Funds distributed as direct state
35 assistance shall be distributed to eligible public libraries

1 that are in compliance with performance measures adopted by
 2 rule by the commission of libraries. The funds allocated as
 3 provided in this lettered paragraph shall not be used for the
 4 costs of administration by the division. The amount of direct
 5 state assistance distributed under the enrich Iowa program for
 6 the fiscal year beginning July 1, 2004, shall not be lower
 7 than the amount distributed under the enrich Iowa program for
 8 the fiscal year commencing July 1, 2003. The amount of direct
 9 state assistance distributed to each eligible public library
 10 shall be based upon the following:

11 (a) The level of compliance by the eligible public library
 12 with the performance measures adopted by the commission as
 13 provided in this subparagraph.

14 (b) The number of people residing within an eligible
 15 library's geographic service area for whom the library
 16 provides services.

17 (c) The amount of other funding the eligible public
 18 library received in the previous fiscal year for providing
 19 services to rural residents and to contracting communities.

20 (2) Moneys received by a public library under this
 21 lettered paragraph shall supplement, not supplant, any other
 22 funding received by the library.

23 (3) For purposes of this section, "eligible public
 24 library" means a public library that meets all of the
 25 following requirements:

26 (a) Submits to the division all of the following:

27 (i) The report provided for under section 256.51,
 28 subsection 1, paragraph "h".

29 (ii) An application and accreditation report, in a format
 30 approved by the commission, that provides evidence of the
 31 library's compliance with at least one level of the standards
 32 established in accordance with section 256.51, subsection 1,
 33 paragraph "k".

34 (iii) Any other application or report the division deems
 35 necessary for the implementation of the enrich Iowa program.

1 (b) Participates in the library resource and information
2 sharing programs established by the state library.

3 (c) Is a public library established by city ordinance or a
4 library district as provided in chapter 336.

5 (4) Each eligible public library shall maintain a separate
6 listing within its budget for payments received and
7 expenditures made pursuant to this lettered paragraph, and
8 shall annually submit this listing to the division.

9 (5) By January 15, 2006, the division shall submit a
10 program evaluation report to the general assembly and the
11 governor detailing the uses and the impacts of funds allocated
12 under this lettered paragraph.

13 (6) A public library that receives funds in accordance
14 with this lettered paragraph shall have an internet use policy
15 in place, which may or may not include internet filtering.
16 The library shall submit a report describing the library's
17 internet use efforts to the division.

18 (7) A public library that receives funds in accordance
19 with this lettered paragraph shall provide open access, the
20 reciprocal borrowing program, as a service to its patrons, at
21 a reimbursement rate determined by the state library.

22 5. LIBRARY SERVICE AREA SYSTEM

23 For state aid:

24 \$ 1,376,558

25 6. PUBLIC BROADCASTING DIVISION

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

29 \$ 6,568,514

30 FTEs 78.00

31 7. REGIONAL TELECOMMUNICATIONS COUNCILS

32 For state aid and for not more than the following full-time
33 equivalent positions:

34 \$ 1,600,806

35 FTEs 6.00

1 a. Of the amount appropriated in this subsection, \$360,328
 2 shall be allocated to the public broadcasting division for
 3 purposes of providing support for functions related to the
 4 Iowa communications network, including but not limited to the
 5 following functions: development of distance learning
 6 applications; development of a central information source on
 7 the internet relating to educational uses of the network;
 8 second-line technical support for network sites; testing and
 9 initializing sites onto the network; and coordinating the work
 10 of the education telecommunications council.

11 b. Of the amount appropriated in this subsection,
 12 \$1,240,478 shall be allocated to the regional
 13 telecommunications councils established in section 8D.5. The
 14 regional telecommunications councils shall use the funds to
 15 provide technical assistance for network classrooms, planning
 16 and troubleshooting for local area networks, scheduling of
 17 video sites, and other related support activities.

18 8. VOCATIONAL EDUCATION TO SECONDARY SCHOOLS

19 For reimbursement for vocational education expenditures
 20 made by secondary schools:

21 \$ 2,936,904

22 Funds appropriated in this subsection shall be used for
 23 expenditures made by school districts to meet the standards
 24 set in sections 256.11, 258.4, and 260C.14 as a result of the
 25 enactment of 1989 Iowa Acts, chapter 278. Funds shall be used
 26 as reimbursement for vocational education expenditures made by
 27 secondary schools in the manner provided by the department of
 28 education for implementation of the standards set in 1989 Iowa
 29 Acts, chapter 278.

30 9. SCHOOL FOOD SERVICE

31 For use as state matching funds for federal programs that
 32 shall be disbursed according to federal regulations, including
 33 salaries, support, maintenance, and miscellaneous purposes:

34 \$ 2,509,683

35 10. IOWA EMPOWERMENT FUND

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

3 \$ 13,381,594

4 a. From the moneys deposited in the school ready children
5 grants account for the fiscal year beginning July 1, 2004, and
6 ending June 30, 2005, not more than \$200,000 is allocated for
7 the community empowerment office and other technical
8 assistance activities. It is the intent of the general
9 assembly that regional technical assistance teams will be
10 established and will include staff from various agencies, as
11 appropriate, including the area education agencies, community
12 colleges, and the Iowa state university of science and
13 technology cooperative extension service in agriculture and
14 home economics. The Iowa empowerment board shall direct staff
15 to work with the advisory council to inventory technical
16 assistance needs. Funds allocated under this lettered
17 paragraph may be used by the Iowa empowerment board for the
18 purpose of skills development and support for ongoing training
19 of the regional technical assistance teams. However, funds
20 shall not be used for additional staff or for the
21 reimbursement of staff.

22 b. Notwithstanding any other provision of law to the
23 contrary, the community empowerment office shall use the
24 documentation created by the legislative services agency to
25 continue the implementation of the four-year phase-in period
26 of the distribution formula approved by the community
27 empowerment board.

28 c. As a condition of receiving funding appropriated in
29 this subsection, each community empowerment area board shall
30 report to the Iowa empowerment board progress on each of the
31 state indicators approved by the state board, as well as
32 progress on local indicators. The community empowerment area
33 board must also submit a written plan amendment extending by
34 one year the area's comprehensive school ready children grant
35 plan developed for providing services for children from birth

1 through five years of age and provide other information
 2 specified by the Iowa empowerment board. The amendment may
 3 also provide for changes in the programs and services provided
 4 under the plan. The Iowa empowerment board shall establish a
 5 submission deadline for the plan amendment that allows a
 6 reasonable period of time for preparation of the plan
 7 amendment and for review and approval or request for
 8 modification of the plan amendment by the Iowa empowerment
 9 board. In addition, the community empowerment board must
 10 continue to comply with reporting provisions and other
 11 requirements adopted by the Iowa empowerment board in
 12 implementing section 28.8.

13 11. TEXTBOOKS OF NONPUBLIC SCHOOL PUPILS

14 To provide funds for costs of providing textbooks to each
 15 resident pupil who attends a nonpublic school as authorized by
 16 section 301.1. The funding is limited to \$20 per pupil and
 17 shall not exceed the comparable services offered to resident
 18 public school pupils:

19 \$ 590,458

20 12. STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM

21 For purposes, as provided in law, of the student
 22 achievement and teacher quality program established pursuant
 23 to chapter 284:

24 \$ 43,113,894

25 13. COMMUNITY COLLEGES

26 For general state financial aid to merged areas as defined
 27 in section 260C.2 in accordance with chapters 258 and 260C:

28 \$139,779,244

29 The funds appropriated in this subsection shall be
 30 allocated as follows:

- 31 a. Merged Area I \$ 6,708,091
- 32 b. Merged Area II \$ 7,879,554
- 33 c. Merged Area III \$ 7,319,927
- 34 d. Merged Area IV \$ 3,577,825
- 35 e. Merged Area V \$ 7,485,252

1	f.	Merged Area VI	\$ 6,934,944
2	g.	Merged Area VII	\$ 10,006,202
3	h.	Merged Area IX	\$ 12,306,903
4	i.	Merged Area X	\$ 19,314,140
5	j.	Merged Area XI	\$ 20,499,245
6	k.	Merged Area XII	\$ 8,076,106
7	l.	Merged Area XIII	\$ 8,304,674
8	m.	Merged Area XIV	\$ 3,620,486
9	n.	Merged Area XV	\$ 11,392,398
10	o.	Merged Area XVI	\$ 6,353,497

11 Sec. 76. BOARD OF EDUCATIONAL EXAMINERS LICENSING FEES.

12 Notwithstanding section 272.10, up to 85 percent of any funds
 13 received annually resulting from an increase in fees approved
 14 and implemented for licensing by the state board of
 15 educational examiners after July 1, 1997, and before June 30,
 16 2003, and up to 70 percent of any funds received annually
 17 resulting from an increase in fees approved and implemented
 18 for licensing by the state board after July 1, 2003, shall be
 19 available for the fiscal year beginning July 1, 2004, to the
 20 state board for purposes related to the state board's duties,
 21 including, but not limited to, additional full-time equivalent
 22 positions. The director of the department of administrative
 23 services shall draw warrants upon the treasurer of state from
 24 the funds appropriated as provided in this section and shall
 25 make the funds resulting from the increase in fees available
 26 during the fiscal year to the state board on a monthly basis.

27 Sec. 77. MINIMUM TEACHER SALARY REQUIREMENTS -- FY 2004-
 28 2005.

29 1. Notwithstanding section 284.7, subsection 1, paragraph
 30 "a", subparagraph (2), the minimum teacher salary paid by a
 31 school district or area education agency for purposes of
 32 teacher compensation in accordance with chapter 284, for the
 33 fiscal year beginning July 1, 2004, and ending June 30, 2005,
 34 shall be the minimum salary amount the school district or area
 35 education agency paid to a first-year beginning teacher or,

1 the minimum salary amount the school district or area
 2 education agency would have paid a first-year beginning
 3 teacher if the school district or area education agency had
 4 participated in the program in the 2001-2002 school year, in
 5 accordance with section 284.7, subsection 1, Code Supplement
 6 2001. If the school district or area education agency did not
 7 employ a first-year beginning teacher in the 2001-2002 school
 8 year, the minimum salary is the amount that the district would
 9 have paid a first-year beginning teacher under chapter 284 in
 10 the 2001-2002 school year.

11 2. Notwithstanding section 284.7, subsection 1, paragraph
 12 "b", subparagraph (2), the minimum career teacher salary paid
 13 to a career teacher who was a beginning teacher in the 2001-
 14 2002 school year, by a school district or area education
 15 agency participating in the student achievement and teacher
 16 quality program, for the school year beginning July 1, 2004,
 17 and ending June 30, 2005, shall be, unless the school district
 18 has a minimum career teacher salary that exceeds thirty
 19 thousand dollars, one thousand dollars greater than the
 20 minimum salary amount the school district or area education
 21 agency paid to a first-year beginning teacher if the school
 22 district or area education agency participated in the program
 23 during the 2001-2002 school year, or the minimum salary amount
 24 the school district or area education agency would have paid a
 25 first-year beginning teacher if the school district or area
 26 education agency had participated in the program in the 2001-
 27 2002 school year, in accordance with section 284.7, subsection
 28 1, Code Supplement 2001.

29 3. Notwithstanding section 284.7, subsection 1, paragraph
 30 "b", subparagraph (2), and except as provided in subsection 2,
 31 the minimum career teacher salary paid by a school district or
 32 area education agency participating in the student achievement
 33 and teacher quality program, for purposes of teacher
 34 compensation in accordance with chapter 284, for the school
 35 year beginning July 1, 2004, and ending June 30, 2005, shall

1 be the minimum salary amount the school district or area
2 education agency paid to a career teacher if the school
3 district or area education agency participated in the program
4 during the 2001-2002 school year, or, the minimum salary
5 amount the school district or area education agency would have
6 paid a career teacher if the school district or area education
7 agency had participated in the program in the 2001-2002 school
8 year, in accordance with section 284.7, subsection 1, Code
9 Supplement 2001.

10 Sec. 78. SUPPLEMENTAL AID FOR THE IOWA PUBLIC BROADCASTING
11 DIVISION. Notwithstanding the provisions of section 8.33, or
12 any other provision of law to the contrary, \$158,000 from the
13 moneys from the appropriation made in section 284.13,
14 subsection 1, paragraph "d", as amended by this division of
15 this Act, which remain unexpended or unencumbered on June 30,
16 2004, shall not revert but shall remain available for
17 expenditure in the succeeding fiscal year by the department of
18 education for the public broadcasting division to supplement
19 the appropriation made in this division of this Act for the
20 public broadcasting division.

21 STATE BOARD OF REGENTS

22 Sec. 79. There is appropriated from the general fund of
23 the state to the state board of regents for the fiscal year
24 beginning July 1, 2004, and ending June 30, 2005, the
25 following amounts, or so much thereof as may be necessary, to
26 be used for the purposes designated:

27 1. OFFICE OF STATE BOARD OF REGENTS

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

31	\$ 1,160,398
32	FTEs 16.00

33 The state board of regents, the department of management,
34 and the legislative services agency shall cooperate to
35 determine and agree upon, by November 15, 2004, the amount

1 that needs to be appropriated for tuition replacement for the
2 fiscal year beginning July 1, 2005.

3 The state board of regents shall submit a monthly financial
4 report in a format agreed upon by the state board of regents
5 office and the legislative services agency.

6 b. For allocation by the state board of regents to the
7 state university of Iowa, the Iowa state university of science
8 and technology, and the university of northern Iowa to
9 reimburse the institutions for deficiencies in their operating
10 funds resulting from the pledging of tuitions, student fees
11 and charges, and institutional income to finance the cost of
12 providing academic and administrative buildings and facilities
13 and utility services at the institutions:

14 \$ 13,009,474

15 c. For funds to be allocated to the southwest Iowa
16 graduate studies center:

17 \$ 105,956

18 d. For funds to be allocated to the siouxland interstate
19 metropolitan planning council for the tristate graduate center
20 under section 262.9, subsection 21:

21 \$ 77,941

22 e. For funds to be allocated to the quad-cities graduate
23 studies center:

24 \$ 157,144

25 2. STATE UNIVERSITY OF IOWA

26 a. General university, including lakeside laboratory

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

30 \$219,937,344

31 FTEs 4,055.62

32 It is the intent of the general assembly that the
33 university continue progress on the school of public health
34 and the public health initiative for the purposes of
35 establishing an accredited school of public health and for

1 funding an initiative for the health and independence of
2 elderly Iowans. From the funds appropriated in this lettered
3 paragraph, the university may use up to \$2,100,000 for the
4 school of public health and the public health initiative.

5 b. University hospitals

6 For salaries, support, maintenance, equipment, and
7 miscellaneous purposes and for medical and surgical treatment
8 of indigent patients as provided in chapter 255, for medical
9 education, and for not more than the following full-time
10 equivalent positions:

11	\$ 1,334,418
12	FTEs 5,471.01

13 The university of Iowa hospitals and clinics shall, within
14 the context of chapter 255 and when medically appropriate,
15 make reasonable efforts to extend the university of Iowa
16 hospitals and clinics' use of home telemedicine and other
17 technologies to reduce the frequency of visits to the hospital
18 required by the indigent patients.

19 The university of Iowa hospitals and clinics shall submit
20 quarterly a report regarding the portion of the appropriation
21 in this lettered paragraph expended on medical education. The
22 report shall be submitted in a format jointly developed by the
23 university of Iowa hospitals and clinics, the legislative
24 services agency, and the department of management, and shall
25 delineate the expenditures and purposes of the funds.

26 Funds appropriated in this lettered paragraph shall not be
27 used to perform abortions except medically necessary
28 abortions, and shall not be used to operate the early
29 termination of pregnancy clinic except for the performance of
30 medically necessary abortions. For the purpose of this
31 lettered paragraph, an abortion is the purposeful interruption
32 of pregnancy with the intention other than to produce a live-
33 born infant or to remove a dead fetus, and a medically
34 necessary abortion is one performed under one of the following
35 conditions:

1 (1) The attending physician certifies that continuing the
2 pregnancy would endanger the life of the pregnant woman.

3 (2) The attending physician certifies that the fetus is
4 physically deformed, mentally deficient, or afflicted with a
5 congenital illness.

6 (3) The pregnancy is the result of a rape which is
7 reported within 45 days of the incident to a law enforcement
8 agency or public or private health agency which may include a
9 family physician.

10 (4) The pregnancy is the result of incest which is
11 reported within 150 days of the incident to a law enforcement
12 agency or public or private health agency which may include a
13 family physician.

14 (5) The abortion is a spontaneous abortion, commonly known
15 as a miscarriage, wherein not all of the products of
16 conception are expelled.

17 The total quota allocated to the counties for indigent
18 patients for the fiscal year beginning July 1, 2004, shall not
19 be lower than the total quota allocated to the counties for
20 the fiscal year commencing July 1, 1998. The total quota
21 shall be allocated among the counties on the basis of the 2000
22 census pursuant to section 255.16.

23 c. Psychiatric hospital

24 For salaries, support, maintenance, equipment,
25 miscellaneous purposes, for the care, treatment, and
26 maintenance of committed and voluntary public patients, and
27 for not more than the following full-time equivalent
28 positions:

29	\$	7,043,056
30	FTEs	272.11

31 d. Center for disabilities and development

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

35	\$	6,363,265
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1 FTEs 143.34

2 From the funds appropriated in this lettered paragraph,
3 \$200,000 shall be allocated for purposes of the employment
4 policy group.

5 e. Oakdale campus

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

9 \$ 2,657,335

10 FTEs 43.25

11 f. State hygienic laboratory

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

15 \$ 3,802,520

16 FTEs 102.49

17 g. Family practice program

18 For allocation by the dean of the college of medicine, with
19 approval of the advisory board, to qualified participants, to
20 carry out chapter 148D for the family practice program,
21 including salaries and support, and for not more than the
22 following full-time equivalent positions:

23 \$ 2,075,948

24 FTEs 192.40

25 h. Child health care services

26 For specialized child health care services, including
27 childhood cancer diagnostic and treatment network programs,
28 rural comprehensive care for hemophilia patients, and the Iowa
29 high-risk infant follow-up program, including salaries and
30 support, and for not more than the following full-time
31 equivalent positions:

32 \$ 649,066

33 FTEs 53.46

34 i. Statewide cancer registry

35 For the statewide cancer registry, and for not more than

1 the following full-time equivalent positions:

2	.....	\$	178,739
3	.....	FTEs	2.40

4 j. Substance abuse consortium

5 For funds to be allocated to the Iowa consortium for
6 substance abuse research and evaluation, and for not more than
7 the following full-time equivalent positions:

8	.....	\$	64,871
9	.....	FTEs	1.50

10 k. Center for biocatalysis

11 For the center for biocatalysis, and for not more than the
12 following full-time equivalent positions:

13	.....	\$	881,384
14	.....	FTEs	5.20

15 l. Primary health care initiative

16 For the primary health care initiative in the college of
17 medicine and for not more than the following full-time
18 equivalent positions:

19	.....	\$	759,875
20	.....	FTEs	7.75

21 From the funds appropriated in this lettered paragraph,
22 \$330,000 shall be allocated to the department of family
23 practice at the state university of Iowa college of medicine
24 for family practice faculty and support staff.

25 m. Birth defects registry

26 For the birth defects registry and for not more than the
27 following full-time equivalent positions:

28	.....	\$	44,636
29	.....	FTEs	1.30

30 3. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

31 a. General university

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

35	\$	173,189,751
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1 FTEs 3,647.42

2 It is the intent of the general assembly that the
3 university continue progress on the center for excellence in
4 fundamental plant sciences. From the funds appropriated in
5 this lettered paragraph, the university may use up to
6 \$4,670,000 for the center for excellence in fundamental plant
7 sciences.

8 b. Agricultural experiment station

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

12 \$ 31,019,520

13 FTEs 546.98

14 c. Cooperative extension service in agriculture and home
15 economics

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

19 \$ 19,738,432

20 FTEs 383.34

21 d. Leopold center

22 For agricultural research grants at Iowa state university
23 under section 266.39B, and for not more than the following
24 full-time equivalent positions:

25 \$ 464,319

26 FTEs 11.25

27 e. Livestock disease research

28 For deposit in and the use of the livestock disease
29 research fund under section 267.8:

30 \$ 220,708

31 4. UNIVERSITY OF NORTHERN IOWA

32 a. General university

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

1 \$ 77,804,507
 2 FTEs 1,398.01

3 It is the intent of the general assembly that the
 4 university continue progress on the implementation of a
 5 masters in social work program. From the funds appropriated
 6 in this lettered paragraph, the university may use up to
 7 \$450,000 for the implementation of the masters in social work
 8 program, up to \$100,000 for the roadside vegetation project,
 9 and up to \$200,000 for the Iowa office for staff development.

10 b. Recycling and reuse center

11 For purposes of the recycling and reuse center, and for not
 12 more than the following full-time equivalent positions:

13 \$ 211,858
 14 FTEs 3.00

15 5. STATE SCHOOL FOR THE DEAF

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

19 \$ 8,261,706
 20 FTEs 126.60

21 6. IOWA BRAILLE AND SIGHT SAVING SCHOOL

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

25 \$ 4,622,122
 26 FTEs 81.00

27 7. TUITION AND TRANSPORTATION COSTS

28 For payment to local school boards for the tuition and
 29 transportation costs of students residing in the Iowa braille
 30 and sight saving school and the state school for the deaf
 31 pursuant to section 262.43 and for payment of certain
 32 clothing, prescription, and transportation costs for students
 33 at these schools pursuant to section 270.5:

34 \$ 15,020
 35 Sec. 80. MEDICAL ASSISTANCE -- SUPPLEMENTAL AMOUNTS. For

1 the fiscal year beginning July 1, 2004, and ending June 30,
2 2005, the department of human services shall continue the
3 supplemental disproportionate share and a supplemental
4 indirect medical education adjustment applicable to state-
5 owned acute care hospitals with more than 500 beds and shall
6 reimburse qualifying hospitals pursuant to that adjustment
7 with a supplemental amount for services provided medical
8 assistance recipients. The adjustment shall generate
9 supplemental payments intended to equal the state
10 appropriation made to a qualifying hospital for treatment of
11 indigent patients as provided in chapter 255. To the extent
12 of the supplemental payments, a qualifying hospital shall,
13 after receipt of the funds, transfer to the department of
14 human services an amount equal to the actual supplemental
15 payments that were made in that month. The aggregate amounts
16 for the fiscal year shall not exceed the state appropriation
17 made to the qualifying hospital for treatment of indigent
18 patients as provided in chapter 255. The department of human
19 services shall deposit these funds in the department's medical
20 assistance account. To the extent that state funds
21 appropriated to a qualifying hospital for the treatment of
22 indigent patients as provided in chapter 255 have been
23 transferred to the department of human services as a result of
24 these supplemental payments made to the qualifying hospital,
25 the department shall not, directly or indirectly, recoup the
26 supplemental payments made to a qualifying hospital for any
27 reason, unless an equivalent amount of the funds transferred
28 to the department of human services by a qualifying hospital
29 pursuant to this provision is transferred to the qualifying
30 hospital by the department.

31 If the state supplemental amount allotted to the state of
32 Iowa for the federal fiscal year beginning October 1, 2004,
33 and ending September 30, 2005, pursuant to section 1923(f)(3)
34 of the federal Social Security Act, as amended, or pursuant to
35 federal payments for indirect medical education is greater

1 than the amount necessary to fund the federal share of the
2 supplemental payments specified in the preceding paragraph,
3 the department of human services shall increase the
4 supplemental disproportionate share or supplemental indirect
5 medical education adjustment by the lesser of the amount
6 necessary to utilize fully the state supplemental amount or
7 the amount of state funds appropriated to the state university
8 of Iowa general education fund and allocated to the university
9 for the college of medicine. The state university of Iowa
10 shall transfer from the allocation for the college of medicine
11 to the department of human services, on a monthly basis, an
12 amount equal to the additional supplemental payments made
13 during the previous month pursuant to this paragraph. A
14 qualifying hospital receiving supplemental payments pursuant
15 to this paragraph that are greater than the state
16 appropriation made to the qualifying hospital for treatment of
17 indigent patients as provided in chapter 255 shall be
18 obligated as a condition of its participation in the medical
19 assistance program to transfer to the state university of Iowa
20 general education fund on a monthly basis an amount equal to
21 the funds transferred by the state university of Iowa to the
22 department of human services. To the extent that state funds
23 appropriated to the state university of Iowa and allocated to
24 the college of medicine have been transferred to the
25 department of human services as a result of these supplemental
26 payments made to the qualifying hospital, the department shall
27 not, directly or indirectly, recoup these supplemental
28 payments made to a qualifying hospital for any reason, unless
29 an equivalent amount of the funds transferred to the
30 department of human services by the state university of Iowa
31 pursuant to this paragraph is transferred to the qualifying
32 hospital by the department.

33 Continuation of the supplemental disproportionate share and
34 supplemental indirect medical education adjustment shall
35 preserve the funds available to the university hospital for

1 medical and surgical treatment of indigent patients as
2 provided in chapter 255 and to the state university of Iowa
3 for educational purposes at the same level as provided by the
4 state funds initially appropriated for that purpose.

5 The department of human services shall, in any compilation
6 of data or other report distributed to the public concerning
7 payments to providers under the medical assistance program,
8 set forth reimbursements to a qualifying hospital through the
9 supplemental disproportionate share and supplemental indirect
10 medical education adjustment as a separate item and shall not
11 include such payments in the amounts otherwise reported as the
12 reimbursement to a qualifying hospital for services to medical
13 assistance recipients.

14 For purposes of this section, "supplemental payment" means
15 a supplemental payment amount paid for medical assistance to a
16 hospital qualifying for that payment under this section.

17 Sec. 81. For the fiscal year beginning July 1, 2004, and
18 ending June 30, 2005, the state board of regents may use
19 notes, bonds, or other evidences of indebtedness issued under
20 section 262.48 to finance projects that will result in energy
21 cost savings in an amount that will cause the state board to
22 recover the cost of the projects within an average of six
23 years.

24 Sec. 82. Notwithstanding section 270.7, the department of
25 administrative services shall pay the state school for the
26 deaf and the Iowa braille and sight saving school the moneys
27 collected from the counties during the fiscal year beginning
28 July 1, 2004, for expenses relating to prescription drug costs
29 for students attending the state school for the deaf and the
30 Iowa braille and sight saving school.

31 Sec. 83. Section 256.44, subsection 7, Code 2003, is
32 amended to read as follows:

33 7. The department shall prorate the amount of the annual
34 awards paid in accordance with this section when the number of
35 award recipients exceeds one thousand one hundred individuals.

1 The department may prorate the amount of an annual award when
 2 a teacher who meets the qualifications of subsection 1 is
 3 employed on a less than full-time basis by a school district.
 4 The state board shall adopt rules under chapter 17A
 5 establishing criteria for the proration of annual awards.

6 Sec. 84. Section 261.25, subsections 1, 2, and 3, Code
 7 Supplement 2003, are amended to read as follows:

8 1. There is appropriated from the general fund of the
 9 state to the commission for each fiscal year the sum of **forty-**
 10 **six forty-seven million four one hundred seventeen fifty-seven**
 11 **thousand nine five hundred sixty-four fifteen dollars for**
 12 **tuition grants.**

13 2. There is appropriated from the general fund of the
 14 state to the commission for each fiscal year the sum of four
 15 hundred **seventy-seven sixty-five thousand one hundred three**
 16 **seventy-five** dollars for scholarships.

17 3. There is appropriated from the general fund of the
 18 state to the commission for each fiscal year the sum of two
 19 million **three five hundred seventy-five thirty-three thousand**
 20 **six one hundred fifty-seven fifteen dollars for vocational-**
 21 **technical tuition grants.**

22 Sec. 85. Section 284.10, subsection 3, Code Supplement
 23 2003, is amended by striking the subsection.

24 Sec. 86. Section 284.13, subsection 1, paragraphs b, d,
 25 and e, Code Supplement 2003, are amended to read as follows:

26 b. For the fiscal year beginning July 1, ~~2003~~ 2004, and
 27 ending June 30, ~~2004~~ 2005, to the department of education, the
 28 amount of one million seven hundred thousand dollars for the
 29 issuance of national board certification awards in accordance
 30 with section 256.44.

31 d. For the fiscal year beginning July 1, 2003, and ending
 32 June 30, 2004, up to one million dollars to the department of
 33 education for purposes of establishing maintaining the
 34 ~~evaluator training program, including but not limited to an~~
 35 ~~evaluation process, the training of providers, development of~~

1 a-provider-approval-process,-training-materials-and-costs,-for
2 payment-to-practitioners-under-section-284.107-subsection-3,
3 and-to-pay-any-applicable-costs-of-the-employer's-share-of
4 contributions-to-federal-social-security-and-the-Iowa-public
5 employees'-retirement-system-or-a-pension-and-annuity
6 retirement-system-established-under-chapter-294,-for-such
7 amounts-paid-by-the-district,-and-for-subsidies-to-school
8 districts-for-training-costs. A-portion-of-the-funds
9 allocated-to-the-department-for-purposes-of-this-paragraph-may
10 be-used-by-the-department-for-administrative-purposes.

11 Notwithstanding section 8.33, from the moneys allocated under
12 this paragraph for the fiscal year beginning July 1, 2003,
13 that remain unobligated or unexpended at the end of the fiscal
14 year, one hundred fifty thousand dollars shall not revert but
15 shall remain available for expenditure to maintain the
16 evaluator training program, and up to five hundred thousand
17 dollars shall remain available to supplement moneys allocated
18 pursuant to paragraph "f" of this subsection.

19 e. For the fiscal year beginning July 1, ~~2003~~ 2004, and
20 ending June 30, ~~2004~~ 2005, up to ~~three~~ four hundred ~~seventy-~~
21 ~~five~~ thousand dollars to the department of education for
22 purposes of implementing the career development program
23 requirements of section 284.6, and the review panel
24 requirements of section 284.9. From the moneys allocated to
25 the department pursuant to this paragraph, not less than
26 seventy-five thousand dollars shall be used to administer the
27 ambassador to education position in accordance with section
28 256.45. A portion of the funds allocated to the department
29 for purposes of this paragraph may be used by the department
30 for administrative purposes. Notwithstanding section 8.33,
31 moneys allocated for purposes of this paragraph prior to July
32 1, 2004, which remain unobligated or unexpended at the end of
33 the fiscal year for which the moneys were appropriated, shall
34 remain available for expenditure for the purposes for which
35 they were allocated, for the fiscal year beginning July 1,

1 2004, and ending June 30, 2005.

2 Sec. 87. EFFECTIVE DATE. The provisions of this division
3 of this Act providing for supplemental aid for the Iowa public
4 broadcasting division and amending section 284.13, subsection
5 1, paragraphs "d" and "e", relating to moneys carried over to
6 the 2004-2005 fiscal year, being deemed of immediate
7 importance, takes effect upon enactment.

8 DIVISION V
9 HEALTH AND HUMAN SERVICES
10 ELDER AFFAIRS

11 Sec. 88. DEPARTMENT OF ELDER AFFAIRS. There is
12 appropriated from the general fund of the state to the
13 department of elder affairs for the fiscal year beginning July
14 1, 2004, and ending June 30, 2005, the following amount, or so
15 much thereof as is necessary, to be used for the purposes
16 designated:

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

31	\$	2,625,146
32	FTEs	26.75

33 1. Funds appropriated in this section may be used to
34 supplement federal funds under federal regulations. To
35 receive funds appropriated in this section, a local area

1 agency on aging shall match the funds with moneys from other
2 sources according to rules adopted by the department. Funds
3 appropriated in this section may be used for elderly services
4 not specifically enumerated in this section only if approved
5 by an area agency on aging for provision of the service within
6 the area.

7 2. Of the funds allocated in this section and any other
8 state funds allocated for aging programs of the area agencies
9 on aging not more than 7.5 percent of the total amount
10 allocated shall be used for area agencies on aging
11 administrative purposes.

12 3. It is the intent of the general assembly that the Iowa
13 chapters of the Alzheimer's association and the case
14 management program for the frail elderly shall collaborate and
15 cooperate fully to assist families in maintaining family
16 members with Alzheimer's disease in the community for the
17 longest period of time possible.

18 4. The department shall maintain policies and procedures
19 regarding Alzheimer's support and the retired and senior
20 volunteer program.

21 HEALTH

22 Sec. 89. DEPARTMENT OF PUBLIC HEALTH. There is
23 appropriated from the general fund of the state to the Iowa
24 department of public health for the fiscal year beginning July
25 1, 2004, and ending June 30, 2005, the following amounts, or
26 so much thereof as is necessary, to be used for the purposes
27 designated:

28 1. ADDICTIVE DISORDERS

29 For reducing the prevalence of use of tobacco, alcohol, and
30 other drugs, and treating individuals affected by addictive
31 behaviors, including gambling, and for not more than the
32 following full-time equivalent positions:

33	\$	1,267,111
34	FTEs	15.75

35 a. The department shall continue to coordinate with

1 substance abuse treatment and prevention providers regardless
2 of funding source to assure the delivery of substance abuse
3 treatment and prevention programs.

4 b. The commission on substance abuse, in conjunction with
5 the department, shall continue to coordinate the delivery of
6 substance abuse services involving prevention, social and
7 medical detoxification, and other treatment by medical and
8 nonmedical providers to uninsured and court-ordered substance
9 abuse patients in all counties of the state.

10 c. The department and any grantee or subgrantee of the
11 department shall not discriminate against a nongovernmental
12 organization that provides substance abuse treatment and
13 prevention services or applies for funding to provide those
14 services on the basis that the organization has a religious
15 character. The department shall report to the governor and
16 the general assembly on or before February 1, 2005, regarding
17 the number of religious or other nongovernmental organizations
18 that applied for funds in the preceding fiscal year, the
19 amounts awarded to those organizations, and the basis for any
20 refusal by the department or grantee or subgrantee of the
21 department to award funds to any of those organizations that
22 applied.

23 2. ADULT WELLNESS

24 For maintaining or improving the health status of adults,
25 with target populations between the ages of 18 through 60, and
26 for not more than the following full-time equivalent
27 positions:

28	\$	304,067
29	FTEs	20.85

30 3. CHILD AND ADOLESCENT WELLNESS

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

34	\$	915,803
35	FTEs	44.10

1 4. CHRONIC CONDITIONS

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

5 \$ 845,863
6 FTEs 10.00

7 5. COMMUNITY CAPACITY

8 For strengthening the health care delivery system at the
9 local level, and for not more than the following full-time
10 equivalent positions:

11 \$ 1,267,359
12 FTEs 21.60

13 Of the funds appropriated in this subsection, \$100,000 is
14 allocated for a child vision screening program implemented
15 through the university of Iowa hospitals and clinics in
16 collaboration with community empowerment areas.

17 6. ELDERLY WELLNESS

18 For optimizing the health of persons 60 years of age and
19 older, and for not more than the following full-time
20 equivalent positions:

21 \$ 9,233,985
22 FTEs 4.95

23 The department shall implement elderly wellness services in
24 a manner that ensures that the services provided are not
25 payable by a third-party source. The department shall submit
26 a report by December 1, 2004, to the persons in this division
27 of this Act designated to receive reports regarding the
28 provision of services and expenditures for the services.

29 7. ENVIRONMENTAL HAZARDS

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

33 \$ 251,808
34 FTEs 8.30

35 8. INFECTIOUS DISEASES

1 For reducing the incidence and prevalence of communicable
2 diseases, and for not more than the following full-time
3 equivalent positions:

4	\$	1,079,703
5	FTEs	38.25

6 9. INJURIES

7 For providing support and protection to victims of abuse or
8 injury, or programs that are designed to prevent abuse or
9 injury, and for not more than the following full-time
10 equivalent positions:

11	\$	1,379,358
12	FTEs	9.10

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

16 10. PUBLIC PROTECTION

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

20	\$	6,598,873
21	FTEs	152.05

22 a. The department may expend funds received from licensing
23 fees in addition to amounts appropriated in this subsection,
24 if those additional expenditures are directly the result of a
25 scope of practice review committee's unanticipated litigation
26 costs arising from the discharge of an examining board's
27 regulatory duties. Before the department expends or encumbers
28 funds for a scope of practice review committee or for an
29 amount in excess of the funds budgeted for an examining board,
30 the director of the department of management shall approve the
31 expenditure or encumbrance. The amounts necessary to fund any
32 unanticipated litigation or scope of practice review committee
33 expense in the fiscal year beginning July 1, 2004, shall not
34 exceed 5 percent of the average annual fees generated by the
35 boards for the previous two fiscal years. The funds

1 authorized for expenditure pursuant to this lettered paragraph
2 are appropriated to the department for the purposes described
3 in this paragraph.

4 b. For the fiscal year beginning July 1, 2004, the
5 department shall retain fees collected from the certification
6 of lead inspectors and lead abaters pursuant to section
7 135.105A to support the certification program; and shall
8 retain fees collected from the licensing, registration,
9 authorization, accreditation, and inspection of x-ray machines
10 used for mammographically guided breast biopsy, screening, and
11 diagnostic mammography, pursuant to section 136C.10 to support
12 the administration of the chapter. The department may also
13 retain fees collected pursuant to section 136C.10 on all
14 shippers of radioactive material waste containers transported
15 across Iowa if the department does not obtain funding to
16 support the oversight and regulation of this activity, and for
17 x-ray radiology examination fees collected by the department
18 and reimbursed to a private organization conducting the
19 examination. Fees retained by the department pursuant to this
20 lettered paragraph are appropriated to the department for the
21 purposes described in this lettered paragraph.

22 c. The department may retain and expend not more than
23 \$297,961 for lease and maintenance expenses from fees
24 collected pursuant to section 147.80 by the board of dental
25 examiners, the board of pharmacy examiners, the board of
26 medical examiners, and the board of nursing in the fiscal year
27 beginning July 1, 2004, and ending June 30, 2005. Fees
28 retained by the department pursuant to this lettered paragraph
29 are appropriated to the department for the purposes described
30 in this lettered paragraph.

31 d. The department may retain and expend not more than
32 \$100,000 for reduction of the number of days necessary to
33 process medical license requests and for reduction of the
34 number of days needed for consideration of malpractice cases
35 from fees collected pursuant to section 147.80 by the board of

1 medical examiners in the fiscal year beginning July 1, 2004,
2 and ending June 30, 2005. Fees retained by the department
3 pursuant to this lettered paragraph are appropriated to the
4 department for the purposes described in this lettered
5 paragraph.

6 e. The board of dental examiners may retain and expend not
7 more than \$148,060 from revenues generated pursuant to section
8 147.80. Fees retained by the board pursuant to this lettered
9 paragraph are appropriated to the department to be used for
10 the purposes of regulating dental assistants.

11 f. The board of medical examiners, the board of pharmacy
12 examiners, the board of dental examiners, and the board of
13 nursing shall prepare estimates of projected receipts to be
14 generated by the licensing, certification, and examination
15 fees of each board as well as a projection of the fairly
16 apportioned administrative costs and rental expenses
17 attributable to each board. Each board shall annually review
18 and adjust its schedule of fees so that, as nearly as
19 possible, projected receipts equal projected costs.

20 g. The board of medical examiners, the board of pharmacy
21 examiners, the board of dental examiners, and the board of
22 nursing shall retain their individual executive officers, but
23 are strongly encouraged to share administrative, clerical, and
24 investigative staffs to the greatest extent possible.

25 h. For the fiscal year beginning July 1, 2004, the board
26 of nursing may retain and expend 90 percent of the revenues
27 generated from any increase in licensing fees pursuant to
28 section 147.80 for purposes related to the state board's
29 duties, including but not limited to the addition of full-time
30 equivalent positions for program services, investigations, and
31 for claiming of medical assistance program funding for school
32 district nursing services provided for students. Fees
33 retained by the board pursuant to this lettered paragraph are
34 appropriated to the board of nursing for the purposes
35 described in this paragraph.

1 11. RESOURCE MANAGEMENT

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

5	\$	406,707
6	FTEs	47.30

7 12. The university of Iowa hospitals and clinics under the
8 control of the state board of regents shall not receive
9 indirect costs from the funds appropriated in this section.

10 13. A local health care provider or nonprofit health care
11 organization seeking grant moneys administered by the Iowa
12 department of public health shall provide documentation that
13 the provider or organization has coordinated its services with
14 other local entities providing similar services.

15 14. a. The department shall apply for available federal
16 funds for sexual abstinence education programs.

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

22 c. Any sexual abstinence education program awarded moneys
23 under the grant program shall meet the definition of
24 abstinence education in the federal law. Grantees shall be
25 evaluated based upon the extent to which the abstinence
26 program successfully communicates the goals set forth in the
27 federal law.

28 Sec. 90. GAMBLING TREATMENT FUND -- APPROPRIATION.

29 1. There is appropriated from funds available in the
30 gambling treatment fund established in the office of the
31 treasurer of state pursuant to section 99G.39 to the Iowa
32 department of public health for the fiscal year beginning July
33 1, 2004, and ending June 30, 2005, the following amount, or so
34 much thereof as is necessary, to be used for the purpose
35 designated:

1 a. Addictive disorders

2 To be utilized for the benefit of persons with addictions:

3 \$ 1,690,000

4 The appropriation made in this paragraph shall be made from
5 proceeds credited to the gambling treatment fund due to an
6 increase in the percentage of gambling proceeds credited to
7 the gambling treatment fund if any enactment of legislation by
8 the 2004 Eightieth General Assembly in the Regular or
9 Extraordinary Legislative Session increases the percentage of
10 gambling proceeds credited to the gambling treatment fund.

11 It is the intent of the general assembly that from the
12 moneys appropriated in this section, persons with a dual
13 diagnosis of substance abuse and gambling addictions shall be
14 given priority in treatment services.

15 b. Gambling treatment program

16 The funds in the gambling treatment fund after the
17 appropriation in paragraph "a" is made are appropriated and
18 shall be used for funding of administrative costs and to
19 provide programs which may include, but are not limited to,
20 outpatient and follow-up treatment for persons affected by
21 problem gambling, rehabilitation and residential treatment
22 programs, information and referral services, education and
23 preventive services, and financial management services.

24 2. Unless provided otherwise in legislation enacted by the
25 Eightieth General Assembly in 2004, for the fiscal year
26 beginning July 1, 2004, and ending June 30, 2005, from the tax
27 revenue received by the state racing and gaming commission
28 pursuant to section 99D.15, subsections 1, 3, and 4, an amount
29 equal to three-tenths of one percent of the gross sum wagered
30 by the pari-mutuel method is to be deposited into the gambling
31 treatment fund.

32 Sec. 91. VITAL RECORDS. The vital records modernization
33 project as enacted in 1993 Iowa Acts, chapter 55, section 1,
34 as amended by 1994 Iowa Acts, chapter 1068, section 8, as
35 amended by 1997 Iowa Acts, chapter 203, section 9, 1998 Iowa

1 Acts, chapter 1221, section 9, and 1999 Iowa Acts, chapter
2 201, section 17, and as continued by 2000 Iowa Acts, chapter
3 1222, section 10, 2001 Iowa Acts, chapter 182, section 13,
4 2002 Iowa Acts, Second Extraordinary Session, chapter 1003,
5 section 104, and 2003 Iowa Acts, chapter 175, section 4, shall
6 be extended until June 30, 2005, and the increased fees to be
7 collected pursuant to that project shall continue to be
8 collected and are appropriated to the Iowa department of
9 public health until June 30, 2005. The department shall
10 submit a report to the persons designated by this Act to
11 receive reports no later than September 1, 2004, concerning
12 the status of the modernization project, the fees collected,
13 and a target date for the project's completion.

14 Sec. 92. SCOPE OF PRACTICE REVIEW PROJECT. The scope of
15 practice review committee pilot project as enacted in 1997
16 Iowa Acts, chapter 203, section 6, as continued by 2002 Iowa
17 Acts, Second Extraordinary Session, chapter 1003, section 107,
18 and 2003 Iowa Acts, chapter 175, section 5, shall be extended
19 until June 30, 2005. The Iowa department of public health
20 shall submit an annual progress report to the governor and the
21 general assembly by January 15 and shall include any
22 recommendations for legislative action as a result of review
23 committee activities. The department may contract with a
24 school or college of public health in Iowa to assist in
25 implementing the project.

26 COMMISSION OF VETERANS AFFAIRS

27 Sec. 93. COMMISSION OF VETERANS AFFAIRS. There is
28 appropriated from the general fund of the state to the
29 commission of veterans affairs for the fiscal year beginning
30 July 1, 2004, and ending June 30, 2005, the following amounts,
31 or so much thereof as is necessary, to be used for the
32 purposes designated:

33 1. COMMISSION OF VETERANS AFFAIRS ADMINISTRATION

34 For salaries, support, maintenance, miscellaneous purposes,
35 including the war orphans educational aid fund established

1 pursuant to chapter 35, and for not more than the following
2 full-time equivalent positions:

3	\$	293,971
4	FTEs	4.00

5 Of the funds appropriated in this subsection, \$100,000
6 shall be used by the commission to contract with the
7 department of elder affairs to utilize local veterans affairs
8 commissions and the retired senior volunteers program to
9 increase the utilization by eligible individuals of benefits
10 available through the federal department of veterans affairs.

11 The commission of veterans affairs may use the gifts
12 accepted by the chairperson of the commission of veterans
13 affairs, or designee, and other resources available to the
14 commission for use at its Camp Dodge office. The commission
15 shall report annually to the governor and the general assembly
16 on monetary gifts received by the commission for the Camp
17 Dodge office.

18 2. IOWA VETERANS HOME

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

22	\$	16,189,139
23	FTEs	843.50

24 a. The Iowa veterans home may use the gifts accepted by
25 the chairperson of the commission of veterans affairs and
26 other resources available to the commission for use at the
27 Iowa veterans home.

28 b. Any Iowa veterans home successor contractor shall not
29 consider employees of a state institution or facility to be
30 new employees for purposes of employee wages, health
31 insurance, or retirement benefits.

32 c. The chairpersons and ranking members of the joint
33 appropriations subcommittee on health and human services shall
34 be notified by January 15 of any calendar year during which a
35 request for proposals is anticipated to be issued regarding

1 any Iowa veterans home contract involving employment, for
2 purposes of providing legislative review and oversight.

3 d. The Iowa veterans home shall operate with a net state
4 general fund appropriation. The amount appropriated in this
5 subsection is the net amount of state moneys projected to be
6 needed for the Iowa veterans home. The purposes of operating
7 with a net state general fund appropriation are to encourage
8 the Iowa veterans home to operate with increased self-
9 sufficiency, to improve quality and efficiency, and to support
10 collaborative efforts among all funders of services available
11 from the Iowa veterans home. Moneys appropriated in this
12 subsection may be used throughout the fiscal year in the
13 manner necessary for purposes of cash flow management, and for
14 purposes of cash flow management the Iowa veterans home may
15 temporarily draw more than the amount appropriated, provided
16 the amount appropriated is not exceeded at the close of the
17 fiscal year.

18 e. Revenues attributable to the Iowa veterans home for the
19 fiscal year beginning July 1, 2004, shall be deposited into
20 the Iowa veterans home account and shall be treated as
21 repayment receipts, including but not limited to all of the
22 following:

- 23 (1) Federal veterans administration payments.
- 24 (2) Medical assistance revenue received under chapter
25 249A.
- 26 (3) Federal Medicare program payments.
- 27 (4) Moneys received from client financial participation.
- 28 (5) Other revenues generated from current, new, or
29 expanded services which the Iowa veterans home is authorized
30 to provide.

31 f. For the purposes of allocating the salary adjustment
32 fund moneys appropriated in another Act, the Iowa veterans
33 home shall be considered to be funded entirely with state
34 moneys.

35 g. Notwithstanding section 8.33, up to \$500,000 of the

1 Iowa veterans home revenues that remain unencumbered or
2 unobligated at the close of the fiscal year shall not revert
3 but shall remain available to be used in the succeeding fiscal
4 year.

5 HUMAN SERVICES

6 Sec. 94. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK
7 GRANT. There is appropriated from the fund created in section
8 8.41 to the department of human services for the fiscal year
9 beginning July 1, 2004, and ending June 30, 2005, from moneys
10 received under the federal temporary assistance for needy
11 families (TANF) block grant pursuant to the federal Personal
12 Responsibility and Work Opportunity Reconciliation Act of
13 1996, Pub. L. No. 104-193, and successor legislation, which
14 are federally appropriated for the federal fiscal years
15 beginning October 1, 2003, and ending September 30, 2004, and
16 beginning October 1, 2004, and ending September 30, 2005, the
17 following amounts, or so much thereof as is necessary, to be
18 used for the purposes designated:

19 If the total amount of federal government appropriations
20 received for Iowa's portion of the TANF block grant amounts
21 for the federal fiscal years beginning October 1, 2003, and
22 ending September 30, 2004, and beginning October 1, 2004, and
23 ending September 30, 2005, is less than \$131,524,959, it is
24 the intent of the general assembly to act expeditiously during
25 the 2005 legislative session to adjust appropriations or take
26 other actions to address the reduced amount. Moneys
27 appropriated in this section shall be used in accordance with
28 the federal law making the funds available, applicable Iowa
29 law, appropriations made from the general fund of the state in
30 this Act for the purpose designated, and administrative rules
31 adopted to implement the federal and Iowa law:

- 32 1. To be credited to the family investment program account
33 and used for assistance under the family investment program
34 under chapter 239B:

35 \$ 45,277,569

1 2. To be credited to the family investment program account
2 and used for the job opportunities and basic skills (JOBS)
3 program, and implementing family investment agreements, in
4 accordance with chapter 239B:
5 \$ 13,412,794
6 3. For field operations:
7 \$ 23,980,864
8 4. For general administration:
9 \$ 3,660,030
10 5. For local administrative costs:
11 \$ 2,136,565
12 6. For state child care assistance:
13 \$ 18,073,746
14 a. Of the funds appropriated in this subsection, \$200,000
15 shall be used for provision of educational opportunities to
16 registered child care home providers in order to improve
17 services and programs offered by this category of providers
18 and to increase the number of providers. The department may
19 contract with institutions of higher education or child care
20 resource and referral centers to provide the educational
21 opportunities. Allowable administrative costs under the
22 contracts shall not exceed 5 percent. The application for a
23 grant shall not exceed two pages in length.
24 b. Of the funds appropriated in this subsection, the
25 maximum amount allowed under Pub. L. No. 104-193 and successor
26 legislation shall be transferred to the child care and
27 development block grant appropriation. Funds appropriated in
28 this subsection that remain following the transfer shall be
29 used to provide direct spending for the child care needs of
30 working parents in families eligible for the family investment
31 program.
32 7. For child and family services:
33 \$ 30,275,728
34 8. For child abuse prevention grants:
35 \$ 250,000

1 9. For pregnancy prevention grants on the condition that
2 family planning services are funded:

3 \$ 2,514,413

4 a. If the department receives approval of a waiver from
5 the centers for Medicare and Medicaid services of the United
6 States department of health and human services to provide
7 family planning services, of the amount appropriated in this
8 subsection, \$533,580 shall be transferred to the appropriation
9 in this Act for child and family services.

10 b. Pregnancy prevention grants shall be awarded to
11 programs in existence on or before July 1, 2004, if the
12 programs are comprehensive in scope and have demonstrated
13 positive outcomes. Grants shall be awarded to pregnancy
14 prevention programs which are developed after July 1, 2004, if
15 the programs are comprehensive in scope and are based on
16 existing models that have demonstrated positive outcomes.
17 Grants shall comply with the requirements provided in 1997
18 Iowa Acts, chapter 208, section 14, subsections 1 and 2,
19 including the requirement that grant programs must emphasize
20 sexual abstinence. Priority in the awarding of grants shall
21 be given to programs that serve areas of the state which
22 demonstrate the highest percentage of unplanned pregnancies of
23 females age 13 or older but younger than age 18 within the
24 geographic area to be served by the grant.

25 c. In addition to the full-time equivalent positions
26 funded in this Act, the department may use a portion of the
27 funds appropriated in this subsection to employ up to an
28 additional 1.00 FTE for the administration of programs
29 specified in this subsection.

30 10. For technology needs and other resources necessary to
31 meet federal welfare reform reporting, tracking, and case
32 management requirements:

33 \$ 1,037,186

34 11. For the healthy opportunities for parents to
35 experience success (HOPES) program administered by the Iowa

1 department of public health to target child abuse prevention:
2 \$ 200,000

3 12. To be credited to the state child care assistance
4 appropriation made in this section to be used for funding of
5 community-based early childhood programs targeted to children
6 from birth through five years of age, developed by community
7 empowerment areas as provided in this subsection:

8 \$ 7,350,000

9 a. The department may transfer TANF block grant funding
10 appropriated and allocated in this subsection to the child
11 care and development block grant appropriation in accordance
12 with federal law as necessary to comply with the provisions of
13 this subsection. The funding shall then be provided to
14 community empowerment areas for the fiscal year beginning July
15 1, 2004, in accordance with all of the following:

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

18 (2) The maximum funding amount a community empowerment
19 area is eligible to receive shall be determined by applying
20 the area's percentage of the state's average monthly family
21 investment program population in the preceding fiscal year to
22 the total amount appropriated for fiscal year 2004-2005 from
23 the TANF block grant to fund community-based programs targeted
24 to children from birth through five years of age developed by
25 community empowerment areas.

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

32 (4) The availability of funding provided under this
33 subsection is subject to changes in federal requirements and
34 amendments to Iowa law.

35 b. The moneys distributed in accordance with this

1 subsection shall be used by communities for the purposes of
 2 enhancing quality child care capacity in support of parent
 3 capability to obtain or retain employment. The moneys shall
 4 be used with a primary emphasis on low-income families and
 5 children from birth to five years of age. Moneys shall be
 6 provided in a flexible manner to communities, and shall be
 7 used to implement strategies identified by the communities to
 8 achieve such purposes. In addition to the full-time
 9 equivalent positions authorized in this division of this Act,
 10 1.00 FTE position is authorized and the department may use
 11 funding appropriated in this subsection for provision of
 12 technical assistance and other support to communities
 13 developing and implementing strategies with moneys distributed
 14 in accordance with this subsection.

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

21 13. For a pilot program to be established in a judicial
 22 district, selected by the department and the judicial council,
 23 to provide employment and support services to delinquent child
 24 support obligors as an alternative to commitment to jail as
 25 punishment for contempt of court:

26 \$ 200,000

27 Of the amounts appropriated in this section, \$11,904,734
 28 for the fiscal year beginning July 1, 2004, shall be
 29 transferred to the appropriation of the federal social
 30 services block grant for that fiscal year. If the federal
 31 government revises requirements to reduce the amount that may
 32 be transferred to the federal social services block grant, it
 33 is the intent of the general assembly to act expeditiously
 34 during the 2005 legislative session to adjust appropriations
 35 or the transfer amount or take other actions to address the

1 reduced amount.

2 Eligible funding available under the TANF block grant that
3 is not appropriated or not otherwise expended shall be
4 considered reserved for economic downturns and welfare reform
5 purposes and is subject to further state appropriation to
6 support families in their movement toward self-sufficiency.

7 Federal funding received that is designated for activities
8 supporting marriage or two-parent families is appropriated to
9 the Iowa marriage initiative grant fund created in section
10 234.45.

11 Sec. 95. IOWA MARRIAGE INITIATIVE GRANT FUND.

12 1. Moneys credited to the Iowa marriage initiative grant
13 fund under 2003 Iowa Acts, chapter 175, section 7, subsection
14 15, and any other moneys credited to the fund are appropriated
15 to the department for the fiscal year beginning July 1, 2004,
16 and ending June 30, 2005, to be used in accordance with this
17 section.

18 2. The department shall establish an Iowa fatherhood and
19 family initiative grant program utilizing funds credited to
20 the Iowa marriage initiative grant fund created in section
21 234.45 to fund services to support fatherhood and to encourage
22 the formation and maintenance of two-parent families that are
23 secure and nurturing. The department of human services shall
24 adopt rules pursuant to chapter 17A to administer the grant
25 fund and to establish procedures for awarding of grants.

26 3. The program shall require that a grantee be a nonprofit
27 organization incorporated in this state with demonstrated
28 successful experience in facilitating fatherhood promotion
29 activities, marriage and family promotion activities, in using
30 media resources to promote fatherhood and marriage and family
31 formation, in making presentations to service or faith-based
32 organizations, and in raising private funding for activities
33 that support fatherhood, marriage, and families.

34 4. Preference in awarding grants may be given to those
35 nonprofit organizations working with faith-based groups and

1 those groups targeting young fathers.

2 5. The program activities funded by a grant shall include
3 but are not limited to all of the following:

4 a. Working with individuals who have a demonstrated
5 ability in working with at-risk fathers or working with those
6 who may solemnize marriages pursuant to section 595.10 to
7 utilize premarital diagnostic tools, to implement marriage
8 agreements developed by the individuals who may solemnize
9 marriages pursuant to section 595.10 that provide for an
10 appropriate engagement period and premarital and post marital
11 counseling, and to use volunteer mentors in program
12 activities.

13 b. Provision of a series of meetings sharing best
14 practices that encourage young fathers to fulfill their
15 responsibilities to the expectant mother of the child during
16 the pregnancy, and to the mother of the child following the
17 birth of the child, that promote happy and healthy marriages,
18 and that offer counseling to determine the father's level of
19 commitment to the child and the child's mother.

20 6. The program activities funded by a grant shall be
21 privately funded at no less than fifty percent of the grant
22 amount.

23 7. Grants shall be awarded in a manner that results in
24 provision of services throughout the state in an equal number
25 of urban and rural geographic areas.

26 8. The department shall implement the grant program so
27 that the initial request for proposals is issued on or before
28 October 1, 2004, and so that any grants are awarded on or
29 before January 1, 2005.

30 9. A grantee shall submit a quarterly financial report to
31 the department and to the legislative services agency and
32 shall be subject to an annual independent evaluation to assess
33 accomplishment of the purposes of the program.

34 10. The department shall provide a copy of the request for
35 proposals and shall submit a report concerning the proposals

1 received and grants awarded to those persons designated by
2 this division of this Act to receive reports.

3 11. The department may adopt emergency rules to implement
4 the provisions of this section.

5 Sec. 96. FAMILY INVESTMENT PROGRAM ACCOUNT.

6 1. Moneys credited to the family investment program (FIP)
7 account for the fiscal year beginning July 1, 2004, and ending
8 June 30, 2005, shall be used in accordance with the following
9 requirements:

10 a. The department of human services shall provide
11 assistance in accordance with chapter 239B.

12 b. The department shall continue the special needs program
13 under FIP.

14 c. The department shall continue to comply with federal
15 welfare reform data requirements pursuant to the
16 appropriations made for that purpose.

17 d. The department shall continue expansion of the
18 electronic benefit transfer program as necessary to comply
19 with federal food stamp benefit requirements. The target date
20 for statewide implementation of the program is October 1,
21 2004.

22 2. The department may use a portion of the moneys credited
23 to the FIP account under this section, as necessary for
24 salaries, support, maintenance, and miscellaneous purposes for
25 not more than the following full-time equivalent positions
26 which are in addition to any other full-time equivalent
27 positions authorized by this division of this Act:

28 FTEs 9.98

29 3. The department may transfer funds in accordance with
30 section 8.39, either federal or state, to or from the child
31 care appropriations made for the fiscal year beginning July 1,
32 2004, if the department deems this would be a more effective
33 method of paying for JOBS program child care, to maximize
34 federal funding, or to meet federal maintenance of effort
35 requirements.

1 4. Moneys appropriated in this division of this Act and
2 credited to the FIP account for the fiscal year beginning July
3 1, 2004, and ending June 30, 2005, are allocated as follows:

4 a. For the family development and self-sufficiency grant
5 program as provided under section 217.12:

6 \$ 5,133,042

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

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

22 (3) The department may continue to implement the family
23 development and self-sufficiency grant program statewide
24 during FY 2004-2005.

25 b. For the diversion subaccount of the FIP account:
26 \$ 2,814,000

27 (1) Moneys allocated to the diversion subaccount shall be
28 used to implement FIP diversion statewide while continuing the
29 local flexibility in program design. A family that meets
30 income eligibility requirements for FIP may receive a one-time
31 payment to remedy an immediate need in order to permit the
32 family to maintain self-sufficiency without providing ongoing
33 cash assistance. A FIP participant family may receive
34 diversion assistance to overcome barriers to obtaining
35 employment and to assist in stabilizing employment in order to

1 increase the likelihood of the family leaving FIP more
2 quickly. The department shall assess and screen individuals
3 who would most likely benefit from the assistance. In
4 addition to the full-time equivalent positions authorized in
5 this division of this Act, 1.00 FTE is authorized for purposes
6 of diversion. The department may adopt additional eligibility
7 criteria as necessary for compliance with federal law and for
8 screening those families who would be most likely to become
9 eligible for FIP if diversion incentives would not be
10 provided.

11 (2) A portion of the moneys allocated for the subaccount
12 may be used for field operations salaries, data management
13 system development, and implementation costs and support
14 deemed necessary by the director of human services in order to
15 administer the FIP diversion program.

16 (3) Of the funds allocated in this lettered paragraph, not
17 more than \$250,000 shall be used to develop or continue
18 community-level parental obligation pilot projects. The
19 requirements established under 2001 Iowa Acts, chapter 191,
20 section 3, subsection 5, paragraph "c", subparagraph (3),
21 shall remain applicable to the parental obligation pilot
22 projects for fiscal year 2004-2005.

23 c. For the food stamp employment and training program:
24 \$ 64,278

25 5. Of the child support collections assigned under FIP, an
26 amount equal to the federal share of support collections shall
27 be credited to the child support recovery appropriation. Of
28 the remainder of the assigned child support collections
29 received by the child support recovery unit, a portion shall
30 be credited to the FIP account and a portion may be used to
31 increase recoveries.

32 6. The department may adopt emergency administrative rules
33 for the family investment, food stamp, and medical assistance
34 programs, if necessary, to comply with federal requirements.

35 7. The department may continue the initiative to

1 streamline and simplify the employer verification process for
 2 applicants, participants, and employers in the administration
 3 of the department's programs. The department may contract
 4 with companies collecting data from employers when the
 5 information is needed in the administration of these programs.
 6 The department may limit the availability of the initiative on
 7 the basis of geographic area or number of individuals.

8 Sec. 97. FAMILY INVESTMENT PROGRAM GENERAL FUND. There is
 9 appropriated from the general fund of the state to the
 10 department of human services for the fiscal year beginning
 11 July 1, 2004, and ending June 30, 2005, the following amount,
 12 or so much thereof as is necessary, to be used for the purpose
 13 designated:

14 To be credited to the family investment program (FIP)
 15 account and used for family investment program assistance
 16 under chapter 239B:
 17 \$ 39,045,438

18 1. The department of workforce development, in
 19 consultation with the department of human services, shall
 20 continue to utilize recruitment and employment practices to
 21 include former and current FIP recipients.

22 2. The department of human services shall continue to work
 23 with the department of workforce development and local
 24 community collaborative efforts to provide support services
 25 for FIP participants. The support services shall be directed
 26 to those participant families who would benefit from the
 27 support services and are likely to have success in achieving
 28 economic independence.

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

31 4. The department shall continue to work with religious
 32 organizations and other charitable institutions to increase
 33 the availability of host homes, referred to as second chance
 34 homes or other living arrangements under the federal Personal
 35 Responsibility and Work Opportunity Reconciliation Act of

1 1996, Pub. L. No. 104-193, § 103, and successor legislation.
2 The purpose of the homes or arrangements is to provide a
3 supportive and supervised living arrangement for minor parents
4 receiving assistance under the family investment program who,
5 under chapter 239B, may receive assistance while living in an
6 alternative setting other than with their parent or legal
7 guardian.

8 Sec. 98. CHILD SUPPORT RECOVERY. There is appropriated
9 from the general fund of the state to the department of human
10 services for the fiscal year beginning July 1, 2004, and
11 ending June 30, 2005, the following amount, or so much thereof
12 as is necessary, to be used for the purposes designated:

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

16	\$	5,715,656
17	FTEs	407.00

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

26 2. Nonpublic assistance application fees and other user
27 fees received by the child support recovery unit are
28 appropriated and shall be used for the purposes of the child
29 support recovery program. The director of human services may
30 add positions within the limitations of the amount
31 appropriated for salaries and support for the positions.

32 3. The director of human services, in consultation with
33 the department of management and the legislative fiscal
34 committee, is authorized to receive and deposit state child
35 support incentive earnings in the manner specified under

1 applicable federal requirements.

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

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

23 5. Surcharges paid by obligors and received by the unit as
24 a result of the referral of support delinquency by the child
25 support recovery unit to any private collection agency are
26 appropriated to the department and shall be used to pay the
27 costs of any contracts with the collection agencies.

28 6. The department shall expend up to \$31,000, including
29 federal financial participation, for the fiscal year beginning
30 July 1, 2004, for a child support public awareness campaign.
31 The department and the office of the attorney general shall
32 cooperate in continuation of the campaign. The public
33 awareness campaign shall emphasize, through a variety of media
34 activities, the importance of maximum involvement of both
35 parents in the lives of their children as well as the

1 importance of payment of child support obligations.

2 7. Federal access and visitation grant moneys shall be
3 issued directly to private not-for-profit agencies that
4 provide services designed to increase compliance with the
5 child access provisions of court orders, including but not
6 limited to neutral visitation site and mediation services.

7 Sec. 99. MEDICAL ASSISTANCE. There is appropriated from
8 the general fund of the state to the department of human
9 services for the fiscal year beginning July 1, 2004, and
10 ending June 30, 2005, the following amount, or so much thereof
11 as is necessary, to be used for the purpose designated:

12 For medical assistance reimbursement and associated costs
13 as specifically provided in the reimbursement methodologies in
14 effect on June 30, 2004, except as otherwise expressly
15 authorized by law, including reimbursement for abortion
16 services, which shall be available under the medical
17 assistance program only for those abortions which are
18 medically necessary:

19 \$362,794,101

20 1. Medically necessary abortions are those performed under
21 any of the following conditions:

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

24 b. The attending physician certifies that the fetus is
25 physically deformed, mentally deficient, or afflicted with a
26 congenital illness.

27 c. The pregnancy is the result of a rape which is reported
28 within 45 days of the incident to a law enforcement agency or
29 public or private health agency which may include a family
30 physician.

31 d. The pregnancy is the result of incest which is reported
32 within 150 days of the incident to a law enforcement agency or
33 public or private health agency which may include a family
34 physician.

35 e. Any spontaneous abortion, commonly known as a

1 miscarriage, if not all of the products of conception are
2 expelled.

3 2. Notwithstanding section 8.39, the department may
4 transfer funds appropriated in this section to a separate
5 account established in the department's case management unit
6 for expenditures required to provide case management services
7 for mental health, mental retardation, and developmental
8 disabilities services under medical assistance which are
9 jointly funded by the state and county, pending final
10 settlement of the expenditures. Funds received by the case
11 management unit in settlement of the expenditures shall be
12 used to replace the transferred funds and are available for
13 the purposes for which the funds were appropriated in this
14 section.

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

35 b. The state shall pay the entire nonfederal share of the

1 costs for case management services provided to persons 17
2 years of age and younger who are served in a medical
3 assistance home and community-based services waiver program
4 for persons with mental retardation.

5 c. Medical assistance funding for case management services
6 for eligible persons 17 years of age and younger shall also be
7 provided to persons residing in counties with child welfare
8 decategorization projects implemented in accordance with
9 section 232.188, provided these projects have included these
10 persons in their service plan and the decategorization project
11 county is willing to provide the nonfederal share of costs.

12 d. When paying the necessary and legal expenses of ICFMR
13 services, the cost payment requirements of section 222.60
14 shall be considered fulfilled when payment is made in
15 accordance with the medical assistance payment rates
16 established for ICFMRs by the department and the state or a
17 county of legal settlement is not obligated for any amount in
18 excess of the rates.

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

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

1 expended for administrative purposes.

2 5. Of the funds appropriated to the Iowa department of
3 public health for addictive disorders, \$950,000 for the fiscal
4 year beginning July 1, 2004, shall be transferred to the
5 department of human services for an integrated substance abuse
6 managed care system.

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

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

23 8. If the federal centers for Medicare and Medicaid
24 services approves a waiver request from the department, the
25 department shall provide a period of 24 months of guaranteed
26 eligibility for medical assistance family planning services,
27 regardless of the change in circumstances of a woman who was a
28 medical assistance recipient when a pregnancy ended.

29 9. The department shall aggressively pursue options for
30 providing medical assistance or other assistance to
31 individuals with special needs who become ineligible to
32 continue receiving services under the early and periodic
33 screening, diagnosis, and treatment program under the medical
34 assistance program due to becoming 21 years of age, who have
35 been approved for additional assistance through the

1 department's exception to policy provisions, but who have
2 health care needs in excess of the funding available through
3 the exception to policy process.

4 10. The Iowa medical assistance drug utilization review
5 commission shall submit copies of the board's annual review,
6 including facts and findings, of the drugs on the department's
7 prior authorization list to the department and to the members
8 of the joint appropriations subcommittee on health and human
9 services.

10 11. The department of human services shall submit a
11 Medicaid state plan amendment to the centers for Medicare and
12 Medicaid services of the United States department of health
13 and human services to provide that for the fiscal year
14 beginning July 1, 2004, and ending June 30, 2005, the
15 department of human services shall adjust hospital payments to
16 state-owned acute-care hospitals with over 500 beds to offset
17 the high cost incurred by such facilities for providing
18 services to medical assistance patients. The amendment shall
19 provide that adjustments shall be made to the payments for
20 inpatient and outpatient hospital services to which the
21 hospital would otherwise be entitled under the medical
22 assistance program. Additionally, the amendment shall provide
23 that the adjustments shall be established at the level
24 intended to increase the medical assistance payments to
25 qualifying hospitals up to the lesser of the categorical
26 Medicare upper payment limit for inpatient and outpatient
27 services, or the hospital-specific limit, as defined under 42
28 C.F.R. 447.272, 42 C.F.R. 447.321, and 42 U.S.C. § 1396r-4(g),
29 as applicable.

30 Sec. 100. HEALTH INSURANCE PREMIUM PAYMENT PROGRAM. There
31 is appropriated from the general fund of the state to the
32 department of human services for the fiscal year beginning
33 July 1, 2004, and ending June 30, 2005, the following amount,
34 or so much thereof as is necessary, to be used for the purpose
35 designated:

1 For administration of the health insurance premium payment
2 program, including salaries, support, maintenance, and
3 miscellaneous purposes, and for not more than the following
4 full-time equivalent positions:

5	\$	606,429
6	FTEs	20.95

7 Sec. 101. MEDICAL CONTRACTS. There is appropriated from
8 the general fund of the state to the department of human
9 services for the fiscal year beginning July 1, 2004, and
10 ending June 30, 2005, the following amount, or so much thereof
11 as is necessary, to be used for the purpose designated:

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

15	\$	9,725,035
16	FTEs	1.00

17 1. In any managed care contract for mental health or
18 substance abuse services entered into or extended by the
19 department on or after July 1, 2004, the request for proposals
20 shall provide for coverage of dual diagnosis mental health and
21 substance abuse treatment provided at the state mental health
22 institute at Mount Pleasant. To the extent possible, the
23 department shall also amend any such contract existing on July
24 1, 2004, to provide for such coverage.

25 2. Up to \$665,000 of the moneys deposited in the
26 pharmaceutical settlement account created pursuant to section
27 249A.33 is appropriated to the department for the fiscal year
28 beginning July 1, 2004, and ending June 30, 2005, to be used
29 for the procurement of and transition to the new medical
30 assistance program fiscal intermediary vendors.

31 Sec. 102. MEDICAL ASSISTANCE PROGRAM -- REQUIREMENTS.

32 1. The department of human services shall do all of the
33 following:

34 a. Institute a request for proposals process to purchase
35 durable medical equipment and medical supplies provided under

1 the medical assistance program from a single supplier chosen
2 through the request for proposals process.

3 b. Expand the recipient lock-in program, surveillance and
4 utilization review activities, and program audit activities to
5 the greatest extent possible. Any savings realized from the
6 expansion may be used to the extent necessary to pay the costs
7 associated with implementation of this subsection. The
8 department shall report the amount of any savings realized and
9 the amount of any costs paid to the persons designated in this
10 Act to receive reports.

11 c. Implement a health insurance data match program and
12 other third-party obligor collection enhancements. The
13 program shall require that all insurance carriers in the state
14 provide an electronic copy of a list of their insureds, in a
15 format approved by the department, to be used to match against
16 a listing of medical assistance recipients. The information
17 submitted shall be used solely to identify third-party payors
18 for medical assistance recipients and shall be kept
19 confidential. Insurers shall begin providing the information
20 to the department by July 1, 2004.

21 d. Notwithstanding any provision of law to the contrary,
22 institute a process whereby home health agencies are required
23 to bill the Medicare program for appropriate home health
24 services and pharmacy claims. The process shall require that
25 as a condition of receiving payment under the medical
26 assistance program, the home health agency must attach a
27 Medicare denial of benefits form to the Medicaid program claim
28 form.

29 e. Reimburse physicians who administer injectable drugs in
30 an amount that is equal to the invoiced cost paid by the
31 physician to the manufacturer from whom the drug was
32 purchased. A separate payment shall be made for
33 administration of the drug.

34 f. Exclude brand name drugs from the rate calculation
35 under the state maximum allowable cost program.

1 g. Implement a process to require prior authorization for
2 admissions to intermediate care facilities for persons with
3 mental retardation. The requirement of prior authorization
4 shall apply to admissions beginning November 1, 2004.

5 h. Institute a process to draw down the maximum amount of
6 disproportionate share hospital reimbursement under the
7 medical assistance program as provided in the federal
8 Prescription Drug and Medicare Improvement Act of 2003 to
9 increase the reimbursement to a county-owned hospital in a
10 county with a population over 200,000.

11 i. (1) Adopt rules that require a pharmacist to dispense
12 the less expensive, reasonably available, interchangeable drug
13 product as allowed by the most current formulary or supplement
14 of the formulary, unless the practitioner indicates that no
15 substitution is allowed.

16 (2) For the purposes of the rules adopted under this
17 subsection:

18 (a) "Interchangeable drug product" means a product
19 containing a drug in the same amounts of the same active
20 ingredients in the same dosage form as other products with the
21 same generic or chemical name and which provides the lowest
22 net cost to the state.

23 (b) "Lowest net cost" means the amount paid by the state
24 to the pharmacy for a drug under the current retail pharmacy
25 reimbursement formula, less any discounts or rebates,
26 including those paid pursuant to federal Medicaid law during
27 the previous calendar quarter, and inclusive of all dispensing
28 fees.

29 2. The department may adopt emergency rules and shall
30 apply for any federal waivers or plan amendments necessary to
31 implement the provisions of this section.

32 Sec. 103. STATE SUPPLEMENTARY ASSISTANCE.

33 1. There is appropriated from the general fund of the
34 state to the department of human services for the fiscal year
35 beginning July 1, 2004, and ending June 30, 2005, the

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

3 For state supplementary assistance and the medical
4 assistance home and community-based services waiver rent
5 subsidy program:

6 \$ 19,273,135

7 2. The department shall increase the personal needs
8 allowance for residents of residential care facilities by the
9 same percentage and at the same time as federal supplemental
10 security income and federal social security benefits are
11 increased due to a recognized increase in the cost of living.
12 The department may adopt emergency rules to implement this
13 subsection.

14 3. If during the fiscal year beginning July 1, 2004, the
15 department projects that state supplementary assistance
16 expenditures for a calendar year will not meet the federal
17 pass-along requirement specified in Title XVI of the federal
18 Social Security Act, section 1618, as codified in 42 U.S.C. §
19 1382g, the department may take actions including but not
20 limited to increasing the personal needs allowance for
21 residential care facility residents and making programmatic
22 adjustments or upward adjustments of the residential care
23 facility or in-home health-related care reimbursement rates
24 prescribed in this division of this Act to ensure that federal
25 requirements are met. In addition, the department may make
26 other programmatic and rate adjustments necessary to remain
27 within the amount appropriated in this section while ensuring
28 compliance with federal requirements. The department may
29 adopt emergency rules to implement the provisions of this
30 subsection.

31 Sec. 104. CHILDREN'S HEALTH INSURANCE PROGRAM. There is
32 appropriated from the general fund of the state to the
33 department of human services for the fiscal year beginning
34 July 1, 2004, and ending June 30, 2005, the following amount,
35 or so much thereof as is necessary, to be used for the purpose

1 designated:

2 For maintenance of the healthy and well kids in Iowa (hawk-
3 i) program pursuant to chapter 514I for receipt of federal
4 financial participation under Title XXI of the federal Social
5 Security Act, which creates the state children's health
6 insurance program:

7 \$ 12,618,275

8 1. The department may transfer funds appropriated in this
9 section to be used for the purpose of expanding health care
10 coverage to children under the medical assistance program.
11 The department shall provide periodic updates to the general
12 assembly of expenditures of funds appropriated in this
13 section.

14 2. Moneys in the hawk-i trust fund are appropriated to the
15 department of human services and shall be used to offset any
16 program costs for the fiscal year beginning July 1, 2004, and
17 ending June 30, 2005.

18 Sec. 105. CHILD CARE ASSISTANCE. There is appropriated
19 from the general fund of the state to the department of human
20 services for the fiscal year beginning July 1, 2004, and
21 ending June 30, 2005, the following amount, or so much thereof
22 as is necessary, to be used for the purpose designated:

23 For child care programs:

24 \$ 5,050,752

25 1. a. Of the funds appropriated in this section,
26 \$4,525,228 shall be used for state child care assistance in
27 accordance with section 237A.13.

28 b. During the 2004-2005 fiscal year, the moneys deposited
29 in the child care credit fund created in section 237A.28 are
30 appropriated to the department to be used for state child care
31 assistance in accordance with section 237A.13, in addition to
32 the moneys allocated for that purpose in paragraph "a".

33 2. Nothing in this section shall be construed or is
34 intended as, or shall imply, a grant of entitlement for
35 services to persons who are eligible for assistance due to an

1 income level consistent with the waiting list requirements of
2 section 237A.13. Any state obligation to provide services
3 pursuant to this section is limited to the extent of the funds
4 appropriated in this section.

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

8 4. The department may use any of the funds appropriated in
9 this section as a match to obtain federal funds for use in
10 expanding child care assistance and related programs. For the
11 purpose of expenditures of state and federal child care
12 funding, funds shall be considered obligated at the time
13 expenditures are projected or are allocated to the
14 department's service areas. Projections shall be based on
15 current and projected caseload growth, current and projected
16 provider rates, staffing requirements for eligibility
17 determination and management of program requirements including
18 data systems management, staffing requirements for
19 administration of the program, contractual and grant
20 obligations and any transfers to other state agencies, and
21 obligations for decategorization or innovation projects.

22 5. A portion of the state match for the federal child care
23 and development block grant shall be provided through the
24 state general fund appropriation for child development grants
25 and other programs for at-risk children in section 279.51.

26 6. If the department receives additional funding from the
27 federal government designated for purposes of improving child
28 care quality, the funding shall be used for additional child
29 care consultant positions within the department's field
30 operations.

31 Sec. 106. CHILD CARE QUALITY RATING SYSTEM.

32 1. By December 15, 2004, the department of human services
33 shall submit to the governor and general assembly a plan for
34 implementation of a voluntary child care provider quality
35 rating system. In developing the implementation plan for the

1 quality rating system, the department of human services shall
 2 partner with the community empowerment office in the
 3 department of management and the state child care advisory
 4 council. The department shall also coordinate with the state
 5 agencies represented on the Iowa empowerment board, child care
 6 resource and referral service grantees under section 237A.26,
 7 and other agencies and organizations that focus on community-
 8 based early childhood services.

9 2. The implementation plan shall detail the rating system
 10 structure, including the number of quality levels, outline the
 11 manner in which the system will be administered, identify the
 12 statutory and rule changes needed, identify implementation
 13 costs and funding strategies, include a communication plan
 14 targeted to both providers and parents, and propose an
 15 implementation timeline.

16 3. Each quality rating level in the proposed system may
 17 address one or more of the following quality variables: staff
 18 education, training, and credentials; director education and
 19 training; an environmental rating scale or other means to
 20 assess or evaluate the physical, health, and safety aspects of
 21 a child care facility; parental involvement; staff-to-child
 22 ratios; national accreditation; compliance history;
 23 curriculum; business practices; staff retention; staff
 24 compensation and benefits; provider membership in early
 25 childhood professional organizations; and other appropriate
 26 quality variables.

27 4. In providing support and recognition for providers who
 28 seek to attain higher quality rating levels, the plan may
 29 propose payment of a reimbursement differential under the
 30 state child care assistance program. In addition, the plan
 31 may provide for supplying provider quality ratings on the
 32 department's internet site and in other consumer information
 33 distributed pursuant to section 237A.25 and in information
 34 supplied to parents by child care resource and referral
 35 services.

1 Sec. 107. JUVENILE INSTITUTIONS. There is appropriated
2 from the general fund of the state to the department of human
3 services for the fiscal year beginning July 1, 2004, and
4 ending June 30, 2005, the following amounts, or so much
5 thereof as is necessary, to be used for the purposes
6 designated:

7 1. For operation of the Iowa juvenile home at Toledo and
8 for salaries, support, maintenance, and for not more than the
9 following full-time equivalent positions:

10 \$ 6,061,266
11 FTEs 130.54

12 The department is requested to convene a group to review
13 the programs and services of the Iowa juvenile home and to
14 present the governor and general assembly with suggestions for
15 improvements. The group should review previous studies and
16 reports on the institution. The membership of the group
17 should include but is not limited to representatives of
18 departmental field staff, juvenile judges, juvenile court
19 officers, alumni of the institution, other departmental
20 institutions, community-based providers, and other interested
21 parties.

22 2. For operation of the state training school at Eldora
23 and for salaries, support, maintenance, and for not more than
24 the following full-time equivalent positions:

25 \$ 9,570,563
26 FTEs 218.53

27 3. During the fiscal year beginning July 1, 2004, the
28 population levels at the state juvenile institutions shall not
29 exceed the population guidelines established under 1990 Iowa
30 Acts, chapter 1239, section 21, as adjusted for subsequent
31 changes in capacity at the institutions.

32 4. A portion of the moneys appropriated in this section
33 shall be used by the state training school and by the Iowa
34 juvenile home for grants for adolescent pregnancy prevention
35 activities at the institutions in the fiscal year beginning

1 July 1, 2004.

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

5 Sec. 108. CHILD AND FAMILY SERVICES.

6 1. There is appropriated from the general fund of the
7 state to the department of human services for the fiscal year
8 beginning July 1, 2004, and ending June 30, 2005, the
9 following amount, or so much thereof as is necessary, to be
10 used for the purpose designated:

11 For child and family services:

12 \$ 90,135,253

13 2. The department may transfer funds appropriated in this
14 section as necessary to pay the nonfederal costs of services
15 reimbursed under medical assistance or the family investment
16 program which are provided to children who would otherwise
17 receive services paid under the appropriation in this section.
18 The department may transfer funds appropriated in this section
19 to the appropriations in this division of this Act for general
20 administration and for field operations for resources
21 necessary to implement and operate the services funded in this
22 section.

23 3. a. Of the funds appropriated in this section, up to
24 \$34,653,383 is allocated as the statewide expenditure target
25 under section 232.143 for group foster care maintenance and
26 services.

27 b. If at any time after September 30, 2004, annualization
28 of a service area's current expenditures indicates a service
29 area is at risk of exceeding its group foster care expenditure
30 target under section 232.143 by more than 5 percent, the
31 department and juvenile court services shall examine all group
32 foster care placements in that service area in order to
33 identify those which might be appropriate for termination. In
34 addition, any aftercare services believed to be needed for the
35 children whose placements may be terminated shall be

1 identified. The department and juvenile court services shall
2 initiate action to set dispositional review hearings for the
3 placements identified. In such a dispositional review
4 hearing, the juvenile court shall determine whether needed
5 aftercare services are available and whether termination of
6 the placement is in the best interest of the child and the
7 community.

8 c. Of the funds allocated in this subsection, \$1,398,403
9 is allocated as the state match funding for 50 highly
10 structured juvenile program beds. If the number of beds
11 provided for in this lettered paragraph is not utilized, the
12 remaining funds allocated may be used for group foster care.

13 d. For the fiscal year beginning July 1, 2004, the
14 requirements of section 232.143 applicable to the juvenile
15 court and to representatives of the juvenile court shall be
16 applicable instead to juvenile court services and to
17 representatives of juvenile court services. The
18 representatives appointed by the department of human services
19 and by juvenile court services to establish the plan to
20 contain expenditures for children placed in group foster care
21 ordered by the court within the budget target allocated to the
22 service area shall establish the plan in a manner so as to
23 ensure the moneys allocated to the service area under section
24 232.143 shall last the entire fiscal year. Funds for a child
25 placed in group foster care shall be considered encumbered for
26 the duration of the child's projected or actual length of
27 stay, whichever is applicable.

28 4. In accordance with the provisions of section 232.188,
29 the department shall continue the program to decategorize
30 child welfare services funding. Of the funds appropriated in
31 this section, \$3,000,000 is allocated specifically for
32 expenditure through the decategorization of child welfare
33 funding pools and governance boards established pursuant to
34 section 232.188. Notwithstanding section 8.33, moneys
35 allocated in this subsection that remain unencumbered or

1 unobligated at the close of the fiscal year shall not revert
 2 but shall remain available for expenditure for the purposes
 3 designated until the close of the succeeding fiscal year. It
 4 is the intent of the general assembly that the department
 5 continue its practice of providing strong support for Iowa's
 6 nationally recognized initiative of decategorization of child
 7 welfare funding.

8 5. Of the funds appropriated in this section, up to
 9 \$915,892 is allocated for additional funding of the family
 10 preservation program.

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

15 7. A portion of the funding appropriated in this section
 16 may be used for emergency family assistance to provide other
 17 resources required for a family participating in a family
 18 preservation or reunification project to stay together or to
 19 be reunified.

20 8. a. Notwithstanding section 234.35, subsection 1, for
 21 the fiscal year beginning July 1, 2004, state funding for
 22 shelter care paid pursuant to section 234.35, subsection 1,
 23 paragraph "h", and under the proposals selected pursuant to
 24 paragraph "b" shall be limited to \$6,926,718.

25 b. The department shall issue one or more requests for
 26 proposals for provision of shelter care services. The request
 27 shall be designed to ensure coverage in all counties of the
 28 state, to protect child safety, to encourage providers to
 29 provide alternative emergency services to children referred to
 30 shelter care such as crisis intervention and emergency family
 31 foster care, and to manage costs within available funds. The
 32 department shall obtain input from shelter care and other
 33 child welfare providers, from law enforcement, and from
 34 counties in developing a request under this subsection. A
 35 request shall include an expectation that providers accept all

1 referrals up to a specified maximum number of referrals, and
2 shall set performance expectations related to safety,
3 stability, and child well-being. The funding for the request
4 for proposals process and for the proposal or proposals
5 selected shall be provided through the state funding for
6 shelter care services, and shall include provisions to
7 maintain a county contribution for the costs of serving
8 children who are referred to shelter care. Notwithstanding
9 sections 232.141 and 234.35, the provisions for county funding
10 under the proposal or proposals selected may be different from
11 those specified in section 232.141. The department shall work
12 with counties to develop the specific formula for county
13 funding of services for children referred to shelter care and
14 served under the proposal or proposals selected. The
15 department may adopt emergency rules to implement this
16 paragraph.

17 9. The department shall continue to make adoption
18 presubsidy and adoption subsidy payments to adoptive parents
19 at the beginning of the month for the current month.

20 10. Federal funds received by the state during the fiscal
21 year beginning July 1, 2004, as the result of the expenditure
22 of state funds appropriated during a previous state fiscal
23 year for a service or activity funded under this section, are
24 appropriated to the department to be used as additional
25 funding for services and purposes provided for under this
26 section. Notwithstanding section 8.33, moneys received in
27 accordance with this subsection that remain unencumbered or
28 unobligated at the close of the fiscal year shall not revert
29 to any fund but shall remain available for the purposes
30 designated until the close of the succeeding fiscal year.

31 11. Of the moneys appropriated in this section, not more
32 than \$442,100 is allocated to provide clinical assessment
33 services as necessary to continue funding of children's
34 rehabilitation services under medical assistance in accordance
35 with federal law and requirements. The funding allocated is

1 the amount projected to be necessary for providing the
2 clinical assessment services.

3 12. Of the funding appropriated in this section,
4 \$3,696,285 shall be used for protective child care assistance.

5 13. Of the moneys appropriated in this section, up to
6 \$2,859,851 is allocated for the payment of the expenses of
7 court-ordered services provided to juveniles which are a
8 charge upon the state pursuant to section 232.141, subsection
9 4.

10 a. Notwithstanding section 232.141 or any other provision
11 of law to the contrary, the amount allocated in this
12 subsection shall be distributed to the judicial districts as
13 determined by the state court administrator. The state court
14 administrator shall make the determination of the distribution
15 amounts on or before June 15, 2004.

16 b. Notwithstanding chapter 232 or any other provision of
17 law to the contrary, a district or juvenile court shall not
18 order any service which is a charge upon the state pursuant to
19 section 232.141 if there are insufficient court-ordered
20 services funds available in the district court distribution
21 amount to pay for the service. The chief juvenile court
22 officer shall encourage use of the funds allocated in this
23 subsection such that there are sufficient funds to pay for all
24 court-related services during the entire year. The chief
25 juvenile court officers shall attempt to anticipate potential
26 surpluses and shortfalls in the distribution amounts and shall
27 cooperatively request the state court administrator to
28 transfer funds between the districts' distribution amounts as
29 prudent.

30 c. Notwithstanding any provision of law to the contrary, a
31 district or juvenile court shall not order a county to pay for
32 any service provided to a juvenile pursuant to an order
33 entered under chapter 232 which is a charge upon the state
34 under section 232.141, subsection 4.

35 d. Of the funding allocated in this subsection, not more

1 than \$100,000 may be used by the judicial branch for
2 administration of the requirements under this subsection and
3 for travel associated with court-ordered placements which are
4 a charge upon the state pursuant to section 232.141,
5 subsection 4.

6 14. a. Of the funding appropriated in this section,
7 \$3,062,193 is allocated to provide school-based supervision of
8 children adjudicated under chapter 232, including not more
9 than \$1,431,597 from the allocation in this section for court-
10 ordered services. Not more than \$15,000 of the funding
11 allocated in this subsection may be used for the purpose of
12 training.

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

16 15. The department shall maximize the capacity to draw
17 federal funding under Title IV-E of the federal Social
18 Security Act.

19 16. Any unanticipated federal funding that is received
20 during the fiscal year due to improvements in the hours
21 counted by the judicial branch under the claiming process for
22 federal Title IV-E funding are appropriated to the department
23 to be used for additional or expanded services and support for
24 court-ordered services pursuant to section 232.141.
25 Notwithstanding section 8.33, moneys appropriated in this
26 subsection that remain unencumbered or unobligated at the
27 close of the fiscal year shall not revert but shall remain
28 available for expenditure for the purposes designated until
29 the close of the succeeding fiscal year.

30 17. Notwithstanding section 234.39, subsection 5, and 2000
31 Iowa Acts, chapter 1228, section 43, the department may
32 operate a subsidized guardianship program if the United States
33 department of health and human services approves a waiver
34 under Title IV-E of the federal Social Security Act or the
35 federal Social Security Act is amended to allow Title IV-E

1 funding to be used for subsidized guardianship, and the
2 subsidized guardianship program can be operated without loss
3 of Title IV-E funds.

4 18. The department shall work with foster and adoptive
5 families, private child welfare agencies, and advocates to
6 identify savings alternatives in the adoption subsidy program.
7 The department may adopt emergency rules to implement this
8 subsection.

9 19. The department shall develop a plan for privatizing
10 the administration of the foster care and adoption programs.
11 The plan shall be submitted to the governor and the general
12 assembly on or before December 15, 2004.

13 20. Of the amount appropriated in this section, \$100,000
14 shall be transferred to the Iowa department of public health
15 to be used for the child protection center grant program in
16 accordance with section 135.118.

17 21. Of the amount appropriated in this section, \$148,000
18 shall be used for funding of one or more child welfare
19 diversion and mediation pilot projects as provided in House
20 File 2462.

21 22. The sum of \$15,000,000 is transferred from moneys
22 declared by the Iowa finance authority under section 16.10 to
23 be surplus moneys to the department of human services for the
24 fiscal year beginning July 1, 2004, and ending June 30, 2005,
25 to be used as additional funding for the appropriation made in
26 this section.

27 Sec. 109. JUVENILE DETENTION HOME FUND. Moneys deposited
28 in the juvenile detention home fund created in section 232.142
29 during the fiscal year beginning July 1, 2004, and ending June
30 30, 2005, are appropriated to the department of human services
31 for the fiscal year beginning July 1, 2004, and ending June
32 30, 2005, for distribution as follows:

33 1. An amount equal to ten percent of the costs of the
34 establishment, improvement, operation, and maintenance of
35 county or multicounty juvenile detention homes in the fiscal

1 year beginning July 1, 2003. Moneys appropriated for
2 distribution in accordance with this subsection shall be
3 allocated among eligible detention homes, prorated on the
4 basis of an eligible detention home's proportion of the costs
5 of all eligible detention homes in the fiscal year beginning
6 July 1, 2003. Notwithstanding section 232.142, subsection 3,
7 the financial aid payable by the state under that provision
8 for the fiscal year beginning July 1, 2004, shall be limited
9 to the amount appropriated for the purposes of this
10 subsection.

11 2. For renewal of a grant to a county with a population
12 between 189,000 and 196,000 for implementation of the county's
13 runaway treatment plan under section 232.195:

14 \$ 80,000

15 3. For continuation and expansion of the community
16 partnership for child protection sites:

17 \$ 318,000

18 4. For grants to counties implementing a runaway treatment
19 plan under section 232.195.

20 5. The remainder for additional allocations to county or
21 multicounty juvenile detention homes, in accordance with the
22 distribution requirements of subsection 1.

23 Sec. 110. FAMILY SUPPORT SUBSIDY PROGRAM. There is
24 appropriated from the general fund of the state to the
25 department of human services for the fiscal year beginning
26 July 1, 2004, and ending June 30, 2005, the following amount,
27 or so much thereof as is necessary, to be used for the purpose
28 designated:

29 For the family support subsidy program:

30 \$ 1,936,434

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

35 2. Notwithstanding section 225C.38, subsection 1, the

1 monthly family support payment amount for the fiscal year
2 beginning July 1, 2004, shall remain the same as the payment
3 amount in effect on June 30, 2004.

4 Sec. 111. CONNER DECREE. There is appropriated from the
5 general fund of the state to the department of human services
6 for the fiscal year beginning July 1, 2004, and ending June
7 30, 2005, the following amount, or so much thereof as is
8 necessary, to be used for the purpose designated:

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

13 \$ 42,623

14 Sec. 112. MENTAL HEALTH INSTITUTES. There is appropriated
15 from the general fund of the state to the department of human
16 services for the fiscal year beginning July 1, 2004, and
17 ending June 30, 2005, the following amounts, or so much
18 thereof as is necessary, to be used for the purposes
19 designated:

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

24 \$ 12,927,556

25 FTEs 227.65

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

30 \$ 7,410,346

31 FTEs 113.15

32 3. For the state mental health institute at Independence
33 for salaries, support, maintenance, and miscellaneous purposes
34 and for not more than the following full-time equivalent
35 positions:

1 \$ 17,239,768

2 FTEs 317.80

3 The state mental health institute at Independence shall
4 continue the 30 psychiatric medical institution for children
5 (PMIC) beds authorized in section 135H.6, in a manner which
6 results in no net state expenditure amount in excess of the
7 amount appropriated in this subsection. Counties are not
8 responsible for the costs of PMIC services described in this
9 subsection. Subject to the approval of the department, with
10 the exception of revenues required under section 249A.11 to be
11 credited to the appropriation in this division of this Act for
12 medical assistance, revenues attributable to the PMIC beds
13 described in this subsection for the fiscal year beginning
14 July 1, 2004, and ending June 30, 2005, shall be deposited in
15 the institute's account, including but not limited to any of
16 the following revenues:

17 a. The federal share of medical assistance revenue
18 received under chapter 249A.

19 b. Moneys received through client participation.

20 c. Any other revenues directly attributable to the PMIC
21 beds.

22 4. For the state mental health institute at Mount Pleasant
23 for salaries, support, maintenance, and miscellaneous purposes
24 and for not more than the following full-time equivalent
25 positions:

26 \$ 6,109,205

27 FTEs 100.44

28 a. Funding is provided in this subsection for the state
29 mental health institute at Mount Pleasant to continue the dual
30 diagnosis mental health and substance abuse program on a net
31 budgeting basis in which 50 percent of the actual per diem and
32 ancillary services costs are chargeable to the patient's
33 county of legal settlement or as a state case, as appropriate.
34 Subject to the approval of the department, revenues
35 attributable to the dual diagnosis program for the fiscal year

1 beginning July 1, 2004, and ending June 30, 2005, shall be
2 deposited in the institute's account, including but not
3 limited to all of the following revenues:

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

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

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

10 (4) Moneys received through client participation.

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

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

15 (1) A county may split the charges between the county's
16 mental health, mental retardation, and developmental
17 disabilities services fund and the county's budget for
18 substance abuse expenditures.

19 (2) If an individual is committed to the custody of the
20 department of corrections at the time the individual is
21 referred for dual diagnosis treatment, the department of
22 corrections shall be charged for the costs of treatment.

23 (3) Prior to an individual's admission for dual diagnosis
24 treatment, the individual shall have been screened through a
25 county's single entry point process to determine the
26 appropriateness of the treatment.

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

31 (5) Notwithstanding section 8.33, state mental health
32 institute revenues related to the dual diagnosis program that
33 remain unencumbered or unobligated at the close of the fiscal
34 year shall not revert but shall remain available up to the
35 amount which would allow the state mental health institute to

1 meet credit obligations owed to counties as a result of year-
2 end per diem adjustments for the dual diagnosis program.

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

6 6. As part of the discharge planning process at the state
7 mental health institutes, the department shall provide
8 assistance in obtaining eligibility for federal supplemental
9 security income (SSI) to those individuals whose care at a
10 state mental health institute is the financial responsibility
11 of the state or a county.

12 Sec. 113. STATE RESOURCE CENTERS. There is appropriated
13 from the general fund of the state to the department of human
14 services for the fiscal year beginning July 1, 2004, and
15 ending June 30, 2005, the following amounts, or so much
16 thereof as is necessary, to be used for the purposes
17 designated:

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

20 \$ 8,550,280

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

23 \$ 4,520,459

24 3. a. The department shall continue operating the state
25 resource centers at Glenwood and Woodward with a net general
26 fund appropriation. The amounts allocated in this section are
27 the net amounts of state moneys projected to be needed for the
28 state resource centers. The purposes of operating with a net
29 general fund appropriation are to encourage the state resource
30 centers to operate with increased self-sufficiency, to improve
31 quality and efficiency, and to support collaborative efforts
32 between the state resource centers and counties and other
33 funders of services available from the state resource centers.
34 The state resource centers shall not be operated under the net
35 appropriation in a manner which results in a cost increase to

1 the state or cost shifting between the state, the medical
 2 assistance program, counties, or other sources of funding for
 3 the state resource centers. Moneys appropriated in this
 4 section may be used throughout the fiscal year in the manner
 5 necessary for purposes of cash flow management, and for
 6 purposes of cash flow management the state resource centers
 7 may temporarily draw more than the amounts appropriated,
 8 provided the amounts appropriated are not exceeded at the
 9 close of the fiscal year.

10 b. Subject to the approval of the department, except for
 11 revenues under section 249A.11, revenues attributable to the
 12 state resource centers for the fiscal year beginning July 1,
 13 2004, shall be deposited into each state resource center's
 14 account, including but not limited to all of the following:

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

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

19 (3) Federal Medicare program payments.

20 (4) Moneys received from client financial participation.

21 (5) Other revenues generated from current, new, or
 22 expanded services which the state resource center is
 23 authorized to provide.

24 c. For the purposes of allocating the salary adjustment
 25 fund moneys appropriated in another division of this Act or
 26 another Act, the state resource centers shall be considered to
 27 be funded entirely with state moneys.

28 d. Notwithstanding section 8.33, up to \$500,000 of a state
 29 resource center's revenues that remain unencumbered or
 30 unobligated at the close of the fiscal year shall not revert
 31 but shall remain available to be used in the succeeding fiscal
 32 year.

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

1 5. The department may continue to bill for state resource
2 center services utilizing a scope of services approach used
3 for private providers of ICFMR services, in a manner which
4 does not shift costs between the medical assistance program,
5 counties, or other sources of funding for the state resource
6 centers.

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

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

25 8. If existing capacity limitations are reached in
26 operating units, a waiting list is in effect for a service or
27 a special need for which a payment source or other funding is
28 available for the service or to address the special need, and
29 facilities for the service or to address the special need can
30 be provided within the available payment source or other
31 funding, the superintendent of a state resource center may
32 authorize opening not more than two units or other facilities
33 and to begin implementing the service or addressing the
34 special need during fiscal year 2004-2005.

35 Sec. 114. MI/MR/DD STATE CASES. There is appropriated

1 from the general fund of the state to the department of human
2 services for the fiscal year beginning July 1, 2004, and
3 ending June 30, 2005, the following amount, or so much thereof
4 as is necessary, to be used for the purpose designated:

5 For purchase of local services for persons with mental
6 illness, mental retardation, and developmental disabilities
7 where the client has no established county of legal
8 settlement:

9 \$ 11,014,619

10 The general assembly encourages the department to continue
11 discussions with the Iowa state association of counties and
12 administrators of county central point of coordination offices
13 regarding proposals for moving state cases to county budgets.

14 Sec. 115. MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES --
15 COMMUNITY SERVICES FUND. There is appropriated from the
16 general fund of the state to the mental health and
17 developmental disabilities community services fund created in
18 section 225C.7 for the fiscal year beginning July 1, 2004, and
19 ending June 30, 2005, the following amount, or so much thereof
20 as is necessary, to be used for the purpose designated:

21 For mental health and developmental disabilities community
22 services in accordance with this division of this Act:
23 \$ 17,757,890

24 1. Of the funds appropriated in this section, \$17,727,890
25 shall be allocated to counties for funding of community-based
26 mental health and developmental disabilities services. The
27 moneys shall be allocated to a county as follows:

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

32 b. Fifty percent based upon the county's proportion of the
33 state's general population.

34 2. a. A county shall utilize the funding the county
35 receives pursuant to subsection 1 for services provided to

1 persons with a disability, as defined in section 225C.2.
2 However, no more than 50 percent of the funding shall be used
3 for services provided to any one of the service populations.

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

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

12 4. a. Funding appropriated for purposes of the federal
13 social services block grant is allocated for distribution to
14 counties for local purchase of services for persons with
15 mental illness or mental retardation or other developmental
16 disability.

17 b. The funds allocated in this subsection shall be
18 expended by counties in accordance with the county's approved
19 county management plan. A county without an approved county
20 management plan shall not receive allocated funds until the
21 county's management plan is approved.

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

24 (1) Fifty percent based upon the county's proportion of
25 the state's population of persons with an annual income which
26 is equal to or less than the poverty guideline established by
27 the federal office of management and budget.

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

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

34 Sec. 116. PERSONAL ASSISTANCE. There is appropriated from
35 the general fund of the state to the department of human

1 services for the fiscal year beginning July 1, 2004, and
2 ending June 30, 2005, the following amount, or so much thereof
3 as is necessary, to be used for the purpose designated:

4 For continuation of a pilot project for the personal
5 assistance services program in accordance with this section:
6 \$ 205,748

7 1. The funds appropriated in this section shall be used to
8 continue the pilot project for the personal assistance
9 services program under section 225C.46 in an urban and a rural
10 area. Not more than 10 percent of the amount appropriated
11 shall be used for administrative costs. The pilot project
12 shall not be implemented in a manner which would require
13 additional county or state costs for assistance provided to an
14 individual served under the pilot project.

15 2. In accordance with 2001 Iowa Acts, chapter 191, section
16 25, subsection 2, new applicants shall not be accepted into
17 the pilot project. An individual receiving services under the
18 pilot project as of June 30, 2004, shall continue receiving
19 services until the individual voluntarily leaves the project
20 or until another program with similar services exists.

21 Sec. 117. SEXUALLY VIOLENT PREDATORS.

22 1. There is appropriated from the general fund of the
23 state to the department of human services for the fiscal year
24 beginning July 1, 2004, and ending June 30, 2005, the
25 following amount, or so much thereof as is necessary, to be
26 used for the purpose designated:

27 For costs associated with the commitment and treatment of
28 sexually violent predators in the unit located at the state
29 mental health institute at Cherokee, including costs of legal
30 services and other associated costs, including salaries,
31 support, maintenance, and miscellaneous purposes and for not
32 more than the following full-time equivalent positions:
33 \$ 2,833,646
34 FTEs 57.00

35 2. Unless specifically prohibited by law, if the amount

1 charged provides for recoupment of at least the entire amount
2 of direct and indirect costs, the department of human services
3 may contract with other states to provide care and treatment
4 of persons placed by the other states at the unit for sexually
5 violent predators at Cherokee. The moneys received under such
6 a contract shall be considered to be repayment receipts and
7 used for the purposes of the appropriation made in this
8 section.

9 Sec. 118. FIELD OPERATIONS. There is appropriated from
10 the general fund of the state to the department of human
11 services for the fiscal year beginning July 1, 2004, and
12 ending June 30, 2005, the following amount, or so much thereof
13 as is necessary, to be used for the purposes designated:

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

17 \$ 49,897,364
18 FTEs 1,844.49

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

21 2. In operating the service area system established
22 pursuant to 2001 Iowa Acts, Second Extraordinary Session,
23 chapter 4, for the fiscal year beginning July 1, 2004, and
24 ending June 30, 2005, the department shall utilize the service
25 areas and service area administrators in lieu of regions and
26 regional administrators, notwithstanding the references to
27 department regions or regional administrators in sections
28 232.2, 232.52, 232.68, 232.72, 232.102, 232.117, 232.127,
29 232.143, 232.188, and 234.35, or other provision in law. The
30 department shall submit proposed legislation under section
31 2.16 for consideration by the Eighty-first General Assembly,
32 2005 Session, to correct the references in the necessary Code
33 sections.

34 Sec. 119. GENERAL ADMINISTRATION. There is appropriated
35 from the general fund of the state to the department of human

1 services for the fiscal year beginning July 1, 2004, and
2 ending June 30, 2005, the following amount, or so much thereof
3 as is necessary, to be used for the purpose designated:

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

7 \$ 10,863,434
8 FTEs 292.00

9 Of the funds appropriated in this section, \$57,000 is
10 allocated for the prevention of disabilities policy council
11 established in section 225B.3.

12 Sec. 120. VOLUNTEERS. There is appropriated from the
13 general fund of the state to the department of human services
14 for the fiscal year beginning July 1, 2004, and ending June
15 30, 2005, the following amount, or so much thereof as is
16 necessary, to be used for the purpose designated:

17 For development and coordination of volunteer services:

18 \$ 109,568

19 Sec. 121. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY
20 ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE
21 DEPARTMENT OF HUMAN SERVICES.

22 1. a. (1) For the fiscal year beginning July 1, 2004,
23 nursing facilities shall be reimbursed at 100 percent of the
24 modified price-based case-mix reimbursement rate. Nursing
25 facilities reimbursed under the medical assistance program
26 shall submit annual cost reports and additional documentation
27 as required by rules adopted by the department.

28 (2) For the fiscal year beginning July 1, 2004, the total
29 state funding amount for all nursing facility reimbursements
30 shall not exceed \$154,013,248. The department, in cooperation
31 with nursing facility representatives, shall review
32 projections for state funding expenditures for reimbursement
33 of nursing facilities on a quarterly basis and the department
34 shall determine if an adjustment to the medical assistance
35 reimbursement rate is necessary in order to provide

1 reimbursement within the state funding amount. Any temporary
2 enhanced federal financial participation that may become
3 available to the Iowa medical assistance program during the
4 fiscal year shall not be used in projecting the nursing
5 facility budget. Notwithstanding 2001 Iowa Acts, chapter 192,
6 section 4, subsection 2, paragraph "c", and subsection 3,
7 paragraph "a", subparagraph (2), if the total state funding
8 amount for reimbursement of all nursing facilities for the
9 fiscal year beginning July 1, 2004, is projected to exceed the
10 amount specified in this subparagraph, the department shall
11 adjust the inflation factor of the reimbursement rate
12 calculation for only the nursing facilities reimbursed under
13 the case-mix reimbursement rate to maintain expenditures of
14 the nursing facility budget within the specified amount.

15 b. For the fiscal year beginning July 1, 2004, the
16 department shall reimburse pharmacy dispensing fees using a
17 single rate of \$4.26 per prescription, or the pharmacy's usual
18 and customary fee, whichever is lower.

19 c. For the fiscal year beginning July 1, 2004,
20 reimbursement rates for inpatient and outpatient hospital
21 services shall remain at the rates in effect on June 30, 2004.
22 The department shall continue the outpatient hospital
23 reimbursement system based upon ambulatory patient groups
24 implemented pursuant to 1994 Iowa Acts, chapter 1186, section
25 25, subsection 1, paragraph "f". In addition, the department
26 shall continue the revised medical assistance payment policy
27 implemented pursuant to that paragraph to provide
28 reimbursement for costs of screening and treatment provided in
29 the hospital emergency room if made pursuant to the
30 prospective payment methodology developed by the department
31 for the payment of outpatient services provided under the
32 medical assistance program. Any rebasing of hospital
33 inpatient or outpatient rates shall not increase total
34 payments for inpatient and outpatient services.

35 d. For the fiscal year beginning July 1, 2004,

1 reimbursement rates for rural health clinics, hospices,
2 independent laboratories, and acute mental hospitals shall be
3 increased in accordance with increases under the federal
4 Medicare program or as supported by their Medicare audited
5 costs.

6 e. (1) For the fiscal year beginning July 1, 2004,
7 reimbursement rates for home health agencies shall remain at
8 the rates in effect on June 30, 2004.

9 (2) Notwithstanding 2003 Iowa Acts, chapter 112, section
10 7, subsection 7, the department shall establish a fixed-fee
11 reimbursement schedule for home health agencies under the
12 medical assistance program beginning July 1, 2005. The
13 department shall submit a status report regarding the
14 development of the fixed-fee schedule to the fiscal committee
15 of the legislative council no later than September 1, 2004.

16 f. For the fiscal year beginning July 1, 2004, federally
17 qualified health centers shall receive cost-based
18 reimbursement for 100 percent of the reasonable costs for the
19 provision of services to recipients of medical assistance.

20 g. Beginning July 1, 2004, the reimbursement rates for
21 dental services shall remain at the rates in effect on June
22 30, 2004.

23 h. Beginning July 1, 2004, the reimbursement rates for
24 community mental health centers shall remain at the rates in
25 effect on June 30, 2004.

26 i. For the fiscal year beginning July 1, 2004, the maximum
27 reimbursement rate for psychiatric medical institutions for
28 children shall remain at the rate in effect on June 30, 2004,
29 based on per day rates for actual costs.

30 j. For the fiscal year beginning July 1, 2004, unless
31 otherwise specified in this Act, all noninstitutional medical
32 assistance provider reimbursement rates shall remain at the
33 rates in effect on June 30, 2004, except for area education
34 agencies, local education agencies, infant and toddler
35 services providers, and those providers whose rates are

1 required to be determined pursuant to section 249A.20.

2 k. Notwithstanding section 249A.20, the average
3 reimbursement rates for health care providers eligible for use
4 of the reimbursement methodology under that section shall
5 remain at the rate in effect on June 30, 2004; however, this
6 rate shall not exceed the maximum level authorized by the
7 federal government.

8 2. For the fiscal year beginning July 1, 2004, the
9 reimbursement rate for residential care facilities shall not
10 be less than the minimum payment level as established by the
11 federal government to meet the federally mandated maintenance
12 of effort requirement. The flat reimbursement rate for
13 facilities electing not to file semiannual cost reports shall
14 not be less than the minimum payment level as established by
15 the federal government to meet the federally mandated
16 maintenance of effort requirement.

17 3. For the fiscal year beginning July 1, 2004, the
18 reimbursement rate for providers reimbursed under the in-home-
19 related care program shall not be less than the minimum
20 payment level as established by the federal government to meet
21 the federally mandated maintenance of effort requirement.

22 4. Unless otherwise directed in this section, when the
23 department's reimbursement methodology for any provider
24 reimbursed in accordance with this section includes an
25 inflation factor, this factor shall not exceed the amount by
26 which the consumer price index for all urban consumers
27 increased during the calendar year ending December 31, 2002.

28 5. Notwithstanding section 234.38, in the fiscal year
29 beginning July 1, 2004, the foster family basic daily
30 maintenance rate and the maximum adoption subsidy rate for
31 children ages 0 through 5 years shall be \$14.28, the rate for
32 children ages 6 through 11 years shall be \$15.07, the rate for
33 children ages 12 through 15 years shall be \$16.83, and the
34 rate for children ages 16 and older shall be \$16.83.

35 6. For the fiscal year beginning July 1, 2004, the maximum

1 reimbursement rates for social service providers shall remain
2 at the rates in effect on June 30, 2004. However, the rates
3 may be adjusted under any of the following circumstances:

4 a. If a new service was added after June 30, 2004, the
5 initial reimbursement rate for the service shall be based upon
6 actual and allowable costs.

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

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

21 8. For the fiscal year beginning July 1, 2004, the
22 reimbursement rates for rehabilitative treatment and support
23 services providers shall remain at the rates in effect on June
24 30, 2004.

25 9. For the fiscal year beginning July 1, 2004, and until
26 such time as proposals for provision of shelter care services
27 are selected and contracts for shelter care services are
28 entered into pursuant to this division of this Act, the
29 combined service and maintenance components of the
30 reimbursement rate paid for shelter care services purchased
31 under a contract shall be based on the financial and
32 statistical report submitted to the department. The maximum
33 reimbursement rate shall be \$83.69 per day. The department
34 shall reimburse a shelter care provider at the provider's
35 actual and allowable unit cost, plus inflation, not to exceed

1 the maximum reimbursement rate.

2 10. For the fiscal year beginning July 1, 2004, the
3 department shall calculate reimbursement rates for
4 intermediate care facilities for persons with mental
5 retardation at the 80th percentile.

6 11. For the fiscal year beginning July 1, 2004, for child
7 care providers, the department shall set provider
8 reimbursement rates based on the rate reimbursement survey
9 completed in December 1998. The department shall set rates in
10 a manner so as to provide incentives for a nonregistered
11 provider to become registered.

12 12. For the fiscal year beginning July 1, 2004,
13 reimbursements for providers reimbursed by the department of
14 human services may be modified if appropriated funding is
15 allocated for that purpose from the senior living trust fund
16 created in section 249H.4, or as specified in appropriations
17 from the healthy Iowans tobacco trust created in section
18 12.65.

19 13. The department may adopt emergency rules to implement
20 this section.

21 Sec. 122. TRANSFER AUTHORITY. Subject to the provisions
22 of section 8.39, for the fiscal year beginning July 1, 2004,
23 if necessary to meet federal maintenance of effort
24 requirements or to transfer federal temporary assistance for
25 needy families block grant funding to be used for purposes of
26 the federal social services block grant or to meet cash flow
27 needs resulting from delays in receiving federal funding or to
28 implement, in accordance with this division of this Act,
29 targeted case management for child protection and for
30 activities currently funded with juvenile court services,
31 county, or community moneys and state moneys used in
32 combination with such moneys, the department of human services
33 may transfer within or between any of the appropriations made
34 in this division of this Act and appropriations in law for the
35 federal social services block grant to the department for the

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1 following purposes, provided that the combined amount of state
2 and federal temporary assistance for needy families block
3 grant funding for each appropriation remains the same before
4 and after the transfer:

- 5 1. For the family investment program.
- 6 2. For child care assistance.
- 7 3. For child and family services.
- 8 4. For field operations.
- 9 5. For general administration.
- 10 6. MH/MR/DD/BI community services (local purchase).

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

13 Sec. 123. FRAUD AND RECOUPMENT ACTIVITIES. During the
14 fiscal year beginning July 1, 2004, notwithstanding the
15 restrictions in section 239B.14, recovered moneys generated
16 through fraud and recoupment activities are appropriated to
17 the department of human services to be used for additional
18 fraud and recoupment activities performed by the department of
19 human services or the department of inspections and appeals,
20 and the department of human services may add not more than
21 five full-time equivalent positions, in addition to those
22 funded in this division of this Act, subject to both of the
23 following conditions:

- 24 1. The director of human services determines that the
25 investment can reasonably be expected to increase recovery of
26 assistance paid in error, due to fraudulent or nonfraudulent
27 actions, in excess of the amount recovered in the fiscal year
28 beginning July 1, 1997.
- 29 2. The amount expended for the additional fraud and
30 recoupment activities shall not exceed the amount of the
31 projected increase in assistance recovered.

32 Sec. 124. MEDICAL ASSISTANCE PROGRAM -- NONREVERSION FOR
33 FY 2003-2004. Notwithstanding section 8.33, if moneys
34 appropriated in 2003 Iowa Acts, chapter 175, for the medical
35 assistance program from the general fund of the state, the

1 senior living trust fund, or the hospital trust fund, or in
2 2003 Iowa Acts, chapter 183, from the healthy Iowans tobacco
3 trust are in excess of actual expenditures for the medical
4 assistance program and remain unencumbered or unobligated at
5 the close of the fiscal year, the excess moneys shall not
6 revert, and notwithstanding any provision of law to the
7 contrary, shall not be transferred to any other appropriation
8 but shall remain available for expenditure for the purpose
9 designated until the close of the succeeding fiscal year.

10 Sec. 125. EMERGENCY RULES. If specifically authorized by
11 a provision of this division of this Act, the department of
12 human services or the mental health and developmental
13 disabilities commission may adopt administrative rules under
14 section 17A.4, subsection 2, and section 17A.5, subsection 2,
15 paragraph "b", to implement the provisions and the rules shall
16 become effective immediately upon filing or on a later
17 effective date specified in the rules, unless the effective
18 date is delayed by the administrative rules review committee.
19 Any rules adopted in accordance with this section shall not
20 take effect before the rules are reviewed by the
21 administrative rules review committee. The delay authority
22 provided to the administrative rules review committee under
23 section 17A.4, subsection 5, and section 17A.8, subsection 9,
24 shall be applicable to a delay imposed under this section,
25 notwithstanding a provision in those sections making them
26 inapplicable to section 17A.5, subsection 2, paragraph "b".
27 Any rules adopted in accordance with the provisions of this
28 section shall also be published as notice of intended action
29 as provided in section 17A.4.

30 Sec. 126. REPORTS.

31 1. Any reports or information required to be compiled and
32 submitted under this division of this Act shall be submitted
33 to the chairpersons and ranking members of the joint
34 appropriations subcommittee on health and human services, the
35 legislative services agency, and the legislative caucus staffs

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1 on or before the dates specified for submission of the reports
2 or information.

3 2. In order to reduce mailing and paper processing costs,
4 the department shall provide, to the extent feasible, reports,
5 notices, minutes, and other documents by electronic means to
6 those persons who have the capacity to access the documents in
7 that manner.

8 Sec. 127. LAW INAPPLICABLE FOR FISCAL YEAR 2004-2005.

9 1. The following provisions in Code or rule shall be
10 suspended for the period beginning July 1, 2004, and ending
11 June 30, 2005:

12 a. The requirements of section 239B.2A, relating to school
13 attendance by children participating in the family investment
14 program.

15 b. For a case permanency plan, as defined in section
16 232.2, the requirement for a six-month case permanency plan
17 review for an intact family.

18 2. The department may adopt emergency rules to implement
19 the provisions of this section.

20 Sec. 128. NEW SECTION. 217.14 REFUGEE SERVICES
21 FOUNDATION.

22 1. The department of human services shall cause a refugee
23 services foundation to be created for the sole purpose of
24 engaging in refugee resettlement activities to promote the
25 welfare and self-sufficiency of refugees who live in Iowa and
26 who are not citizens of the United States. The foundation may
27 establish an endowment fund to assist in the financing of its
28 activities. The foundation shall be incorporated under
29 chapter 504A.

30 2. The foundation shall be created in a manner so that
31 donations and bequests to the foundation qualify as tax
32 deductible under federal and state income tax laws. The
33 foundation is not a state agency and shall not exercise
34 sovereign power of the state. The state is not liable for any
35 debts of the foundation.

1 3. The refugee services foundation shall have a board of
2 directors of five members. One member shall be appointed by
3 the governor and four members shall be appointed by the
4 director of human services. Members of the board shall serve
5 three-year terms beginning on July 1, and ending on June 30.
6 A vacancy on the board shall be filled in the same manner as
7 the original appointment for the remainder of the term. Not
8 more than two members appointed by the director of human
9 services shall be of the same gender or of the same political
10 party.

11 4. The refugee services foundation may accept and
12 administer trusts deemed by the board to be beneficial.
13 Notwithstanding section 633.63, the foundation may act as
14 trustee of such a trust.

15 Sec. 129. Section 234.12A, subsection 1, paragraphs b and
16 c, Code Supplement 2003, are amended to read as follows:

17 b. A retailer providing electronic funds transfer system
18 equipment for transactions pursuant to the program shall be
19 reimbursed ~~seven-cents-for-each-approved-transaction~~ pursuant
20 to the program utilizing the retailer's equipment as follows:

21 (1) For the fiscal year beginning July 1, 2004, seven
22 cents for each approved transaction.

23 (2) For the fiscal year beginning July 1, 2005, four cents
24 for each approved transaction.

25 (3) For the fiscal year beginning July 1, 2006, and
26 succeeding fiscal years, reimbursement shall not be provided
27 under this paragraph.

28 c. A retailer that provides electronic funds transfer
29 system equipment for transactions pursuant to the program and
30 who makes cash disbursements pursuant to the program utilizing
31 the retailer's equipment shall be paid a fee ~~of-seven-cents~~ by
32 the department ~~for-each-cash-disbursement-transaction-by-the~~
33 retailer as follows:

34 (1) For the fiscal year beginning July 1, 2004, seven
35 cents for each cash disbursement transaction.

1 (2) For the fiscal year beginning July 1, 2005, four cents
2 for each cash disbursement transaction.

3 (3) For the fiscal year beginning July 1, 2006, and
4 succeeding fiscal years, reimbursement shall not be provided
5 under this paragraph.

6 Sec. 130. Section 249A.20, unnumbered paragraph 1, Code
7 2003, is amended to read as follows:

8 Beginning November 1, 2000, the department shall use the
9 federal Medicare resource-based relative value scale
10 methodology to reimburse all applicable noninstitutional
11 health providers, excluding anesthesia and dental services,
12 that on June 30, 2000, are reimbursed on a fee-for-service
13 basis for provision of services under the medical assistance
14 program. Additionally, beginning July 1, 2004, the department
15 shall use the federal Medicare resource-based relative value
16 scale methodology to reimburse noninstitutional health
17 providers of anesthesia services that on June 30, 2004, are
18 reimbursed on a fee-for-service basis for provision of
19 services under the medical assistance program. The department
20 shall apply the federal Medicare resource-based relative value
21 scale methodology to such health providers in the same manner
22 as the methodology is applied under the federal Medicare
23 program and shall not utilize the resource-based relative
24 value scale methodology in a manner that discriminates between
25 such health providers. The reimbursement schedule shall be
26 adjusted annually on July 1, and shall provide for
27 reimbursement that is not less than the reimbursement provided
28 under the fee schedule established for Iowa under the federal
29 Medicare program in effect on January 1 of that calendar year.

30 Sec. 131. Section 249A.20A, subsection 4, Code Supplement
31 2003, is amended to read as follows:

32 4. With the exception of drugs prescribed for the
33 treatment of human immunodeficiency virus or acquired immune
34 deficiency syndrome, transplantation, or cancer and drugs
35 ~~prescribed-for-mental-illness-with-the-exception-of-drugs-and~~

1 ~~drug-compounds-that-do-not-have-a-significant-variation-in-a~~
2 ~~therapeutic-profile-or-side-effect-profile-within-a~~
3 ~~therapeutic-class~~, prescribing and dispensing of prescription
4 drugs not included on the preferred drug list shall be subject
5 to prior authorization.

6 Sec. 132. NEW SECTION. 249A.34 MEDICAL ASSISTANCE MENTAL
7 HEALTH QUALITY OF CARE IMPROVEMENT COMMITTEE.

8 1. The department shall establish a medical assistance
9 mental health quality of care improvement committee to improve
10 medical assistance patient access to appropriate mental health
11 care and to make recommendations for cost saving mechanisms
12 for the delivery of mental health services under the medical
13 assistance program. The committee membership shall include
14 members of the public representing mental health advocates,
15 mental health care consumers, and mental health care
16 providers, including providers in private psychiatric
17 practice, as well as geriatric psychiatry, institutional
18 psychiatry, and child psychiatry disciplines. The membership
19 shall also include a designee of each of the following: the
20 medical assistance pharmaceutical and therapeutics committee
21 created pursuant to section 249A.20A, the university of Iowa
22 hospitals and clinics department of psychiatry, the Iowa
23 medical assistance drug utilization review commission created
24 in section 249A.24, the director of public health, and the
25 director of human services.

26 2. The medical assistance mental health quality of care
27 improvement committee shall advise the department in the
28 implementation of all of the following:

29 a. Clinical treatment algorithms for schizophrenia, major
30 depressive disorder, and bipolar disorder. The algorithms
31 shall be utilized in lieu of policies restricting access to
32 care and medication and shall not be subject to prior
33 authorization requirements or medication preferences.

34 b. A mental health polypharmacy review process, including
35 but not limited to data collection and analysis and medical

1 service provider education.

2 3. The medical assistance mental health quality of care
3 improvement committee shall, on an ongoing basis, review and
4 recommend other mechanisms to promote medical assistance
5 patient access to improved quality of care and the use of
6 other cost saving mechanisms, including but not limited to
7 implementing disease management programs for mental health
8 disorders, expanding assertive community treatment programs,
9 improving methods for gathering and analyzing data regarding
10 the delivery of mental health care, and implementing other
11 effective treatment programs.

12 4. This section is repealed July 1, 2007.

13 Sec. 133. NEW SECTION. 505.25 INFORMATION PROVIDED TO
14 MEDICAL ASSISTANCE PROGRAM.

15 A carrier, as defined in section 514C.13, shall provide the
16 department of human services with the names of all of its
17 insureds, in a format required by the department of human
18 services, for the sole purpose of comparing the names of such
19 insureds with the names of recipients of the medical
20 assistance program. Insurers shall begin providing the
21 information to the department by July 1, 2004.

22 Sec. 134. 2001 Iowa Acts, chapter 192, section 4,
23 subsection 3, paragraphs e and f, are amended to read as
24 follows:

25 e. The department shall calculate the rate ceiling for the
26 direct-care cost component at 120 percent of the median of
27 case-mix adjusted costs. Nursing facilities with case-mix
28 adjusted costs at 95 percent of the median or greater, shall
29 receive an amount equal to their costs not to exceed 120
30 percent of the median. Nursing facilities with case-mix
31 adjusted costs below 95 percent of the median shall receive an
32 excess payment allowance by having their payment rate for the
33 direct-care cost component calculated as their case-mix
34 adjusted cost plus 100 percent of the difference between 95
35 percent of the median and their case-mix adjusted cost, not to

1 exceed 10 percent of the median of case-mix adjusted costs.
2 Beginning July 1, 2004, nursing facilities with case-mix
3 adjusted costs below 95 percent of the median shall receive an
4 excess payment allowance by having their payment rate for the
5 direct-care cost component calculated as their case-mix
6 adjusted cost plus 50 percent of the difference between 95
7 percent of the median and their case-mix adjusted cost, not to
8 exceed 10 percent of the median of case-mix adjusted costs.
9 Any excess payment allowance realized from the direct care
10 cost component of the modified price-based case-mix
11 reimbursement shall be expended to increase the compensation
12 of direct care workers or to increase the ratio of direct care
13 workers to residents. The department of human services shall
14 implement a new monitoring and reporting system to assess
15 compliance with the provisions of this paragraph.
16 f. The department shall calculate the rate ceiling for the
17 nondirect care cost component at 110 percent of the median of
18 non-case-mix adjusted costs. Nursing facilities with non-
19 case-mix adjusted costs at 96 percent of the median or greater
20 shall receive an amount equal to their costs not to exceed 110
21 percent of the median. Nursing facilities with non-case-mix
22 adjusted costs below 96 percent of the median shall receive an
23 excess payment allowance that is their costs plus 65 percent
24 of the difference between 96 percent of the median and their
25 non-case-mix adjusted costs, not to exceed 8 percent of the
26 median of non-case-mix adjusted costs. Beginning July 1,
27 2004, nursing facilities with non-case-mix adjusted costs
28 below 96 percent of the median shall receive an excess payment
29 allowance that is their costs plus 32.5 percent of the
30 difference between 96 percent of the median and their non-
31 case-mix adjusted costs, not to exceed 8 percent of the median
32 of non-case-mix adjusted costs. Any excess payment allowance
33 realized from the nondirect care cost component of the
34 modified price-based case-mix reimbursement shall be used to
35 fund quality of life improvements. The department of human

1 services shall implement a new monitoring and reporting system
2 to assess compliance with the provisions of this paragraph.

3 Sec. 135. 2003 Iowa Acts, chapter 175, section 13,
4 subsection 2, as amended by 2003 Iowa Acts, 1st Extraordinary
5 Session, chapter 2, section 6, is amended to read as follows:

6 2. The department may either continue or reprocure the
7 contract existing on June 30, 2003, with the department's
8 fiscal agent. If the department initiates reprocurement of
9 the contract, of the amount appropriated in this Act for the
10 medical assistance program, up to \$500,000 may be used to
11 begin the implementation process.

12 Notwithstanding section 8.33, moneys appropriated in this
13 subsection that remain unencumbered or unobligated at the
14 close of the fiscal year shall not revert but shall remain
15 available for expenditure for the specific purposes designated
16 in this subsection until the close of the succeeding fiscal
17 year.

18 Sec. 136. 2003 Iowa Acts, chapter 175, section 18,
19 subsection 9, is amended to read as follows:

20 9. Notwithstanding section 234.35, subsection 1, for the
21 fiscal year beginning July 1, 2003, state funding for shelter
22 care paid pursuant to section 234.35, subsection 1, paragraph
23 "h", shall be limited to ~~\$6,922,509~~ \$10,122,509.

24 Sec. 137. 2003 Iowa Acts, chapter 175, section 56,
25 subsection 2, paragraph g, is amended to read as follows:

26 g. Notwithstanding section 8.33, up to ~~\$500,000~~ \$1,000,000
27 of the Iowa veterans home revenues that remain unencumbered or
28 unobligated at the close of the fiscal year shall not revert
29 but shall remain available to be used in the succeeding fiscal
30 year.

31 Sec. 138. 2003 Iowa Acts, chapter 178, section 45, is
32 amended by adding the following new unnumbered paragraph:

33 NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33,
34 moneys appropriated in this section that remain unencumbered
35 or unobligated at the close of the fiscal year shall not

1 revert but shall remain available for expenditure for the
2 child and family services until the close of the succeeding
3 fiscal year.

4 Sec. 139. 2003 Iowa Acts, chapter 179, section 2,
5 subsection 2, paragraph b, is amended to read as follows:

6 ~~b. For deposit in the risk pool created in the property~~
7 ~~tax relief fund and for distribution in accordance with~~

8 section 426B-57-subsection-2 For medical assistance
9 reimbursement, in addition to other appropriations made for
10 purposes of the medical assistance program for the fiscal year
11 beginning July 1, 2004, and ending June 30, 2005:

12 \$ 2,000,000

13 Sec. 140. EFFECTIVE DATES. The following provisions of
14 this division of this Act, being deemed of immediate
15 importance, take effect upon enactment:

16 1. The provision under the appropriation for child and
17 family services, relating to requirements of section 232.143
18 for representatives of the department of human services and
19 juvenile court services to establish a plan for continuing
20 group foster care expenditures for the 2004-2005 fiscal year.

21 2. The provision under the appropriation for child and
22 family services, relating to the state court administrator
23 determining allocation of court-ordered services funding by
24 June 15, 2004.

25 3. The provision relating to nonreversion and prohibited
26 transfer of the appropriations for the medical assistance
27 program for the fiscal year beginning July 1, 2003, and ending
28 June 30, 2004.

29 4. The provisions in this division of this Act relating to
30 insurance carriers providing listings of insureds to the
31 department of human services including the provision creating
32 section 505.25.

33 5. The provision amending 2003 Iowa Acts, chapter 175,
34 section 13, subsection 2, as amended by 2003 Iowa Acts, First
35 Extraordinary Session, chapter 2, section 6.

1 6. The provisions amending 2003 Iowa Acts, chapter 175,
2 section 18, subsection 9, and section 56.

3 7. The provision amending 2003 Iowa Acts, chapter 178,
4 section 45.

5 8. The provision amending 2003 Iowa Acts, chapter 179,
6 section 2, subsection 2, paragraph "b".

7 DIVISION VI
8 SENIOR LIVING AND HOSPITAL TRUST FUNDS

9 Sec. 141. DEPARTMENT OF ELDER AFFAIRS. There is
10 appropriated from the senior living trust fund created in
11 section 249H.4 to the department of elder affairs for the
12 fiscal year beginning July 1, 2004, and ending June 30, 2005,
13 the following amount, or so much thereof as is necessary, to
14 be used for the purpose designated:

15 For the development and implementation of a comprehensive
16 senior living program, including program administration and
17 costs associated with implementation, salaries, support,
18 maintenance, and miscellaneous purposes and for not more than
19 the following full-time equivalent positions:

20	\$	8,222,118
21	FTEs	2.00

22 1. It is the intent of the general assembly that the
23 department not transfer moneys appropriated to the department
24 for purposes of the assisted living program and adult day care
25 for the fiscal year beginning July 1, 2004.

26 2. Notwithstanding section 249H.7, the department of elder
27 affairs shall distribute up to \$300,000 of the funds
28 appropriated in this section in a manner that will supplement
29 and maximize federal funds under the federal Older Americans
30 Act and shall not use the amount distributed for any
31 administrative purposes of either the department of elder
32 affairs or the area agencies on aging.

33 3. Of the moneys appropriated in this section, \$60,000
34 shall be used for the provision of training to resident
35 advocate committees for elder group homes, as defined in

1 section 231B.1, and licensed health care facilities as defined
2 in section 135C.1.

3 4. Of the moneys appropriated in this section, \$140,000
4 shall be used to provide two additional state long-term care
5 resident advocates.

6 5. Of the moneys appropriated in this section, \$500,000
7 shall be used to provide case management services to elders
8 who are not eligible for the medical assistance program.

9 Sec. 142. DEPARTMENT OF INSPECTIONS AND APPEALS. There is
10 appropriated from the senior living trust fund created in
11 section 249H.4 to the department of inspections and appeals
12 for the fiscal year beginning July 1, 2004, and ending June
13 30, 2005, the following amount, or so much thereof as is
14 necessary, to be used for the purpose designated:

15 For the inspection and certification of assisted living
16 facilities and adult day care services, including program
17 administration and costs associated with implementation,
18 salaries, support, maintenance, and miscellaneous purposes and
19 for not more than the following full-time equivalent
20 positions:

21	\$	800,000
22	FTEs	6.00

23 Sec. 143. DEPARTMENT OF HUMAN SERVICES. There is
24 appropriated from the senior living trust fund created in
25 section 249H.4 to the department of human services for the
26 fiscal year beginning July 1, 2004, and ending June 30, 2005,
27 the following amounts, or so much thereof as is necessary, to
28 be used for the purposes designated:

29 1. To provide grants to nursing facilities for conversion
30 to assisted living programs or to provide long-term care
31 alternatives, to provide grants to intermediate care
32 facilities for persons with mental retardation for conversion
33 to assisted living programs or home and community-based
34 services, to provide grants to long-term care providers for
35 development of long-term care alternatives, to develop less

1 restrictive community-based services for placement of persons
2 currently residing in state resource centers, and for other
3 purposes specified in this subsection:

4 \$ 20,000,000

5 a. Up to 25 percent of the amount appropriated in this
6 subsection may be used for development of less restrictive
7 community-based services, including community residential
8 living alternatives, with a significant focus on reducing the
9 numbers of persons served in state resource centers and other
10 intermediate care facilities for persons with mental
11 retardation as well as for activities designed to facilitate
12 the planning for or placement of such services and persons.
13 Services provided under this paragraph are not intended to
14 require the closure of nursing facilities.

15 b. Up to \$2,000,000 of the moneys allocated in paragraph
16 "a" may, at the discretion of the director of human services,
17 be transferred to the Iowa finance authority for the purpose
18 of utilizing low-income housing tax credits for the
19 development of service-enriched housing for persons served in
20 the state resource centers and to assist in the development of
21 assisted living facilities that focus on addressing the needs
22 of persons with low income.

23 2. To supplement the medical assistance appropriation,
24 including program administration and costs associated with
25 implementation, salaries, support, maintenance, and
26 miscellaneous purposes, and for not more than the following
27 full-time equivalent positions:

28 \$ 91,600,000

29 FTEs 5.00

30 3. To provide reimbursement for health care services and
31 rent expenses to eligible persons through the home and
32 community-based services waiver and the state supplementary
33 assistance program, including program administration and data
34 system costs associated with implementation, salaries,
35 support, maintenance, and miscellaneous purposes:

1 \$ 1,733,406

2 Participation in the rent subsidy program shall be limited
3 to only those persons who are at risk for nursing facility
4 care.

5 4. To implement nursing facility provider reimbursements
6 as provided in 2001 Iowa Acts, chapter 192, section 4,
7 subsection 2, paragraph "c":

8 \$ 29,950,000

9 In order to carry out the purposes of this section, the
10 department shall transfer funds appropriated in this section
11 to supplement other appropriations made to the department of
12 human services.

13 5. Notwithstanding sections 249H.4 and 249H.5, the
14 department of human services may use moneys from the senior
15 living trust fund for cash flow purposes to make payments
16 under the nursing facility or hospital upper payment limit
17 methodology. The amount of any moneys so used shall be
18 refunded to the senior living trust fund within the same
19 fiscal year and in a prompt manner.

20 6. Notwithstanding section 8.33, moneys committed to
21 grantees under contract to provide for conversion to assisted
22 living programs or for development of long-term care
23 alternatives that remain unexpended at the close of the fiscal
24 year shall not revert to any fund but shall remain available
25 for expenditure for purposes of the contract.

26 Sec. 144. INSURANCE DIVISION OF THE DEPARTMENT OF
27 COMMERCE. There is appropriated from the senior living trust
28 fund created in section 249H.4 to the insurance division of
29 the department of commerce for the fiscal year beginning July
30 1, 2004, and ending June 30, 2005, the following amount, or so
31 much thereof as is necessary, to be used for the purpose
32 designated:

33 For administration of the long-term care insurance
34 partnership program including program administration and costs
35 associated with implementation, salaries, support,

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

3	\$	265,000
4	FTEs	4.00

5 Sec. 145. CONVERSION GRANT PROJECTS -- RULES.

6 1. For the fiscal year beginning July 1, 2004, and ending
7 June 30, 2005, the department of human services shall continue
8 to give greater weight in the scoring methodology to nursing
9 facility conversion projects that are primarily for the
10 renovation and remodeling of the existing nursing facility
11 structure and give less weight to conversion projects that are
12 primarily for new construction. The department of human
13 services shall encourage cooperative efforts between the
14 department of inspections and appeals, the state fire marshal,
15 and the grant applicant to promote the acceptance of nursing
16 facility conversion projects that are primarily renovation and
17 remodeling of the existing nursing facility structure.

18 2. For the fiscal year beginning July 1, 2004, and ending
19 June 30, 2005, the department of inspections and appeals shall
20 certify all assisted living programs established through
21 nursing facility conversion grants. The department of
22 inspections and appeals shall consult with conversion grant
23 applicants and recipients to establish and monitor occupancy
24 agreements and assisted living program residents shall be
25 allowed access to third-party payors.

26 Sec. 146. HOSPITAL TRUST FUND. There is appropriated from
27 the hospital trust fund created in section 249I.4 to the
28 department of human services for the fiscal year beginning
29 July 1, 2004, and ending June 30, 2005, the following amount,
30 or so much thereof as is necessary, to be used for the purpose
31 designated:

32 To supplement the appropriations made for the medical
33 assistance program for that fiscal year:

34	\$	37,500,000
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35 Sec. 147. MEDICAL ASSISTANCE PROGRAM -- REVERSION TO

1 SENIOR LIVING TRUST FUND FOR FY 2004-2005. Notwithstanding
2 section 8.33, if moneys appropriated in this Act for purposes
3 of the medical assistance program for the fiscal year
4 beginning July 1, 2004, and ending June 30, 2005, from the
5 general fund of the state, the senior living trust fund, the
6 hospital trust fund, or the healthy Iowans tobacco trust fund
7 are in excess of actual expenditures for the medical
8 assistance program and remain unencumbered or unobligated at
9 the close of the fiscal year, the excess moneys shall not
10 revert but shall be transferred to the senior living trust
11 fund created in section 249H.4.

12 DIVISION VII

13 MENTAL HEALTH, MENTAL RETARDATION,
14 DEVELOPMENTAL DISABILITIES,
15 AND BRAIN INJURY SERVICES

16 Sec. 148. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND
17 DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR ALLOCATIONS
18 -- FISCAL YEAR 2005-2006.

19 1. There is appropriated from the general fund of the
20 state to the department of human services for the fiscal year
21 beginning July 1, 2005, and ending June 30, 2006, the
22 following amount, or so much thereof as is necessary, to be
23 used for the purpose designated:

24 For distribution to counties of the county mental health,
25 mental retardation, and developmental disabilities allowed
26 growth factor adjustment, as provided in this section in lieu
27 of the provisions of section 331.438, subsection 2, and
28 section 331.439, subsection 3, and chapter 426B:

29 \$ 28,507,362

30 2. The funding appropriated in this section is the allowed
31 growth factor adjustment for fiscal year 2005-2006, and is
32 allocated as follows:

33 a. For distribution to counties for fiscal year 2005-2006
34 in accordance with the formula in section 331.438, subsection
35 2, paragraph "b":

1 \$ 12,000,000

2 b. For deposit in the per capita expenditure target pool
3 created in the property tax relief fund and for distribution
4 in accordance with section 426B.5, subsection 1:

5 \$ 14,507,362

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

9 \$ 2,000,000

10 Sec. 149. 2003 Iowa Acts, chapter 179, section 2, is
11 amended by adding the following new subsections:

12 NEW SUBSECTION. 3. The following formula amounts shall be
13 utilized only to calculate preliminary distribution amounts
14 for fiscal year 2004-2005 under this section by applying the
15 indicated formula provisions to the formula amounts and
16 producing a preliminary distribution total for each county:

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

20 \$ 12,000,000

21 b. For calculation of a distribution amount for eligible
22 counties from the per capita expenditure target pool created
23 in the property tax relief fund in accordance with the
24 requirements in section 426B.5, subsection 1:

25 \$ 14,492,712

26 c. For calculation of a distribution amount for counties
27 from the mental health and developmental disabilities (MH/DD)
28 community services fund in accordance with the formula
29 provided in the appropriation made for the MH/DD community
30 services fund for the fiscal year beginning July 1, 2003:

31 \$ 17,727,890

32 NEW SUBSECTION. 4. After applying the applicable
33 statutory distribution formulas to the amounts indicated in
34 subsection 3 for purposes of producing preliminary
35 distribution totals, the department of human services shall

1 apply a withholding factor to adjust an eligible individual
2 county's preliminary distribution total. An ending balance
3 percentage for each county shall be determined by expressing
4 the county's ending balance on a modified accrual basis under
5 generally accepted accounting principles for the fiscal year
6 beginning July 1, 2003, in the county's mental health, mental
7 retardation, and developmental disabilities services fund
8 created under section 331.424A, as a percentage of the
9 county's gross expenditures from that fund for that fiscal
10 year. The withholding factor for a county shall be the
11 following applicable percent:

12 a. For an ending balance percentage of less than 10
13 percent, a withholding factor of 0 percent. In addition to
14 the county's adjusted distribution total, a county that is
15 subject to this paragraph "a" shall receive an inflation
16 adjustment equal to 2.6 percent of the gross expenditures
17 reported for the county's services fund for that fiscal year.

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

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

22 d. For an ending balance percentage of 35 percent or more,
23 a withholding factor of 100 percent.

24 NEW SUBSECTION. 5. The total withholding amounts applied
25 pursuant to subsection 4 shall be equal to a withholding
26 target amount of \$4,753,963. If the department of human
27 services determines that the amount to be withheld in
28 accordance with subsection 4 is not equal to the target
29 withholding amount, the department shall adjust the
30 withholding factors listed in subsection 4 as necessary to
31 achieve the withholding target amount. However, in making
32 such adjustments to the withholding factors, the department
33 shall strive to minimize changes to the withholding factors
34 for those ending balance percentage ranges that are lower than
35 others and shall not adjust the zero withholding factor or the

1 inflation adjustment percentage specified in subsection 4,
2 paragraph "a".

3 NEW SUBSECTION. 6. If the department of human services is
4 able to draw down the maximum amount available to the state
5 under the medical assistance program disproportionate share
6 hospital reimbursement provisions and it is implemented in a
7 manner that results in an increase in the reimbursement to a
8 county-owned hospital in a county with a population over
9 200,000, an amount equal to the reimbursement increase paid to
10 the county hospital shall be withheld from the funds that
11 would otherwise be paid to that county in accordance with this
12 section. The county hospital shall establish a credit for the
13 county in an amount equal to the amount withheld pursuant to
14 this subsection. The county may apply the credit to the
15 county hospital's billings for services otherwise payable from
16 the county's services fund created under section 331.424A.
17 The funds that are withheld from the county pursuant to this
18 section shall be transferred to the general fund of the state.

19 DIVISION VIII

20 JUDICIAL BRANCH

21 Sec. 150. JUDICIAL BRANCH. There is appropriated from the
22 general fund of the state to the judicial branch for the
23 fiscal year beginning July 1, 2004, and ending June 30, 2005,
24 the following amount, or so much thereof as is necessary, to
25 be used for the purposes designated:

26 For salaries of supreme court justices, appellate court
27 judges, district court judges, district associate judges,
28 judicial magistrates and staff, state court administrator,
29 clerk of the supreme court, district court administrators,
30 clerks of the district court, juvenile court officers, board
31 of law examiners and board of examiners of shorthand reporters
32 and judicial qualifications commission, receipt and
33 disbursement of child support payments, reimbursement of the
34 auditor of state for expenses incurred in completing audits of
35 the offices of the clerks of the district court during the

1 fiscal year beginning July 1, 2004, and maintenance,
2 equipment, and miscellaneous purposes:
3 \$117,837,862

4 1. The judicial branch, except for purposes of internal
5 processing, shall use the current state budget system, the
6 state payroll system, and the Iowa finance and accounting
7 system in administration of programs and payments for
8 services, and shall not duplicate the state payroll,
9 accounting, and budgeting systems.

10 2. The judicial branch shall submit monthly financial
11 statements to the legislative services agency and the
12 department of management containing all appropriated accounts
13 in the same manner as provided in the monthly financial status
14 reports and personal services usage reports of the department
15 of administrative services. The monthly financial statements
16 shall include a comparison of the dollars and percentage spent
17 of budgeted versus actual revenues and expenditures on a
18 cumulative basis for full-time equivalent positions and
19 dollars.

20 3. The judicial branch shall focus efforts upon the
21 collection of delinquent fines, penalties, court costs, fees,
22 surcharges, or similar amounts.

23 4. It is the intent of the general assembly that the
24 offices of the clerks of the district court operate in all
25 ninety-nine counties and be accessible to the public as much
26 as is reasonably possible in order to address the relative
27 needs of the citizens of each county.

28 5. The judicial branch shall study the best practices and
29 efficiencies of each judicial district. In identifying the
30 most efficient judicial districts and the districts using best
31 practices, the judicial branch shall consider the average cost
32 to the judicial branch for processing each classification of
33 criminal offense or civil action and the overall number of
34 cases filed. The judicial branch shall file a report
35 regarding the study made and actions taken pursuant to this

1 subsection with the cochairpersons and ranking members of the
2 joint appropriations subcommittee on the justice system and to
3 the legislative services agency by December 15, 2004.

4 6. In addition to the requirements for transfers under
5 section 8.39, the judicial branch shall not change the
6 appropriations from the amounts appropriated to the judicial
7 branch in this division of this Act, unless notice of the
8 revisions is given prior to their effective date to the
9 legislative services agency. The notice shall include
10 information on the branch's rationale for making the changes
11 and details concerning the work load and performance measures
12 upon which the changes are based.

13 7. The judicial branch shall submit a semiannual update to
14 the legislative services agency specifying the amounts of
15 fines, surcharges, and court costs collected using the Iowa
16 court information system since the last report. The judicial
17 branch shall continue to facilitate the sharing of vital
18 sentencing and other information with other state departments
19 and governmental agencies involved in the criminal justice
20 system through the Iowa court information system.

21 8. The judicial branch shall provide a report to the
22 general assembly by January 1, 2005, concerning the amounts
23 received and expended from the enhanced court collections fund
24 created in section 602.1304 and the court technology and
25 modernization fund created in section 602.8108, subsection 5,
26 during the fiscal year beginning July 1, 2003, and ending June
27 30, 2004, and the plans for expenditures from each fund during
28 the fiscal year beginning July 1, 2004, and ending June 30,
29 2005. A copy of the report shall be provided to the
30 legislative services agency.

31 Sec. 151. JUDICIAL RETIREMENT FUND. There is appropriated
32 from the general fund of the state to the judicial retirement
33 fund for the fiscal year beginning July 1, 2004, and ending
34 June 30, 2005, the following amount, or so much thereof as is
35 necessary, to be used for the purpose designated:

1 Notwithstanding section 602.9104, for the state's
2 contribution to the judicial retirement fund in the amount of
3 9.71 percent of the basic salaries of the judges covered under
4 chapter 602, article 9:

5 \$ 2,039,664

6 Sec. 152. APPOINTMENT OF CLERK OF COURT. The appointment
7 of a clerk of the district court shall not occur unless the
8 state court administrator approves the appointment.

9 Sec. 153. POSTING OF REPORTS IN ELECTRONIC FORMAT --
10 LEGISLATIVE SERVICES AGENCY. All reports or copies of reports
11 required to be provided by the judicial branch for fiscal year
12 2004-2005 to the legislative services agency shall be provided
13 in an electronic format. The legislative services agency
14 shall post the reports on its internet site and shall notify
15 by electronic means all the members of the joint
16 appropriations subcommittee on the justice system when a
17 report is posted. Upon request, copies of the reports may be
18 mailed to members of the joint appropriations subcommittee on
19 the justice system.

20 DIVISION IX
21 JUSTICE SYSTEM

22 Sec. 154. DEPARTMENT OF JUSTICE.
23 1. There is appropriated from the general fund of the
24 state to the department of justice for the fiscal year
25 beginning July 1, 2004, and ending June 30, 2005, the
26 following amounts, or so much thereof as is necessary, to be
27 used for the purposes designated:
28 a. For the general office of attorney general for
29 salaries, support, maintenance, miscellaneous purposes
30 including the prosecuting attorneys training program, victim
31 assistance grants, office of drug control policy (ODCP)
32 prosecuting attorney program, legal services for persons in
33 poverty grants as provided in section 13.34, odometer fraud
34 enforcement, and for not more than the following full-time
35 equivalent positions:

1 \$ 7,565,245
 2 FTEs 208.50

3 It is the intent of the general assembly that as a
 4 condition of receiving the appropriation provided in this
 5 lettered paragraph, the department of justice shall maintain a
 6 record of the estimated time incurred representing each agency
 7 or department.

8 b. For victim assistance grants:
 9 \$ 5,000

10 The funds appropriated in this lettered paragraph shall be
 11 used to provide grants to care providers providing services to
 12 crime victims of domestic abuse or to crime victims of rape
 13 and sexual assault.

14 2. In addition to the funds appropriated in subsection 1,
 15 there is appropriated from the general fund of the state to
 16 the department of justice for the fiscal year beginning July
 17 1, 2004, and ending June 30, 2005, an amount not exceeding
 18 \$200,000 to be used for the enforcement of the Iowa
 19 competition law. The funds appropriated in this subsection
 20 are contingent upon receipt by the general fund of the state
 21 of an amount at least equal to the expenditure amount from
 22 either damages awarded to the state or a political subdivision
 23 of the state by a civil judgment under chapter 553, if the
 24 judgment authorizes the use of the award for enforcement
 25 purposes or costs or attorneys fees awarded the state in state
 26 or federal antitrust actions. However, if the amounts
 27 received as a result of these judgments are in excess of
 28 \$200,000, the excess amounts shall not be appropriated to the
 29 department of justice pursuant to this subsection. The
 30 department of justice shall report the department's actual
 31 costs and an estimate of the time incurred enforcing the
 32 competition law, to the cochairpersons and ranking members of
 33 the joint appropriations subcommittee on the justice system,
 34 and to the legislative services agency by November 15, 2004.
 35 3. In addition to the funds appropriated in subsection 1,

1 there is appropriated from the general fund of the state to
2 the department of justice for the fiscal year beginning July
3 1, 2004, and ending June 30, 2005, an amount not exceeding
4 \$1,125,000 to be used for public education relating to
5 consumer fraud and for enforcement of section 714.16, and an
6 amount not exceeding \$75,000 for investigation, prosecution,
7 and consumer education relating to consumer and criminal fraud
8 against older Iowans. The funds appropriated in this
9 subsection are contingent upon receipt by the general fund of
10 the state of an amount at least equal to the expenditure
11 amount from damages awarded to the state or a political
12 subdivision of the state by a civil consumer fraud judgment or
13 settlement, if the judgment or settlement authorizes the use
14 of the award for public education on consumer fraud. However,
15 if the funds received as a result of these judgments and
16 settlements are in excess of \$1,200,000, the excess funds
17 shall not be appropriated to the department of justice
18 pursuant to this subsection. The department of justice shall
19 report to the cochairpersons and ranking members of the joint
20 appropriations subcommittee on the justice system, and to the
21 legislative services agency by November 15, 2004, the
22 department's actual costs and an estimate of the time incurred
23 in providing education pursuant to and enforcing this
24 subsection.

25 4. The balance of the victim compensation fund established
26 in section 915.94 may be used to provide salary and support of
27 not more than 20.00 FTEs and to provide maintenance for the
28 victim compensation functions of the department of justice.

29 5. a. The department of justice, in submitting budget
30 estimates for the fiscal year commencing July 1, 2005,
31 pursuant to section 8.23, shall include a report of funding
32 from sources other than amounts appropriated directly from the
33 general fund of the state to the department of justice or to
34 the office of consumer advocate. These funding sources shall
35 include, but are not limited to, reimbursements from other

1 state agencies, commissions, boards, or similar entities, and
2 reimbursements from special funds or internal accounts within
3 the department of justice. The department of justice shall
4 report actual reimbursements for the fiscal year commencing
5 July 1, 2003, and actual and expected reimbursements for the
6 fiscal year commencing July 1, 2004.

7 b. The department of justice shall include the report
8 required under paragraph "a", as well as information regarding
9 any revisions occurring as a result of reimbursements actually
10 received or expected at a later date, in a report to the
11 cochairpersons and ranking members of the joint appropriations
12 subcommittee on the justice system and the legislative
13 services agency. The department of justice shall submit the
14 report on or before January 15, 2005.

15 Sec. 155. DEPARTMENT OF JUSTICE -- ENVIRONMENTAL CRIMES
16 INVESTIGATION AND PROSECUTION -- FUNDING. There is
17 appropriated from the environmental crime fund of the
18 department of justice, consisting of court-ordered fines and
19 penalties awarded to the department arising out of the
20 prosecution of environmental crimes, to the department of
21 justice for the fiscal year beginning July 1, 2004, and ending
22 June 30, 2005, an amount not exceeding \$20,000 to be used by
23 the department, at the discretion of the attorney general, for
24 the investigation and prosecution of environmental crimes,
25 including the reimbursement of expenses incurred by county,
26 municipal, and other local governmental agencies cooperating
27 with the department in the investigation and prosecution of
28 environmental crimes.

29 The funds appropriated in this section are contingent upon
30 receipt by the environmental crime fund of the department of
31 justice of an amount at least equal to the appropriations made
32 in this section and received from contributions, court-ordered
33 restitution as part of judgments in criminal cases, and
34 consent decrees entered into as part of civil or regulatory
35 enforcement actions. However, if the funds received during

1 the fiscal year are in excess of \$20,000, the excess funds
2 shall be deposited in the general fund of the state.

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

8 Sec. 156. OFFICE OF CONSUMER ADVOCATE. There is
9 appropriated from the general fund of the state to the office
10 of consumer advocate of the department of justice for the
11 fiscal year beginning July 1, 2004, and ending June 30, 2005,
12 the following amount, or so much thereof as is necessary, to
13 be used for the purposes designated:

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

17	\$	2,803,862
18	FTEs	27.00

19 Sec. 157. DEPARTMENT OF CORRECTIONS -- FACILITIES.

20 1. There is appropriated from the general fund of the
21 state to the department of corrections for the fiscal year
22 beginning July 1, 2004, and ending June 30, 2005, the
23 following amounts, or so much thereof as is necessary, to be
24 used for the purposes designated:

25 For the operation of adult correctional institutions,
26 reimbursement of counties for certain confinement costs, and
27 federal prison reimbursement, to be allocated as follows:

28 a. For the operation of the Fort Madison correctional
29 facility, including salaries, support, maintenance, and
30 miscellaneous purposes:

31 \$ 38,009,504

32 b. For the operation of the Anamosa correctional facility,
33 including salaries, support, maintenance, and miscellaneous
34 purposes:

35 \$ 26,913,551

1 Moneys are provided within this appropriation for one full-
2 time substance abuse counselor for the Luster Heights
3 facility, for the purpose of certification of a substance
4 abuse program at that facility.

5 c. For the operation of the Oakdale correctional facility,
6 including salaries, support, maintenance, and miscellaneous
7 purposes:

8 \$ 23,536,936

9 d. For the operation of the Newton correctional facility,
10 including salaries, support, maintenance, and miscellaneous
11 purposes:

12 \$ 24,533,794

13 e. For the operation of the Mt. Pleasant correctional
14 facility, including salaries, support, maintenance, and
15 miscellaneous purposes:

16 \$ 22,464,361

17 f. For the operation of the Rockwell City correctional
18 facility, including salaries, support, maintenance, and
19 miscellaneous purposes:

20 \$ 7,772,369

21 g. For the operation of the Clarinda correctional
22 facility, including salaries, support, maintenance, and
23 miscellaneous purposes:

24 \$ 22,518,204

25 Moneys received by the department of corrections as
26 reimbursement for services provided to the Clarinda youth
27 corporation are appropriated to the department and shall be
28 used for the purpose of operating the Clarinda correctional
29 facility.

30 h. For the operation of the Mitchellville correctional
31 facility, including salaries, support, maintenance, and
32 miscellaneous purposes:

33 \$ 13,190,260

34 i. For the operation of the Fort Dodge correctional
35 facility, including salaries, support, maintenance, and

1 miscellaneous purposes:

2 \$ 25,880,530

3 j. For reimbursement of counties for temporary confinement
4 of work release and parole violators, as provided in sections
5 901.7, 904.908, and 906.17 and for offenders confined pursuant
6 to section 904.513:

7 \$ 674,954

8 k. For federal prison reimbursement, reimbursements for
9 out-of-state placements, and miscellaneous contracts:

10 \$ 241,293

11 The department of corrections shall use funds appropriated
12 in this subsection to continue to contract for the services of
13 a Muslim imam.

14 Sec. 158. DEPARTMENT OF CORRECTIONS -- ADMINISTRATION.

15 1. There is appropriated from the general fund of the
16 state to the department of corrections for the fiscal year
17 beginning July 1, 2004, and ending June 30, 2005, the
18 following amounts, or so much thereof as is necessary, to be
19 used for the purposes designated:

20 a. For general administration, including salaries,
21 support, maintenance, employment of an education director to
22 administer a centralized education program for the
23 correctional system, and miscellaneous purposes:

24 \$ 2,784,393

25 (1) It is the intent of the general assembly that as a
26 condition of receiving the appropriation provided in this
27 lettered paragraph, the department of corrections shall not,
28 except as otherwise provided in subparagraph (3), enter into a
29 new contract, unless the contract is a renewal of an existing
30 contract, for the expenditure of moneys in excess of \$100,000
31 during the fiscal year beginning July 1, 2004, for the
32 privatization of services performed by the department using
33 state employees as of July 1, 2004, or for the privatization
34 of new services by the department, without prior consultation
35 with any applicable state employee organization affected by

1 the proposed new contract and prior notification of the
2 cochairpersons and ranking members of the joint appropriations
3 subcommittee on the justice system.

4 (2) It is the intent of the general assembly that each
5 lease negotiated by the department of corrections with a
6 private corporation for the purpose of providing private
7 industry employment of inmates in a correctional institution
8 shall prohibit the private corporation from utilizing inmate
9 labor for partisan political purposes for any person seeking
10 election to public office in this state and that a violation
11 of this requirement shall result in a termination of the lease
12 agreement.

13 (3) It is the intent of the general assembly that as a
14 condition of receiving the appropriation provided in this
15 lettered paragraph, the department of corrections shall not
16 enter into a lease or contractual agreement pursuant to
17 section 904.809 with a private corporation for the use of
18 building space for the purpose of providing inmate employment
19 without providing that the terms of the lease or contract
20 establish safeguards to restrict, to the greatest extent
21 feasible, access by inmates working for the private
22 corporation to personal identifying information of citizens.

23 b. For educational programs for inmates at state penal
24 institutions:

25 \$ 1,008,358

26 It is the intent of the general assembly that moneys
27 appropriated in this lettered paragraph shall be used solely
28 for the purpose indicated and that the moneys shall not be
29 transferred for any other purpose. In addition, it is the
30 intent of the general assembly that the department shall
31 consult with the community colleges in the areas in which the
32 institutions are located to utilize moneys appropriated in
33 this lettered paragraph to fund the high school completion,
34 high school equivalency diploma, adult literacy, and adult
35 basic education programs in a manner so as to maintain these

1 programs at the institutions.

2 To maximize the funding for educational programs, the
3 department shall establish guidelines and procedures to
4 prioritize the availability of educational and vocational
5 training for inmates based upon the goal of facilitating an
6 inmate's successful release from the correctional institution.

7 The director of the department of corrections may transfer
8 moneys from Iowa prison industries for use in educational
9 programs for inmates.

10 Notwithstanding section 8.33, moneys appropriated in this
11 lettered paragraph that remain unobligated or unexpended at
12 the close of the fiscal year shall not revert but shall remain
13 available for expenditure only for the purpose designated in
14 this lettered paragraph until the close of the succeeding
15 fiscal year.

16 c. For the development of the Iowa corrections offender
17 network (ICON) data system:

18 \$ 427,700

19 2. It is the intent of the general assembly that the
20 department of corrections shall continue to operate the
21 correctional farms under the control of the department at the
22 same or greater level of participation and involvement as
23 existed as of January 1, 2004, shall not enter into any rental
24 agreement or contract concerning any farmland under the
25 control of the department that is not subject to a rental
26 agreement or contract as of January 1, 2004, without prior
27 legislative approval, and shall further attempt to provide job
28 opportunities at the farms for inmates. The department shall
29 attempt to provide job opportunities at the farms for inmates
30 by encouraging labor-intensive farming or gardening where
31 appropriate, using inmates to grow produce and meat for
32 institutional consumption, researching the possibility of
33 instituting food canning and cook-and-chill operations, and
34 exploring opportunities for organic farming and gardening,
35 livestock ventures, horticulture, and specialized crops.

1 3. The department shall work to increase produce gardening
 2 by inmates under the control of the correctional institutions,
 3 and, if appropriate, may use the central distribution network
 4 at the Woodward state resource center. The department shall
 5 file a report with the cochairpersons and ranking members of
 6 the joint appropriations subcommittee on the justice system by
 7 December 1, 2004, regarding the feasibility of expanding the
 8 number of acres devoted to organic gardening and to the
 9 growing of organic produce for sale.

10 4. The department of corrections shall submit a report to
 11 the general assembly by January 1, 2005, concerning moneys
 12 recouped from inmate earnings for the reimbursement of
 13 operational expenses of the applicable facility during the
 14 fiscal year beginning July 1, 2003, for each correctional
 15 institution and judicial district department of correctional
 16 services. In addition, each correctional institution and
 17 judicial district department of correctional services shall
 18 continue to submit a report to the legislative services agency
 19 on a monthly basis concerning moneys recouped from inmate
 20 earnings pursuant to sections 904.702, 904.809, and 905.14.

21 5. Notwithstanding the number of full-time equivalent
 22 positions authorized for the department of corrections, the
 23 department may employ more than the number of full-time
 24 equivalent positions as necessary to alleviate staff shortages
 25 caused by members of the Iowa national guard or armed forces
 26 reserve units being called up for active duty.

27 Sec. 159. JUDICIAL DISTRICT DEPARTMENTS OF CORRECTIONAL
 28 SERVICES.

29 1. There is appropriated from the general fund of the
 30 state to the department of corrections for the fiscal year
 31 beginning July 1, 2004, and ending June 30, 2005, the
 32 following amounts, or so much thereof as is necessary, to be
 33 allocated as follows:

34 a. For the first judicial district department of
 35 correctional services, including the treatment and supervision

1 of probation and parole violators who have been released from
2 the department of corrections violator program, the following
3 amount, or so much thereof as is necessary:

4 \$ 10,090,207

5 b. For the second judicial district department of
6 correctional services, including the treatment and supervision
7 of probation and parole violators who have been released from
8 the department of corrections violator program, the following
9 amount, or so much thereof as is necessary:

10 \$ 7,755,402

11 c. For the third judicial district department of
12 correctional services, including the treatment and supervision
13 of probation and parole violators who have been released from
14 the department of corrections violator program, the following
15 amount, or so much thereof as is necessary:

16 \$ 4,631,423

17 d. For the fourth judicial district department of
18 correctional services, including the treatment and supervision
19 of probation and parole violators who have been released from
20 the department of corrections violator program, the following
21 amount, or so much thereof as is necessary:

22 \$ 4,248,965

23 e. For the fifth judicial district department of
24 correctional services, including the treatment and supervision
25 of probation and parole violators who have been released from
26 the department of corrections violator program, the following
27 amount, or so much thereof as is necessary:

28 \$ 12,982,837

29 f. For the sixth judicial district department of
30 correctional services, including the treatment and supervision
31 of probation and parole violators who have been released from
32 the department of corrections violator program, the following
33 amount, or so much thereof as is necessary:

34 \$ 10,064,717

35 g. For the seventh judicial district department of

1 correctional services, including the treatment and supervision
2 of probation and parole violators who have been released from
3 the department of corrections violator program, the following
4 amount, or so much thereof as is necessary:

5 \$ 5,677,314

6 h. For the eighth judicial district department of
7 correctional services, including the treatment and supervision
8 of probation and parole violators who have been released from
9 the department of corrections violator program, the following
10 amount, or so much thereof as is necessary:

11 \$ 5,574,865

12 2. Each judicial district department of correctional
13 services, within the funding available, shall continue
14 programs and plans established within that district to provide
15 for intensive supervision, sex offender treatment, diversion
16 of low-risk offenders to the least restrictive sanction
17 available, job development, and expanded use of intermediate
18 criminal sanctions.

19 3. Each judicial district department of correctional
20 services shall provide alternatives to prison consistent with
21 chapter 901B. The alternatives to prison shall ensure public
22 safety while providing maximum rehabilitation to the offender.
23 A judicial district department may also establish a day
24 program.

25 4. The governor's office of drug control policy shall
26 consider federal grants made to the department of corrections
27 for the benefit of each of the eight judicial district
28 departments of correctional services as local government
29 grants, as defined pursuant to federal regulations.

30 Sec. 160. INTENT -- REPORTS.

31 1. The department of corrections shall submit a report on
32 inmate labor to the general assembly, to the cochairpersons
33 and the ranking members of the joint appropriations
34 subcommittee on the justice system, and to the legislative
35 services agency by January 15, 2005. The report shall

1 specifically address the progress the department has made in
2 implementing the requirements of section 904.701, inmate labor
3 on capital improvement projects, community work crews, inmate
4 produce gardening, and private-sector employment.

5 2. The department in cooperation with townships, the Iowa
6 cemetery associations, and other nonprofit or governmental
7 entities may use inmate labor to restore or preserve rural
8 cemeteries and historical landmarks. The department in
9 cooperation with the counties may also use inmate labor to
10 clean up roads, major water sources, and other water sources
11 around the state. Any governmental entity or nonprofit agency
12 using inmate labor pursuant to this subsection shall be immune
13 from civil or employer liability.

14 3. The department shall provide a report that details the
15 inmate capacity for each county jail, detention facility, or
16 municipal jail. The report shall also include population data
17 of the jails and detention facilities, and options for
18 integrating jails and detention facilities into the department
19 of corrections. The department shall file the report with the
20 cochairpersons and ranking members of the joint appropriations
21 subcommittee on the justice system and the legislative
22 services agency by December 15 of each year. The department
23 shall also coordinate and provide information to the counties
24 regarding available inmate bed space in each county jail,
25 detention facility, or municipal jail.

26 4. Each month the department shall provide a status report
27 regarding private-sector employment to the legislative
28 services agency beginning on July 1, 2004. The report shall
29 include the number of offenders employed in the private
30 sector, the combined number of hours worked by the offenders,
31 and the total amount of allowances, and the distribution of
32 allowances pursuant to section 904.702, including any moneys
33 deposited in the general fund of the state.

34 **Sec. 161. STATE AGENCY PURCHASES FROM PRISON INDUSTRIES.**

35 1. As used in this section, unless the context otherwise

1 requires, "state agency" means the government of the state of
2 Iowa, including but not limited to all executive branch
3 departments, agencies, boards, bureaus, and commissions, the
4 judicial branch, the general assembly and all legislative
5 agencies, institutions within the purview of the state board
6 of regents, and any corporation whose primary function is to
7 act as an instrumentality of the state.

8 2. State agencies are hereby encouraged to purchase
9 products from Iowa state industries, as defined in section
10 904.802, when purchases are required and the products are
11 available from Iowa state industries. State agencies shall
12 obtain bids from Iowa state industries for purchases of office
13 furniture exceeding \$5,000 or in accordance with applicable
14 administrative rules related to purchases for the agency.

15 Sec. 162. STATE PUBLIC DEFENDER. There is appropriated
16 from the general fund of the state to the office of the state
17 public defender of the department of inspections and appeals
18 for the fiscal year beginning July 1, 2004, and ending June
19 30, 2005, the following amounts, or so much thereof as is
20 necessary, to be allocated as follows for the purposes
21 designated:

- 22 1. For salaries, support, maintenance, and miscellaneous
- 23 purposes, and for not more than the following full-time
- 24 equivalent positions:
- 25 \$ 16,663,446
- 26 FTEs 202.00

- 27 2. For the fees of court-appointed attorneys for indigent
- 28 adults and juveniles, in accordance with section 232.141 and
- 29 chapter 815:
- 30 \$ 19,355,297

31 Sec. 163. IOWA LAW ENFORCEMENT ACADEMY.

32 1. There is appropriated from the general fund of the
33 state to the Iowa law enforcement academy for the fiscal year
34 beginning July 1, 2004, and ending June 30, 2005, the
35 following amount, or so much thereof as is necessary, to be

1 used for the purposes designated:

2 For salaries, support, maintenance, miscellaneous purposes,
3 including jailer training and technical assistance, and for
4 not more than the following full-time equivalent positions:

5	\$	1,066,890
6	FTEs	30.05

7 It is the intent of the general assembly that the Iowa law
8 enforcement academy may provide training of state and local
9 law enforcement personnel concerning the recognition of and
10 response to persons with Alzheimer's disease.

11 2. The Iowa law enforcement academy may select at least
12 five automobiles of the department of public safety, division
13 of the Iowa state patrol, prior to turning over the
14 automobiles to the department of administrative services to be
15 disposed of by public auction and the Iowa law enforcement
16 academy may exchange any automobile owned by the academy for
17 each automobile selected if the selected automobile is used in
18 training law enforcement officers at the academy. However,
19 any automobile exchanged by the academy shall be substituted
20 for the selected vehicle of the department of public safety
21 and sold by public auction with the receipts being deposited
22 in the depreciation fund to the credit of the department of
23 public safety, division of the Iowa state patrol.

24 Sec. 164. BOARD OF PAROLE. There is appropriated from the
25 general fund of the state to the board of parole for the
26 fiscal year beginning July 1, 2004, and ending June 30, 2005,
27 the following amount, or so much thereof as is necessary, to
28 be used for the purposes designated:

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

32	\$	1,067,910
33	FTEs	16.50

34 The board of parole in cooperation with the judicial
35 district departments of correctional services shall develop a

1 mentoring program for persons on probation and parole. The
 2 plan shall include forming partnerships with nonprofit and
 3 faith-based organizations in mentoring persons on probation
 4 and parole. The board of parole in cooperation with the
 5 judicial district departments of correctional services shall
 6 file a report with the cochairpersons and ranking members of
 7 the joint appropriations subcommittee on the justice system
 8 and to the legislative services agency by December 15 of each
 9 year. The report shall specify the number of persons on
 10 probation and parole in the mentoring program and the
 11 recidivism rate for persons in the program.

12 Sec. 165. DEPARTMENT OF PUBLIC DEFENSE. There is
 13 appropriated from the general fund of the state to the
 14 department of public defense for the fiscal year beginning
 15 July 1, 2004, and ending June 30, 2005, the following amounts,
 16 or so much thereof as is necessary, to be used for the
 17 purposes designated:

18 1. MILITARY DIVISION

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

22	\$	5,084,143
23	FTEs	310.80

24 If there is a surplus in the general fund of the state for
 25 the fiscal year ending June 30, 2005, within 60 days after the
 26 close of the fiscal year, the military division may incur up
 27 to an additional \$500,000 in expenditures from the surplus
 28 prior to transfer of the surplus pursuant to section 8.57.

29 2. HOMELAND SECURITY AND EMERGENCY MANAGEMENT DIVISION

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

33	\$	1,123,400
34	FTEs	25.25

35 Sec. 166. DEPARTMENT OF PUBLIC SAFETY. There is

1 appropriated from the general fund of the state to the
2 department of public safety for the fiscal year beginning July
3 1, 2004, and ending June 30, 2005, the following amounts, or
4 so much thereof as is necessary, to be used for the purposes
5 designated:

6 1. For the department's administrative functions,
7 including the criminal justice information system, and for not
8 more than the following full-time equivalent positions:

9	\$	2,654,732
10	FTEs	37.00

11 2. For the division of criminal investigation and bureau
12 of identification, including the state's contribution to the
13 peace officers' retirement, accident, and disability system
14 provided in chapter 97A in the amount of 17 percent of the
15 salaries for which the funds are appropriated, to meet federal
16 fund matching requirements, and for not more than the
17 following full-time equivalent positions:

18	\$	14,058,510
19	FTEs	221.50

20 The department of public safety, with the approval of the
21 department of management, may employ no more than two special
22 agents and four gaming enforcement officers for each
23 additional riverboat regulated after July 1, 2004, and one
24 special agent for each racing facility which becomes
25 operational during the fiscal year which begins July 1, 2004.
26 One additional gaming enforcement officer, up to a total of
27 four per riverboat, may be employed for each riverboat that
28 has extended operations to 24 hours and has not previously
29 operated with a 24-hour schedule. Positions authorized in
30 this paragraph are in addition to the full-time equivalent
31 positions otherwise authorized in this subsection.

32 3. a. For the division of narcotics enforcement,
33 including the state's contribution to the peace officers'
34 retirement, accident, and disability system provided in
35 chapter 97A in the amount of 17 percent of the salaries for

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S.F. _____ H.F. _____

1 which the funds are appropriated, to meet federal fund
2 matching requirements, and for not more than the following
3 full-time equivalent positions:

4 \$ 3,930,089
5 FTES 59.00

6 b. For the division of narcotics enforcement for
7 undercover purchases:

8 \$ 123,343

9 4. a. For the state fire marshal's office, including the
10 state's contribution to the peace officers' retirement,
11 accident, and disability system provided in chapter 97A in the
12 amount of 17 percent of the salaries for which the funds are
13 appropriated, and for not more than the following full-time
14 equivalent positions:

15 \$ 2,181,998
16 FTES 39.00

17 b. For the state fire marshal's office, for fire
18 protection services as provided through the state fire service
19 and emergency response council as created in the department,
20 and for not more than the following full-time equivalent
21 positions:

22 \$ 638,021
23 FTES 12.00

24 5. For the division of the Iowa state patrol of the
25 department of public safety, for salaries, support,
26 maintenance, workers' compensation costs, and miscellaneous
27 purposes, including the state's contribution to the peace
28 officers' retirement, accident, and disability system provided
29 in chapter 97A in the amount of 17 percent of the salaries for
30 which the funds are appropriated, and for not more than the
31 following full-time equivalent positions:

32 \$ 42,517,133
33 FTES 536.00

34 It is the intent of the general assembly that members of
35 the Iowa state patrol be assigned to patrol the highways and

1 roads in lieu of assignments for inspecting school buses for
2 the school districts.

3 It is the intent of the general assembly that approximately
4 one-half of the members of the Iowa state patrol assigned to
5 District 16 be reassigned to patrol duties on the highways and
6 roads, and that candidates from the department of public
7 safety's training school fill vacant positions at District 16
8 due to the reassignment.

9 6. For deposit in the public safety law enforcement sick
10 leave benefits fund established under section 80.42, for all
11 departmental employees eligible to receive benefits for
12 accrued sick leave under the collective bargaining agreement:
13 \$ 316,179

14 An employee of the department of public safety who retires
15 after July 1, 2004, but prior to June 30, 2005, is eligible
16 for payment of life or health insurance premiums as provided
17 for in the collective bargaining agreement covering the public
18 safety bargaining unit at the time of retirement if that
19 employee previously served in a position which would have been
20 covered by the agreement. The employee shall be given credit
21 for the service in that prior position as though it were
22 covered by that agreement. The provisions of this subsection
23 shall not operate to reduce any retirement benefits an
24 employee may have earned under other collective bargaining
25 agreements or retirement programs.

26 7. For costs associated with the training and equipment
27 needs of volunteer fire fighters and for not more than the
28 following full-time equivalent position:

29 \$ 559,587
30 FTEs 1.00

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

1 Sec. 167. CIVIL RIGHTS COMMISSION. There is appropriated
 2 from the general fund of the state to the Iowa state civil
 3 rights commission for the fiscal year beginning July 1, 2004,
 4 and ending June 30, 2005, the following amount, or so much
 5 thereof as is necessary, to be used for the purposes
 6 designated:

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

10	\$	825,752
11	FTEs	28.00

12 The Iowa state civil rights commission may enter into a
 13 contract with a nonprofit organization to provide legal
 14 assistance to resolve civil rights complaints.

15 Sec. 168. Section 13B.4, subsection 3, Code Supplement
 16 2003, is amended to read as follows:

17 3. The state public defender may contract with persons
 18 admitted to practice law in this state for the provision of
 19 legal services to indigent persons, including but not limited
 20 to contracts authorized under section 815.15.

21 Sec. 169. Section 85.66, Code 2003, is amended to read as
 22 follows:

23 85.66 SECOND INJURY FUND -- CREATION -- CUSTODIAN.

24 The "Second Injury Fund" is hereby established under the
 25 custody of the treasurer of state and shall consist of
 26 payments to the fund as provided by this division and any
 27 accumulated interest and earnings on moneys in the second
 28 injury fund. The treasurer of state is charged with the
 29 conservation of the assets of the second injury fund. Moneys
 30 collected in the "Second Injury Fund" shall be disbursed only
 31 for the purposes stated in this division, and shall not at any
 32 time be appropriated or diverted to any other use or purpose.
 33 The treasurer of state shall invest any surplus moneys of the
 34 fund in securities which constitute legal investments for
 35 state funds under the laws of this state, and may sell any of

1 the securities in which the fund is invested, if necessary,
2 for the proper administration or in the best interests of the
3 fund. Disbursements from the fund shall be paid by the
4 treasurer of state only upon the written order of the workers'
5 compensation commissioner. The attorney general shall be
6 reimbursed up to fifty thousand dollars annually from the fund
7 for services provided related to the fund. The treasurer of
8 state shall quarterly prepare a statement of the fund, setting
9 forth the balance of moneys in the fund, the income of the
10 fund, specifying the source of all income, the payments out of
11 the fund, specifying the various items of payments, and
12 setting forth the balance of the fund remaining to its credit.
13 The statement shall be open to public inspection in the office
14 of the treasurer of state.

15 Sec. 170. Section 85.67, Code 2003, is amended to read as
16 follows:

17 85.67 ADMINISTRATION OF FUND -- SPECIAL COUNSEL -- PAYMENT
18 OF AWARD.

19 The attorney general shall appoint a staff member to
20 represent the treasurer of state and the fund in all
21 proceedings and matters arising under this division. The
22 attorney general shall be reimbursed up to fifty thousand
23 dollars annually from the fund for services provided related
24 to the fund. The commissioner of insurance shall consider the
25 reimbursement to the attorney general as an outstanding
26 liability when making a determination of funding availability
27 under section 85.65A, subsection 2. In making an award under
28 this division, the workers' compensation commissioner shall
29 specifically find the amount the injured employee shall be
30 paid weekly, the number of weeks of compensation which shall
31 be paid by the employer, the date upon which payments out of
32 the fund shall begin, and, if possible, the length of time the
33 payments shall continue.

34 Sec. 171. Section 602.8107, subsection 4, unnumbered
35 paragraph 1, Code Supplement 2003, is amended to read as

1 follows:

2 All fines, penalties, court costs, fees, surcharges, and
3 restitution for court-appointed attorney fees or for expenses
4 of a public defender which are deemed delinquent by the clerk
5 pursuant to subsection 3 may be collected by the county
6 attorney or the county attorney's designee. Thirty-five
7 percent of the amounts collected by the county attorney or the
8 person procured or designated by the county attorney shall be
9 deposited in the general fund of the county if the county
10 attorney has filed the notice required in section 331.756,
11 subsection 5, unless the county attorney has discontinued
12 collection efforts on a particular delinquent amount. The Up
13 to one million two hundred thousand dollars of the remainder
14 shall be paid each fiscal year to the clerk clerks for
15 distribution under section 602.8108. If the threshold amount
16 of one million two hundred thousand dollars has been
17 distributed under section 602.8108, the remainder shall be
18 distributed as provided in subsection 4A. The state court
19 administrator shall notify the clerks that the threshold
20 amount has been distributed under section 602.8108, and that
21 the distribution of any additional moneys collected by the
22 county attorney shall be as provided in subsection 4A.

23 Sec. 172. Section 602.8107, Code Supplement 2003, is
24 amended by adding the following new subsection:

25 NEW SUBSECTION. 4A. After the threshold amount has been
26 distributed under section 602.8108 as provided in subsection
27 4, thirty-five percent of any additional moneys collected by
28 the county attorney or the person procured or designated by
29 the county attorney shall be deposited in the general fund of
30 the county, and thirty-three percent of any additional moneys
31 collected by the county attorney or the person procured or
32 designated by the county attorney shall be deposited with the
33 office of the county attorney. The remainder shall be paid to
34 the clerk for distribution under section 602.8108.

35 Sec. 173. Section 815.9, subsection 1, paragraphs a and b,

1 Code 2003, are amended to read as follows:

2 a. A person is entitled to an attorney appointed by the
3 court to represent the person if the person has an income
4 level at or below one hundred ~~twenty-five~~ percent of the
5 United States poverty level as defined by the most recently
6 revised poverty income guidelines published by the United
7 States department of health and human services, unless the
8 court determines that the person is able to pay for the cost
9 of an attorney to represent the person on the pending case.
10 In making the determination of a person's ability to pay for
11 the cost of an attorney, the court shall consider not only the
12 person's income, but also the availability of any assets
13 subject to execution, including but not limited to cash,
14 stocks, bonds, and any other property which may be applied to
15 the satisfaction of judgments, and the seriousness of the
16 charge or nature of the case.

17 b. A person with an income level greater than one hundred
18 ~~twenty-five-percent, but at or below two-hundred~~ percent, of
19 the most recently revised poverty income guidelines published
20 by the United States department of health and human services
21 shall not be entitled to an attorney appointed by the court,
22 unless the court makes a written finding that not appointing
23 counsel on the pending case would cause the person substantial
24 hardship. In determining whether substantial hardship would
25 result, the court shall consider not only the person's income,
26 but also the availability of any assets subject to execution,
27 including but not limited to cash, stocks, bonds, and any
28 other property which may be applied to the satisfaction of
29 judgments, and the seriousness of the charge or nature of the
30 case.

31 Sec. 174. NEW SECTION. 815.15 PREDETERMINED FEE.

32 The state public defender may enter into a contract with a
33 private attorney that establishes a predetermined fee for
34 representing an indigent person in selected cases. The state
35 public defender may also enter into a contract with a private

1 attorney that establishes a monthly fee for representing
 2 indigent persons in selected cases in specified locations.
 3 The state public defender may designate that the private
 4 attorneys entering into a contract pursuant to this section be
 5 appointed to cases in the same manner as the local public
 6 defender office pursuant to section 13B.4. The office of the
 7 state public defender shall file a report with the
 8 cochairpersons and ranking members of the joint appropriations
 9 subcommittee on the justice system and the legislative
 10 services agency by December 15 of each year. The report shall
 11 specify the number of contracts entered into pursuant to this
 12 section, the types of cases covered under the agreements, and
 13 projected cost savings.

14 Sec. 175. NEW SECTION. 904.118 IOWA CORRECTIONS OFFENDER
 15 NETWORK -- FUND.

16 An Iowa corrections offender network fund is established
 17 under the control of the department. All sales, gifts, and
 18 donations related to the Iowa offender network data system
 19 shall be credited to the fund and the moneys in the fund are
 20 appropriated to the department to be used for further
 21 development and general maintenance of the Iowa corrections
 22 offender network data system. Notwithstanding section 8.33,
 23 moneys credited to the fund shall not revert to any other
 24 fund. Notwithstanding section 12C.7, subsection 2, interest
 25 or earnings on moneys deposited in the fund shall be credited
 26 to the fund.

27 Sec. 176. Section 904.809, subsection 5, paragraph c, Code
 28 2003, is amended by adding the following new subparagraph:

29 NEW SUBPARAGRAPH. (2A) The department may retain up to
 30 fifty percent of any remaining balance after deductions made
 31 under subparagraphs (1) and (2) if the remaining balance is
 32 from an inmate employed in a new job created on or after July
 33 1, 2004. The funds shall be used to staff supervision costs
 34 of private sector employment of inmates at correctional
 35 institutions. Funds retained pursuant to this subparagraph

1 shall not be used for administrative costs of the Iowa state
2 industries.

3 Sec. 177. Section 904.809, subsection 5, paragraph c,
4 subparagraph (3), Code 2003, is amended to read as follows:

5 (3) Any balance remaining after the deductions made under
6 subparagraphs (1), and (2), and (2A) shall represent the costs
7 of the inmate's incarceration and shall be deposited,
8 ~~effective-July-17-2000,~~ in the general fund of the state.

9 Sec. 178. Section 907.9, subsections 1, 2, and 4, Code
10 Supplement 2003, are amended to read as follows:

11 1. At any time that the court determines that the purposes
12 of probation have been fulfilled and the any fees imposed
13 under ~~section~~ sections 815.9 and 905.14 have been paid ~~or on~~
14 ~~condition-that-unpaid-supervision-fees-be-paid,~~ the court may
15 order the discharge of a person from probation.

16 2. At any time that a probation officer determines that
17 the purposes of probation have been fulfilled and the any fees
18 imposed under ~~section~~ sections 815.9 and 905.14 have been paid
19 ~~or on condition-that-unpaid-supervision-fees-be-paid,~~ the
20 officer may order the discharge of a person from probation
21 after approval of the district director and notification of
22 the sentencing court and the county attorney who prosecuted
23 the case.

24 4. At the expiration of the period of probation and if the
25 fees imposed under ~~section~~ sections 815.9 and 905.14 have been
26 paid or on condition that unpaid supervision fees be paid, the
27 court shall order the discharge of the person from probation,
28 and the court shall forward to the governor a recommendation
29 for or against restoration of citizenship rights to that
30 person. A person who has been discharged from probation shall
31 no longer be held to answer for the person's offense. Upon
32 discharge from probation, if judgment has been deferred under
33 section 907.3, the court's criminal record with reference to
34 the deferred judgment shall be expunged. The record
35 maintained by the state court administrator as required by

1 section 907.4 shall not be expunged. The court's record shall
2 not be expunged in any other circumstances.

3 Sec. 179. 1998 Iowa Acts, chapter 1101, section 15,
4 subsection 2, as amended by 1999 Iowa Acts, chapter 202,
5 section 25, as amended by 2000 Iowa Acts, chapter 1229,
6 section 25, as amended by 2001 Iowa Acts, chapter 186, section
7 21, as amended by 2002 Iowa Acts, Second Extraordinary
8 Session, chapter 1003, section 170, and as amended by 2003
9 Iowa Acts, chapter 174, section 17, is amended to read as
10 follows:

11 2. a. There is appropriated from surcharge moneys
12 received by the E911 administrator and deposited into the
13 wireless E911 emergency communications fund, for each fiscal
14 year in the fiscal period beginning July 1, 1998, and ending
15 June 30, ~~2004~~ 2005, an amount not to exceed two hundred
16 thousand dollars to be used for the implementation, support,
17 and maintenance of the functions of the E911 administrator.
18 The amount appropriated in this paragraph includes any amounts
19 necessary to reimburse the division of emergency management of
20 the department of public defense pursuant to paragraph "b".

21 b. Notwithstanding the distribution formula in section
22 34A.7A, as enacted in this Act, and prior to any such
23 distribution, of the initial surcharge moneys received by the
24 E911 administrator and deposited into the wireless E911
25 emergency communications fund, for each fiscal year in the
26 fiscal period beginning July 1, 1998, and ending June 30, ~~2004~~
27 2005, an amount is appropriated to the division of emergency
28 management of the department of public defense as necessary to
29 reimburse the division for amounts expended for the
30 implementation, support, and maintenance of the E911
31 administrator, including the E911 administrator's salary.

32 Sec. 180. IOWA LAW ENFORCEMENT ACADEMY -- FEES.
33 Notwithstanding section 80B.11B, the Iowa law enforcement
34 academy may charge more than one-half the cost of providing
35 the basic training course if a majority of the Iowa law

1 enforcement academy council authorizes charging more than one-
2 half of the cost of providing basic training. This section is
3 repealed on June 30, 2005.

4 Sec. 181. EFFECTIVE DATE. The provisions of this division
5 of this Act amending sections 85.66, 85.67, and 904.118, and
6 1998 Iowa Acts, chapter 1101, being deemed of immediate
7 importance, take effect upon enactment.

8 DIVISION X
9 STANDING APPROPRIATIONS, SALARIES,
10 AND MISCELLANEOUS PROVISIONS

11 Sec. 182. GENERAL ASSEMBLY. The appropriations made
12 pursuant to section 2.12 for the expenses of the general
13 assembly and legislative agencies for the fiscal year
14 beginning July 1, 2004, and ending June 30, 2005, are reduced
15 by the following amount:

16 \$ 2,000,000

17 Sec. 183. Notwithstanding the standing appropriations in
18 the following designated sections for the fiscal year
19 beginning July 1, 2004, and ending June 30, 2005, the amounts
20 appropriated from the general fund of the state pursuant to
21 those sections for the following designated purposes shall not
22 exceed the following amounts:

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

26 \$ 421,639

27 2. For payment for nonpublic school transportation under
28 section 285.2:

29 \$ 7,955,541

30 If total approved claims for reimbursement for nonpublic
31 school pupil transportation claims exceed the amount
32 appropriated in this section, the department of education
33 shall prorate the amount of each claim.

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

35 \$ 107,304

1 4. For the state's share of the cost of the peace
2 officers' retirement benefits under section 411.20:
3 \$ 2,745,784
4 5. For payment of livestock production credit refunds
5 under section 422.121:
6 \$ 1,770,342
7 6. For instructional support state aid under section
8 257.20:
9 \$ 14,428,271
10 7. For at-risk children programs under section 279.51,
11 subsection 1:
12 \$ 11,271,000
13 The amount of any reduction in this subsection shall be
14 prorated among the programs specified in section 279.51,
15 subsection 1, paragraphs "a", "b", and "c".
16 8. For paying claims against the state under section 25.2:
17 \$ 4,387,500
18 9. For administration expenses of the state unemployment
19 compensation law under chapter 96:
20 \$ 438,750
21 10. For payment of certain interest costs due the federal
22 government under the federal Cash Management and Improvement
23 Act under section 421.31:
24 \$ 536,250
25 11. For funding the state's deferred compensation program
26 established for state employees under section 509A.12:
27 \$ 55,088
28 12. For the educational excellence program under section
29 294A.25, subsection 1:
30 \$ 55,469,053
31 Sec. 184. HELP US STOP HUNGER. There is appropriated from
32 the general fund of the state of the department of natural
33 resources for the fiscal year beginning July 1, 2004, and
34 ending June 30, 2005, the following amount, or so much thereof
35 as is necessary, to be used as follows:

1 To expand the help us stop hunger pilot project:

2 \$ 17,000

3 Sec. 185. Section 256.7, Code Supplement 2003, is amended
4 by adding the following new subsection:

5 NEW SUBSECTION. 26. Adopt rules directing the school
6 districts and area education agencies to submit annually data
7 from the most recent school year detailing contract settlement
8 increases for salaries and group health insurance plans
9 provided under collective bargaining agreements negotiated
10 pursuant to chapter 20. The department shall compile the data
11 in a report to be submitted by January 15 of each year to the
12 chairpersons and ranking members of the house and senate
13 standing committees on education and appropriations and of the
14 joint appropriations subcommittee on education.

15 Sec. 186. Section 256D.4, subsection 2, Code Supplement
16 2003, is amended to read as follows:

17 2. Moneys appropriated pursuant to section 256D.5,
18 subsection 3 4, shall be allocated to school districts as
19 follows:

20 a. Allocation of the sum of twenty nineteen million five
21 hundred thousand dollars shall be based upon the proportion
22 that the kindergarten through grade three enrollment of a
23 district bears to the sum of the kindergarten through grade
24 three enrollments of all school districts in the state as
25 reported for the base year.

26 b. Allocation of the sum of ten nine million seven hundred
27 fifty thousand dollars shall be based upon the proportion that
28 the number of children who are eligible for free or reduced
29 price meals under the federal National School Lunch Act and
30 the federal Child Nutrition Act of 1966, 42 U.S.C. § 1751-
31 1785, in grades one through three of a school district bears
32 to the sum of the number of children who are eligible for free
33 or reduced price meals under the federal National School Lunch
34 Act and the federal Child Nutrition Act of 1966, 42 U.S.C. §
35 1751-1785, in grades one through three in all school districts

1 in the state for the base year.

2 Sec. 187. Section 256D.5, Code Supplement 2003, is amended
3 by adding the following new subsection:

4 NEW SUBSECTION. 4. For the fiscal year beginning July 1,
5 2004, and ending June 30, 2005, the sum of twenty-nine million
6 two hundred fifty thousand dollars.

7 Sec. 188. Section 256D.9, Code Supplement 2003, is amended
8 to read as follows:

9 256D.9 FUTURE REPEAL.

10 This chapter is repealed effective July 1, ~~2004~~ 2005.

11 Sec. 189. Section 257.8, subsection 1, Code Supplement
12 2003, is amended to read as follows:

13 1. STATE PERCENT OF GROWTH. ~~The state percent of growth
14 for the budget year beginning July 1, 2003, is two percent.~~

15 The state percent of growth for the budget year beginning July
16 1, 2004, is two percent. The state percent of growth for the
17 budget year beginning July 1, 2005, and each subsequent budget
18 year shall be established by statute which shall be enacted
19 within thirty days of the submission in ~~the year preceding~~ the
20 base year of the governor's budget under section 8.21. The
21 establishment of the state percent of growth for a budget year
22 shall be the only subject matter of the bill which enacts the
23 state percent of growth for a budget year.

24 Sec. 190. Section 257.14, subsection 3, unnumbered
25 paragraph 1, Code 2003, is amended to read as follows:

26 For the budget year commencing July 1, 2004, and succeeding
27 budget years, ~~if the department of management determines that
28 the regular program district cost of a school district for a
29 budget year is less than one hundred one percent of the
30 regular program district cost for the base year for that
31 school district,~~ a district shall be eligible for a budget
32 adjustment corresponding to the following schedule:

33 Sec. 191. Section 257.16, Code 2003, is amended by adding
34 the following new subsection:

35 NEW SUBSECTION. 5. a. Notwithstanding subsection 1, the

1 amount appropriated from the general fund of the state for
2 state foundation and supplementary aid for the fiscal year
3 beginning July 1, 2004, and ending June 30, 2005, shall be the
4 sum of one billion eight hundred eighty-one million six
5 hundred eighty-eight thousand six hundred twenty-eight
6 dollars. Of the amount appropriated pursuant to this
7 paragraph, ten million dollars shall be used by school
8 districts to assist with the purchase of public school
9 textbooks and supplies. The amount allocated shall be
10 distributed to school districts on a per pupil basis, and
11 shall be used exclusively for textbook and supply acquisition
12 for public schools. If any portion of the moneys received by
13 a school district for textbook and supply acquisition remains
14 unexpended at the end of the budget year, the remainder shall
15 be carried over to the subsequent budget year and added to the
16 school district's textbook and supply acquisition budget for
17 that year.

18 b. If the amount appropriated in this subsection is less
19 than the amount otherwise required pursuant to subsection 1,
20 the difference shall be deducted from the payments that
21 otherwise would have been required to be made to each school
22 district in the same ratio that the budget enrollment of the
23 school district for the budget year bears to the total budget
24 enrollment in the state for that budget year.

25 Sec. 192. Section 257.35, Code Supplement 2003, is amended
26 by adding the following new subsections:

27 NEW SUBSECTION. 4. Notwithstanding subsection 1, and in
28 addition to the reduction applicable pursuant to subsection 2,
29 the state aid for area education agencies and the portion of
30 the combined district cost calculated for these agencies for
31 the fiscal year beginning July 1, 2004, shall be reduced by
32 the department of management by eleven million seven hundred
33 ninety-eight thousand seven hundred three dollars. The
34 reduction for each area education agency shall be equal to the
35 reduction that the agency received in the fiscal year

1 beginning July 1, 2003.

2 NEW SUBSECTION. 5. Notwithstanding section 257.37, an
3 area education agency may use the funds determined to be
4 available under this section in a manner which the area
5 education agency determines is appropriate to best maintain
6 the level of required area education agency special education
7 services. An area education agency may also use unreserved
8 fund balances for media services or education services in a
9 manner which the area education agency determines is
10 appropriate to best maintain the level of required area
11 education agency special education services.

12 Sec. 193. Section 273.3, Code 2003, is amended by adding
13 the following new subsection:

14 NEW SUBSECTION. 23. Submit annually data from the most
15 recent school year to the department of education detailing
16 contract settlement increases for salaries and group health
17 insurance plans provided under collective bargaining
18 agreements negotiated pursuant to chapter 20.

19 Sec. 194. Section 279.12, unnumbered paragraph 1, Code
20 Supplement 2003, is amended to read as follows:

21 The board shall carry into effect any instruction from the
22 regular election upon matters within the control of the
23 voters, and shall elect all teachers and make all contracts
24 necessary or proper for exercising the powers granted and
25 performing the duties required by law, and may establish and
26 pay all or any part thereof from school district funds the
27 cost of group health insurance plans, nonprofit group hospital
28 service plans, nonprofit group medical service plans and group
29 life insurance plans adopted by the board for the benefit of
30 employees of the school district, but the board may authorize
31 any subdirector to employ teachers for the school in the
32 subdirector's subdistrict; but no such employment by a
33 subdirector shall authorize a contract, the entire period of
34 which is wholly beyond the subdirector's term of office. The
35 board shall submit annually data from the most recent school

1 year to the department of education detailing contract
2 settlement increases for salaries and group health insurance
3 plans provided under collective bargaining agreements
4 negotiated pursuant to chapter 20.

5 Sec. 195. Section 280.14, Code Supplement 2003, is amended
6 by adding the following new subsection:

7 NEW SUBSECTION. 3. The board of directors of each school
8 district shall annually review school district expenditures
9 and identify and examine potential cost savings that can be
10 achieved in the delivery of administrative services and other
11 costs involved in the operation of the school district,
12 including but not limited to health insurance, maintenance of
13 facilities and buses, the acquisition of and distribution of
14 materials and supplies used by the school district, and the
15 delivery of transportation, human resource and financial
16 services, computer support services, and data management. The
17 school district shall consider cost saving partnership
18 opportunities with other school districts, area education
19 agencies, community colleges, libraries, cities, counties, or
20 other public or private entities. The results of the study
21 shall be presented to the public at a regularly scheduled
22 board meeting. The school district shall annually report the
23 cost savings to the department of education in a manner
24 prescribed by the department. The department shall annually
25 compile the information submitted by the school districts in a
26 report which the department shall submit to the general
27 assembly by December 31.

28 Sec. 196. Section 346.27, subsection 10, unnumbered
29 paragraph 1, Code Supplement 2003, is amended to read as
30 follows:

31 After the incorporation of an authority, and before the
32 sale of any issue of revenue bonds, except refunding bonds,
33 the authority shall call an election to decide the question of
34 whether the authority shall issue and sell revenue bonds. The
35 ballot shall state the amount of the bonds and the purposes

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1 for which the authority is incorporated. ~~Registered-voters-of~~
2 ~~the-city-and-the-unincorporated-area~~ All registered voters of
3 the county shall be entitled to vote on the question. The
4 question may be submitted at a general election or at a
5 special election. An affirmative vote of a majority of the
6 votes cast on the question is required to authorize the
7 issuance and sale of revenue bonds.

8 Sec. 197. Section 346.27, subsection 25, unnumbered
9 paragraph 2, Code Supplement 2003, is amended to read as
10 follows:

11 The question of whether a conveyance shall be made shall be
12 submitted to the registered voters of the ~~city-and-the~~
13 ~~unincorporated-area-of-the~~ county. An affirmative vote equal
14 to at least a majority of the total votes cast on the question
15 shall be required to authorize the conveyance. If the
16 question does not carry, the authority shall continue to
17 operate, maintain, and manage the building under a lease
18 arrangement with the incorporating units.

19 Sec. 198. Section 372.13, subsection 10, Code 2003, is
20 amended to read as follows:

21 10. A council member, during the term for which that
22 member is elected, is not precluded from holding the office of
23 chief of the volunteer fire department if the fire department
24 serves an area with a population of not more than two
25 thousand, ~~and-if-no-other-candidate-who-is-not-a-city-council~~
26 ~~member-is-available-to-hold-the-office-of-chief-of-the~~
27 ~~volunteer-fire-department.~~ A person holding the office of
28 chief of such a volunteer fire department at the time of the
29 person's election to the city council may continue to hold the
30 office of chief of the fire department during the city council
31 term for which that person was elected.

32 Sec. 199. Section 422E.1, subsection 2, Code Supplement
33 2003, is amended to read as follows:

34 2. The maximum rate of tax shall be one percent. The tax
35 shall be imposed without regard to any other local sales and

1 services tax authorized in chapter 422B, and is repealed at
2 the expiration of a period of ten years of imposition or a
3 shorter period as provided in the ballot proposition. However,
4 all local option sales and services taxes for school
5 infrastructure purposes are repealed December 31, 2022. The
6 term of bonds issued pursuant to section 422E.4 shall not
7 exceed ten years, except in the case of bonds issued by a
8 school district located in a county that approved the
9 imposition of the tax at an election held on June 17, 2003.

10 Sec. 200. Section 422E.2, subsection 4, paragraph a, Code
11 Supplement 2003, is amended to read as follows:

12 a. Each school district located within the county may
13 submit a revenue purpose statement to the county commissioner
14 of elections no later than sixty days prior to the election
15 indicating the specific purpose or purposes for which the
16 local sales and services tax for school infrastructure revenue
17 and supplemental school infrastructure amount revenue will be
18 expended. The revenues received pursuant to this chapter
19 shall be expended for the purposes indicated in the revenue
20 purpose statement. The revenue purpose statement may include
21 information regarding the school district's use of the
22 revenues to provide for property tax relief or debt reduction.
23 A copy of the revenue purpose statement shall be made
24 available for public inspection in accordance with chapter 22,
25 shall be posted at the appropriate polling places of each
26 school district during the hours that the polls are open, and
27 be published in a newspaper of general circulation in the
28 school district no sooner than twenty days and no later than
29 ten days prior to the election. Notwithstanding the
30 requirements for a revenue purpose statement in this
31 paragraph, for elections occurring after April 1, 2003, but
32 before August 1, 2003, a revenue purpose statement submitted
33 not later than April 1, 2004, shall be considered to have met
34 the requirements of this paragraph.

35 Sec. 201. Section 422E.4, unnumbered paragraph 1, Code

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1 Supplement 2003, is amended to read as follows:

2 The board of directors of a school district shall be
3 authorized to issue negotiable, interest-bearing school bonds,
4 without election, and utilize tax receipts derived from the
5 sales and services tax for school infrastructure purposes and
6 the supplemental school infrastructure amount distributed
7 pursuant to section 422E.3A, subsection 2, paragraph "b", for
8 principal and interest repayment. Proceeds of the bonds
9 issued pursuant to this section shall be utilized solely for
10 school infrastructure needs as school infrastructure is
11 defined in section 422E.1, subsection 3. ~~Issuance of bonds~~
12 ~~pursuant to this section shall be permitted only in a district~~
13 ~~which has imposed a local sales and services tax for school~~
14 ~~infrastructure purposes pursuant to section 422E.2. The~~
15 ~~provisions of sections 298.22 through 298.24 shall apply~~
16 ~~regarding the form, rate of interest, registration,~~
17 ~~redemption, and recording of bond issues pursuant to this~~
18 ~~section, with the exception that the maximum period during~~
19 ~~which principal on the bonds is payable shall not exceed the~~
20 ~~date of repeal stated on the ballot proposition.~~ Bonds issued
21 under this section may be sold at public or private sale as
22 provided in chapter 75 without notice and hearing as provided
23 in section 73A.12. Bonds may bear dates, bear interest at
24 rates not exceeding that permitted by chapter 74A, mature in
25 one or more installments, be in registered form, carry
26 registration and conversion privileges, be payable as to
27 principal and interest at times and places, be subject to
28 terms of redemption prior to maturity with or without premium,
29 and be in one or more denominations, all as provided by the
30 resolution of the board of directors authorizing their
31 issuance. The resolution may also prescribe additional
32 provisions, terms, conditions, and covenants which the board
33 of directors deems advisable, including provisions for
34 creating and maintaining reserve funds, the issuance of
35 additional bonds ranking on a parity with such bonds and

1 additional bonds junior and subordinate to such bonds, and
2 that such bonds shall rank on a parity with or be junior and
3 subordinate to any bonds which may be then outstanding. Bonds
4 may be issued to refund outstanding and previously issued
5 bonds under this section. Local option sales and services tax
6 revenue bonds are a contract between the school district and
7 holders, and the resolution issuing the bonds and pledging
8 local option sales and services tax revenues to the payment of
9 principal and interest on the bonds is a part of the contract.
10 Bonds issued pursuant to this section shall not constitute
11 indebtedness within the meaning of any constitutional or
12 statutory debt limitation or restriction, and shall not be
13 subject to any other law relating to the authorization,
14 issuance, or sale of bonds.

15 Sec. 202. Section 425.1, subsection 1, unnumbered
16 paragraph 1, Code Supplement 2003, is amended to read as
17 follows:

18 A homestead credit fund is created. ~~There-is-appropriated~~
19 ~~annually-from-the-general-fund-of-the-state~~ Notwithstanding
20 any conflicting provisions of section 8.56, there is
21 appropriated for the fiscal year beginning July 1, 2004, and
22 ending June 30, 2005, from the cash reserve fund created in
23 section 8.56 to the department of revenue to be credited to
24 the homestead credit fund, an amount sufficient equal to one
25 hundred two million nine hundred forty-five thousand three
26 hundred seventy-nine dollars to implement this chapter.

27 Sec. 203. Section 425.19, Code 2003, is amended to read as
28 follows:

29 425.19 CLAIM AND CREDIT OR REIMBURSEMENT.

30 Subject to the limitations provided in this division, a
31 claimant may annually claim a credit for property taxes due
32 during the fiscal year next following the base year or claim a
33 reimbursement for rent constituting property taxes paid in the
34 base year. The amount of the credit for property taxes due
35 for a homestead shall be paid on June 15 of each year by the

1 director to the county treasurer who shall credit the money
 2 received against the amount of the property taxes due and
 3 payable on the homestead of the claimant and the amount of the
 4 reimbursement for rent constituting property taxes paid shall
 5 be paid to the claimant ~~from~~ by the state ~~general-fund~~ on or
 6 before December 31 ~~of-each-year~~ unless otherwise provided.

7 Sec. 204. Section 425.23, subsection 3, paragraph a, Code
 8 Supplement 2003, is amended to read as follows:

9 a. A person who is eligible to file a claim for credit for
 10 property taxes due and who has a household income of eight
 11 thousand five hundred dollars or less and who has an unpaid
 12 special assessment levied against the homestead may file a
 13 claim for a special assessment credit with the county
 14 treasurer. The department shall provide to the respective
 15 treasurers the forms necessary for the administration of this
 16 subsection. The claim shall be filed not later than September
 17 30 of each year. Upon the filing of the claim, interest for
 18 late payment shall not accrue against the amount of the unpaid
 19 special assessment due and payable. The claim filed by the
 20 claimant constitutes a claim for credit of an amount equal to
 21 the actual amount due upon the unpaid special assessment, plus
 22 interest, payable during the fiscal year for which the claim
 23 is filed against the homestead of the claimant. However,
 24 where the claimant is an individual described in section
 25 425.17, subsection 2, paragraph "b", and the tentative credit
 26 is determined according to the schedule in subsection 1,
 27 paragraph "b", subparagraph (2), of this section, the claim
 28 filed constitutes a claim for credit of an amount equal to
 29 one-half of the actual amount due and payable during the
 30 fiscal year. The treasurer shall certify to the director of
 31 revenue not later than October 15 of each year the total
 32 amount of dollars due for claims allowed. The amount of
 33 reimbursement due each county shall be paid by the director of
 34 revenue by November 15 of each year, drawn upon warrants
 35 payable to the respective treasurer. ~~There-is-appropriated~~

1 ~~annually from the general fund of the state to the department~~
2 ~~of revenue an amount sufficient to carry out the provisions of~~
3 ~~this subsection.~~ The treasurer shall credit any moneys
4 received from the department against the amount of the unpaid
5 special assessment due and payable on the homestead of the
6 claimant.

7 Sec. 205. Section 425.39, Code Supplement 2003, is amended
8 to read as follows:

9 425.39 FUND CREATED -- APPROPRIATION -- PRIORITY.

10 The elderly and disabled property tax credit and
11 reimbursement fund is created. ~~There is appropriated annually~~
12 ~~from the general fund of the state~~ Notwithstanding any
13 conflicting provisions of section 8.56, there is appropriated
14 for the fiscal year beginning July 1, 2004, and ending June
15 30, 2005, from the cash reserve fund created in section 8.56
16 to the department of revenue to be credited to the elderly and
17 disabled property tax credit and reimbursement fund, ~~from~~
18 ~~funds not otherwise appropriated,~~ an amount sufficient equal
19 to nineteen million five hundred forty thousand dollars to
20 implement this division for claimants described in section
21 425.17, subsection 2, paragraph "a". If the sum of the amount
22 of claims for credit for property taxes due plus the amount of
23 claims for reimbursement for rent constituting property tax
24 paid which are to be paid during the fiscal year beginning
25 July 1, 2004, exceeds the amount appropriated in this section,
26 the director of revenue shall prorate the payments for the
27 property tax credit and for reimbursement for rent
28 constituting property tax paid. In order for the director to
29 carry out the requirements of this section, notwithstanding
30 any provision to the contrary in this chapter, claims for
31 reimbursement for rent constituting property taxes paid filed
32 before May 1, 2005, shall be eligible to be paid during the
33 fiscal year ending June 30, 2005, and those claims filed on or
34 after May 1, 2005, shall be eligible to be paid during the
35 fiscal year beginning July 1, 2005, and the director is not

1 required to make payments to counties for the property tax
2 credit before June 15, 2005.

3 Sec. 206. Section 425A.1, Code 2003, is amended to read as
4 follows:

5 425A.1 FAMILY FARM TAX CREDIT FUND.

6 The family farm tax credit fund is created in the office of
7 the treasurer of state. There shall be transferred annually
8 to the fund the first ten million dollars of the amount
9 ~~annually~~ appropriated to the agricultural land credit fund,
10 provided in section 426.1. ~~Any balance in the fund on June 30~~
11 ~~shall revert to the general fund.~~

12 Sec. 207. Section 426.1, Code 2003, is amended to read as
13 follows:

14 426.1 AGRICULTURAL LAND CREDIT FUND.

15 There is created as a permanent fund in the office of the
16 treasurer of state a fund to be known as the agricultural land
17 credit fund, ~~and for the purpose of establishing and~~
18 ~~maintaining this fund for each fiscal year there is~~
19 ~~appropriated thereto from funds in the general fund not~~
20 ~~otherwise appropriated the sum of thirty-nine million one~~
21 ~~hundred thousand dollars.~~ Notwithstanding any conflicting
22 provisions of section 8.56, there is appropriated for the
23 fiscal year beginning July 1, 2004, and ending June 30, 2005,
24 from the cash reserve fund created in section 8.56 to the
25 agricultural land credit fund the sum of thirty-four million
26 six hundred ten thousand one hundred eighty-three dollars of
27 which the first ten million dollars shall be transferred to
28 and deposited into the family farm tax credit fund created in
29 section 425A.1. ~~Any balance in said fund on June 30 shall~~
30 ~~revert to the general fund.~~

31 Sec. 208. Section 426A.1A, Code 2003, is amended by
32 striking the section and inserting in lieu thereof the
33 following:

34 426A.1A APPROPRIATIONS.

35 Notwithstanding any conflicting provisions of section 8.56,

1 there is appropriated for the fiscal year beginning July 1,
2 2004, and ending June 30, 2005, from the cash reserve fund
3 created in section 8.56 to the department of revenue the sum
4 of two million five hundred sixty-eight thousand four hundred
5 two dollars to fund the credits provided under this chapter.

6 Sec. 209. Section 426A.4, Code Supplement 2003, is amended
7 to read as follows:

8 426A.4 CERTIFICATION BY DIRECTOR OF REVENUE.

9 Sums distributable from the ~~general-fund-of-the~~ state shall
10 be allocated annually to the counties of the state. On
11 September 15 annually the director of revenue shall certify
12 and draw warrants to the treasurer of each county payable from
13 the ~~general~~ designated fund of the state in the amount
14 claimed. Payments shall be made to the treasurer of each
15 county not later than September 30 of each year.

16 Sec. 210. Section 426A.6, Code Supplement 2003, is amended
17 to read as follows:

18 426A.6 SETTING ASIDE ALLOWANCE.

19 If the director of revenue determines that a claim for
20 military service tax exemption has been allowed by a board of
21 supervisors which is not justifiable under the law and not
22 substantiated by proper facts, the director may, at any time
23 within thirty-six months from July 1 of the year in which the
24 claim is allowed, set aside the allowance. Notice of the
25 disallowance shall be given to the county auditor of the
26 county in which the claim has been improperly granted and a
27 written notice of the disallowance shall also be addressed to
28 the claimant at the claimant's last known address. The
29 claimant or the board of supervisors may appeal to the state
30 board of tax review pursuant to section 421.1, subsection 4.
31 The claimant or the board of supervisors may seek judicial
32 review of the action of the state board of tax review in
33 accordance with chapter 17A. If a claim is disallowed by the
34 director of revenue and not appealed to the state board of tax
35 review or appealed to the state board of tax review and

1 thereafter upheld upon final resolution, including judicial
 2 review, the credits allowed and paid ~~from the general fund of~~
 3 by the state become a lien upon the property on which the
 4 credit was originally granted, if still in the hands of the
 5 claimant and not in the hands of a bona fide purchaser, the
 6 amount so erroneously paid shall be collected by the county
 7 treasurer in the same manner as other taxes, and the
 8 collections shall be returned to the department of revenue and
 9 credited to the ~~general fund of the state~~ fund from which the
 10 claim was paid. The director of revenue may institute legal
 11 proceedings against a military service tax exemption claimant
 12 for the collection of payments made on disallowed exemptions.

13 Sec. 211. Section 426A.8, unnumbered paragraphs 1 and 4,
 14 Code Supplement 2003, are amended to read as follows:

15 If the amount of credit apportioned to any property
 16 eligible to military service tax exemption under this chapter
 17 in any year shall exceed the total tax, exclusive of any
 18 special assessments levied against such property eligible for
 19 military service tax exemption, then the excess shall be
 20 remitted by the county treasurer to the department of revenue
 21 to be redeposited in the ~~general fund of the state~~ from which
 22 the credit was paid and reallocated the following year by the
 23 department.

24 The amount of the credit shall be allocated and paid from
 25 the surplus redeposited in the ~~general~~ fund of the state
 26 provided for in the first paragraph of this section.

27 Sec. 212. Section 426A.9, Code Supplement 2003, is amended
 28 to read as follows:

29 426A.9 ERRONEOUS CREDITS.

30 If any claim is allowed, and subsequently reversed on
 31 appeal, any credit shall be void, and the amount of the credit
 32 shall be charged against the property in question, and the
 33 director of revenue, the county auditor and the county
 34 treasurer shall correct their books and records. The amount
 35 of the erroneous credit, when collected, shall be returned by

1 the county treasurer to the general fund of the state from
2 which the credit was paid.

3 Sec. 213. Section 435.22, subsection 5, unnumbered
4 paragraph 6, Code Supplement 2003, is amended to read as
5 follows:

6 ~~There is appropriated annually from the general fund of the~~
7 state The appropriation made in section 425.39 shall be
8 available to the department of revenue ~~an amount sufficient~~ to
9 carry out this subsection.

10 Sec. 214. Section 455B.310, Code 2003, is amended by
11 adding the following new subsection:

12 NEW SUBSECTION. 10. Nonmetallic material processed by an
13 industrial shredder, and commonly referred to as shredder
14 fluff, which is disposed of as solid waste or otherwise used
15 by a sanitary landfill is exempt from the imposition of the
16 tonnage fee under this section.

17 Sec. 215. Section 668B.2, subsection 1, if enacted by 2004
18 Iowa Acts, House File 2440, section 2, is amended to read as
19 follows:

20 1. "Health care provider" means a physician as defined in
21 section 135.1, a licensed physician assistant as defined in
22 section 148C.1, a nurse, including an advanced registered
23 nurse practitioner, licensed pursuant to chapter 152, a
24 hospital as defined in section 135B.1, and a health care
25 facility as defined in section 135C.1.

26 Sec. 216. COLLECTIVE BARGAINING AGREEMENTS FUNDED --
27 GENERAL FUND. The various state departments, boards,
28 commissions, councils, and agencies, including the state board
29 of regents, for the fiscal year beginning July 1, 2004, and
30 ending June 30, 2005, shall provide from available sources pay
31 adjustments, expense reimbursements, and related benefits to
32 fully fund the following:

33 1. The collective bargaining agreement negotiated pursuant
34 to chapter 20 for employees in the blue collar bargaining
35 unit.

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- 1 2. The collective bargaining agreement negotiated pursuant
2 to chapter 20 for employees in the public safety bargaining
3 unit.
- 4 3. The collective bargaining agreement negotiated pursuant
5 to chapter 20 for employees in the security bargaining unit.
- 6 4. The collective bargaining agreement negotiated pursuant
7 to chapter 20 for employees in the technical bargaining unit.
- 8 5. The collective bargaining agreement negotiated pursuant
9 to chapter 20 for employees in the professional fiscal and
10 staff bargaining unit.
- 11 6. The collective bargaining agreement negotiated pursuant
12 to chapter 20 for employees in the clerical bargaining unit.
- 13 7. The collective bargaining agreement negotiated pursuant
14 to chapter 20 for employees in the professional social
15 services bargaining unit.
- 16 8. The collective bargaining agreement negotiated pursuant
17 to chapter 20 for employees in the community-based corrections
18 bargaining unit.
- 19 9. The collective bargaining agreements negotiated
20 pursuant to chapter 20 for employees in the judicial branch of
21 government bargaining units.
- 22 10. The collective bargaining agreement negotiated
23 pursuant to chapter 20 for employees in the patient care
24 bargaining unit.
- 25 11. The collective bargaining agreement negotiated
26 pursuant to chapter 20 for employees in the science bargaining
27 unit.
- 28 12. The collective bargaining agreement negotiated
29 pursuant to chapter 20 for employees in the university of
30 northern Iowa faculty bargaining unit.
- 31 13. The collective bargaining agreement negotiated
32 pursuant to chapter 20 for employees in the state university
33 of Iowa graduate student bargaining unit.
- 34 14. The collective bargaining agreement negotiated
35 pursuant to chapter 20 for employees in the state university

1 of Iowa hospital and clinics tertiary health care bargaining
2 unit.

3 15. The annual pay adjustments, related benefits, and
4 expense reimbursements referred to in section 217 of this
5 division of this Act for employees not covered by a collective
6 bargaining agreement.

7 Sec. 217. NONCONTRACT STATE EMPLOYEES -- GENERAL.

8 1. a. For the fiscal year beginning July 1, 2004, the
9 maximum salary levels of all pay plans provided for in section
10 8A.413, subsection 2, as they exist for the fiscal year ending
11 June 30, 2004, shall be increased by 2 percent for the pay
12 period beginning December 31, 2004, and any additional changes
13 in the pay plans shall be approved by the governor.

14 b. For the fiscal year beginning July 1, 2004, employees
15 may receive a step increase or the equivalent of a step
16 increase.

17 2. The pay plans for state employees who are exempt from
18 chapter 8A, Article 4, and who are included in the department
19 of administrative service's centralized payroll system shall
20 be increased in the same manner as provided in subsection 1,
21 and any additional changes in any executive branch pay plans
22 shall be approved by the governor.

23 3. This section does not apply to members of the general
24 assembly, board members, commission members, salaries of
25 persons set by the general assembly pursuant to this division
26 of this Act or set by the governor, employees designated under
27 section 8A.412, subsection 5, and employees covered by 581 IAC
28 4.6(3).

29 4. The pay plans for the bargaining eligible employees of
30 the state other than the employees of the state board of
31 regents shall be increased in the same manner as provided in
32 subsection 1, and any additional changes in such executive
33 branch pay plans shall be approved by the governor. As used
34 in this section, "bargaining eligible employee" means an
35 employee who is eligible to organize under chapter 20, but has

1 not done so.

2 5. The policies for implementation of this section shall
3 be approved by the governor.

4 Sec. 218. APPROPRIATIONS FROM ROAD FUNDS.

5 1. There is appropriated from the road use tax fund to the
6 salary adjustment fund for the fiscal year beginning July 1,
7 2004, and ending June 30, 2005, the following amount, or so
8 much thereof as may be necessary, to be used for the purpose
9 designated:

10 To supplement other funds appropriated by the general
11 assembly:

12 \$ 3,000,000

13 2. There is appropriated from the primary road fund to the
14 salary adjustment fund, for the fiscal year beginning July 1,
15 2004, and ending June 30, 2005, the following amount, or so
16 much thereof as may be necessary, to be used for the purpose
17 designated:

18 To supplement other funds appropriated by the general
19 assembly:

20 \$ 12,000,000

21 3. Except as otherwise provided in this division of this
22 Act, the amounts appropriated in subsections 1 and 2 shall be
23 used to fund the annual pay adjustments, expense
24 reimbursements, and related benefits for public employees as
25 provided in this division of this Act.

26 Sec. 219. SPECIAL FUNDS -- AUTHORIZATION. To departmental
27 revolving, trust, or special funds, except for the primary
28 road fund or the road use tax fund, for which the general
29 assembly has established an operating budget, a supplemental
30 expenditure authorization is provided, unless otherwise
31 provided, in an amount necessary to fund salary adjustments as
32 otherwise provided in this division of this Act.

33 Sec. 220. FEDERAL FUNDS APPROPRIATED. All federal grants
34 to and the federal receipts of the agencies affected by this
35 division of this Act which are received and may be expended

1 for purposes of pay adjustments and related benefits as
2 covered in this division of this Act are appropriated for
3 those purposes and as set forth in the federal grants or
4 receipts.

5 Sec. 221. STATE TROOPER MEAL ALLOWANCE. The sworn peace
6 officers in the department of public safety who are not
7 covered by a collective bargaining agreement negotiated
8 pursuant to chapter 20 shall receive the same per diem meal
9 allowance as the sworn peace officers in the department of
10 public safety who are covered by a collective bargaining
11 agreement negotiated pursuant to chapter 20.

12 Sec. 222. 2001 Iowa Acts, chapter 174, section 1,
13 subsection 2, as amended by 2002 Iowa Acts, chapter 1174,
14 section 8, and 2003 Iowa Acts, chapter 179, section 38, is
15 amended to read as follows:

16 2. There is appropriated from the general fund of the
17 state to the endowment for Iowa's health account of the
18 tobacco settlement trust fund created in section 12E.12, for
19 the designated fiscal years, the following amounts, to be used
20 for the purposes specified in section 12E.12 for the endowment
21 for Iowa's health account:

22	FY 2001-2002	\$ 7,248,000
23	FY 2003-2004	\$ 0
24	FY 2004-2005	\$ 29,785,000
25		<u>0</u>
26	FY 2005-2006	\$ 29,562,000
27	FY 2006-2007	\$ 17,773,000

28 Sec. 223. 2003 Iowa Acts, chapter 179, section 21,
29 unnumbered paragraph 5, is amended to read as follows:

30 Notwithstanding section 8.33, unencumbered or unobligated
31 funds remaining on June 30, 2003, from the appropriation made
32 in this section shall not revert but shall remain available to
33 be used for the purposes designated ~~in the following fiscal~~
34 year until the end of the fiscal year beginning July 1, 2004.

35 Sec. 224. STATE BOARD OF REGENTS BONDING.

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1 1. FINDINGS. The general assembly finds that:

2 a. Pursuant to section 262A.3, the state board of regents
3 prepared and within seven days after the convening of the
4 Eightieth General Assembly of the State of Iowa, Second
5 Session, submitted to the Eightieth General Assembly, Second
6 Session, for approval the proposed five-year building program
7 for each institution of higher learning under the jurisdiction
8 of the board, containing a list of the buildings and
9 facilities which the board deems necessary to further the
10 educational objectives of the institutions, together with an
11 estimate of the cost of each of the buildings and facilities
12 and an estimate of the maximum amount of revenue bonds which
13 the board expects to issue under chapter 262A to finance the
14 costs of the projects.

15 b. The projects contained in the capital improvement
16 program are deemed necessary for the proper performance of the
17 instructional, research, and service functions of the
18 institutions.

19 c. Section 262A.4 provides that the state board of
20 regents, after authorization by a constitutional majority of
21 each house of the general assembly and approval by the
22 governor, may undertake and carry out at the institutions of
23 higher learning under the jurisdiction of the board any
24 project as defined in chapter 262A.

25 d. Chapter 262A authorizes the state board of regents to
26 borrow moneys and to issue and sell negotiable revenue bonds
27 to pay all or any part of the cost of carrying out projects at
28 any institution payable solely from and secured by an
29 irrevocable pledge of a sufficient portion of the student fees
30 and charges and institutional income received by the
31 particular institution.

32 e. To further the educational objectives of the
33 institutions, the state board of regents requests
34 authorization to undertake and carry out certain projects at
35 this time and to finance their costs by borrowing moneys and

1 issuing negotiable bonds under chapter 262A in a total amount
2 as provided in this section, with the remaining costs of the
3 projects to be financed by appropriations or by federal or
4 other funds lawfully available.

5 2. APPROVAL -- LIMITS.

6 a. The proposed five-year building program submitted by
7 the state board of regents for each institution of higher
8 learning under its jurisdiction is approved and no commitment
9 is implied or intended by approval to fund any portion of the
10 proposed five-year building program submitted by the state
11 board of regents beyond the portion that is financed and
12 approved by the Eightieth General Assembly, Second Session,
13 and the governor.

14 b. The maximum amount of bonds which the state board of
15 regents expects to issue under chapter 262A, unless additional
16 bonding is authorized, is set forth in this section, and this
17 plan of financing is approved.

18 3. PROJECTS. The state board of regents is authorized to
19 undertake, plan, construct, improve, repair, remodel, furnish,
20 and equip, and otherwise carry out the following projects at
21 the institutions of higher learning under the jurisdiction of
22 the board, and the general assembly authorizes the state board
23 of regents to borrow moneys and to issue and sell negotiable
24 revenue bonds in the amount of \$120,000,000 in the manner
25 provided in sections 262A.5 and 262A.6 in order to pay all or
26 any part of the costs of carrying out the projects at the
27 institutions as follows:

28 a. Iowa state university of science and technology
29 For the veterinary teaching hospital -- diagnostic lab,
30 Coover hall -- information science, and for fire safety costs:
31 \$ 48,000,000

32 b. State university of Iowa
33 For the chemistry building renovation, phase II of the art
34 building renovation, and for fire safety costs:
35 \$ 50,000,000

1 c. University of northern Iowa
 2 For the science buildings renovation project and for the
 3 Russell hall renovation:
 4 \$ 22,000,000
 5 Total \$120,000,000

6 4. Notwithstanding the limitation established in
 7 subsection 3, the amount of bonds issued as authorized in
 8 subsection 3 may be exceeded by the amount the state board of
 9 regents determines to be necessary to capitalize bond
 10 reserves, interest during construction, and issuance costs.

11 Sec. 225. COMMERCIAL VEHICLE REGISTRATION FEES -- REFUND.
 12 Notwithstanding the provisions relating to the registration of
 13 commercial vehicles, as defined in section 321.1, the
 14 requirement of the return of the registration plate and
 15 registration receipt to the state department of
 16 transportation, and the time limit for applying for a refund,
 17 any person that sold a commercial vehicle between January 1,
 18 2002, and April 1, 2002, shall receive a refund of any
 19 registration fees, penalties, or interest assessed related to
 20 the registration of such vehicle for a registration year
 21 beginning in the 2002 calendar year if all of the following
 22 apply:

- 23 1. The person failed to register the commercial vehicle
- 24 for the registration year beginning in the 2002 calendar year.
- 25 2. The commercial vehicle was sold by the person to
- 26 another during the period beginning January 1, 2002, and
- 27 ending April 1, 2002, and the purchaser registered the vehicle
- 28 for all or part of the registration year beginning in the 2002
- 29 calendar year.
- 30 3. A claim for refund pursuant to this section is filed
- 31 with the state department of transportation after the
- 32 effective date of this section and prior to August 1, 2004.

33 Sec. 226. PERSONS WHO ARE UNINSURED OR UNDERINSURED --
 34 ACCESS TO NECESSARY PRESCRIPTIONS DRUGS.

35 1. There is appropriated from the general fund of the

1 state to the Iowa department of public health for the fiscal
2 year beginning July 1, 2004, and ending June 30, 2005, the
3 following amount, or so much thereof as is necessary, to be
4 used for the purpose designated:

5 For efforts made in accordance with this section by the
6 bureau of health care access in partnership with private
7 foundations and businesses to improve access to necessary
8 prescription drugs for persons who are uninsured or
9 underinsured:

10 \$ 10,000

11 2. The bureau shall create a task force to assist the
12 bureau in efforts made for the purposes of this section. The
13 task force membership may include but is not limited to
14 representatives of the following: Iowa pharmacists, health
15 care providers, interested foundations or businesses, the
16 medical assistance program, organizations providing health
17 care services to persons who are uninsured or underinsured,
18 and others.

19 3. The bureau may initiate a pilot study to develop and
20 test access improvement assumptions and viability options.
21 The study may utilize a free clinic or other existing provider
22 of health care services to persons who are uninsured or
23 underinsured.

24 4. Moneys appropriated in this section may be used for
25 costs associated with implementation of the task force, pilot
26 study, or other effort made for the purposes of this section.
27 Private funding shall be combined with the moneys appropriated
28 in this section in implementing the efforts. The bureau shall
29 report to the governor and general assembly by December 15,
30 2004, concerning progress made and shall submit later reports
31 as requested by the governor and members of the general
32 assembly.

33 Sec. 227. Sections 25B.7 and 266.39D, Code Supplement
34 2003, are repealed.

35 Sec. 228. Section 266.31, Code 2003, is repealed.

1 Sec. 229. STATE PERCENT OF GROWTH DEADLINES AND
2 RESTRICTIONS -- INAPPLICABILITY. The thirty-day deadline and
3 restrictions for the enactment of the state percent of growth
4 provided in section 257.8 do not apply to this Act.

5 Sec. 230. EFFECTIVE AND APPLICABILITY DATE PROVISIONS.

6 1. The sections of this division of this Act amending
7 sections 257.8, 257.16, and 257.35 are applicable for
8 computing state aid under the state school foundation program
9 for the school budget year beginning July 1, 2004.

10 2. The sections of this division of this Act amending
11 sections 257.14, 346.27, 422E.1, and 422E.2, being deemed of
12 immediate importance, take effect upon enactment.

13 3. The section relating to the refund for commercial
14 vehicle registration fees, penalties, and interest, being
15 deemed of immediate importance takes effect upon enactment.

16 EXPLANATION

17 ADMINISTRATION AND REGULATION. This division relates to
18 and appropriates moneys to various state departments,
19 agencies, and funds for the fiscal year beginning July 1,
20 2004, and ending June 30, 2005.

21 Appropriations are made to state departments and agencies
22 including the department of administrative services, auditor
23 of state, Iowa ethics and campaign disclosure board,
24 department of commerce, office of governor including the
25 lieutenant governor, Terrace Hill quarters and drug control
26 policy office, department of human rights, department of
27 inspections and appeals, department of management, Iowa public
28 employees' retirement system, secretary of state, treasurer of
29 state, and department of revenue.

30 Funding is also appropriated for the state's membership in
31 the national governors association and for the ready to work
32 program coordinator.

33 Code section 7J.1, concerning charter agencies, is amended
34 by adding a new subsection that allows a charter agency to
35 approve claims for expenses in attending conventions, out-of-

1 state travel requests, and memberships in professional
2 organizations without being required to obtain executive
3 council approval.

4 Code section 8.63, concerning the innovations fund, is
5 amended. The change provides that any savings realized by an
6 agency using an innovation project loan that is not retained
7 by the agency shall not be deposited in the innovations fund.
8 In addition, the bill provides that the standing appropriation
9 to the department of management for deposit in the fund for a
10 loan that is not required to be repaid by the agency receiving
11 the loan shall be limited to the principal and interest amount
12 for the loan.

13 Code section 543B.14, concerning the deposit of real estate
14 salesperson's and broker's license fees in the real estate
15 education fund, is amended to provide that \$50 per license
16 shall be deposited in the fund. Under current law, the
17 greater of \$10 or 40 percent per year for each real estate
18 salesperson's license and the greater of \$10 or 25 percent for
19 each broker's license is deposited in the fund.

20 Code section 543B.54, concerning the real estate education
21 fund, is amended to provide that \$25 for each real estate
22 salesperson's and broker's license shall be appropriated to
23 the board of regents for maintaining a real estate education
24 program at the University of Northern Iowa. Under current
25 law, 70 percent of moneys in the fund shall be given for the
26 program.

27 The department of administrative services is directed to
28 pursue a goal of increasing the ratio of employees per
29 supervisor for executive branch agencies to 12 to one by
30 December 31, 2005.

31 AGRICULTURE AND NATURAL RESOURCES. This division provides
32 funding for the department of agriculture and land stewardship
33 and the department of natural resources from a number of
34 sources.

35 For the department of agriculture and land stewardship,

1 moneys are appropriated from the general fund of the state and
2 full-time equivalent employee positions are authorized in
3 order to support its administrative division, regulatory
4 division, laboratory division, and conservation division.
5 Moneys are also appropriated to support animal industry
6 programs, including a program to regulate horse and dog racing
7 by the department. Support is provided to the senior farmers
8 market nutrition program and to the department for membership
9 in a Missouri river association. Moneys are appropriated to
10 the department of agriculture and land stewardship for the
11 purpose of supporting the testing and monitoring of avian
12 influenza affecting the poultry industry.

13 For the department of natural resources, moneys are
14 appropriated from the general fund of the state and full-time
15 equivalent positions are authorized in order to support its
16 administrative and support services division, parks and
17 preserves division, forests and forestry division, energy and
18 geological resources division, and environmental protection
19 division. Moneys are appropriated from the state fish and
20 game protection fund for support of the division of fish and
21 wildlife. Moneys are transferred to the state fish and game
22 protection fund to support snowmobile programs and enforce
23 state navigation laws administered by the department.

24 The department is allowed to use additional funds for
25 staffing to reduce the department's floodplain permit backlog
26 and to use additional funds available from stormwater
27 discharge permit fees for staffing required to implement the
28 federal total maximum daily load program.

29 A provision is amended which repeals Code chapter 424
30 providing for an environmental protection charge on petroleum
31 diminution. Code section 424.19 provides that the provision
32 is repealed on July 1, 2014. That date is extended until July
33 1, 2016.

34 The appropriation to support the testing and monitoring of
35 avian influenza is not effective if a similar bill is enacted.

1 The extension of the repeal to Code chapter 424 is made
2 contingent upon the enactment of another bill.

3 ECONOMIC DEVELOPMENT. This division makes appropriations
4 and transfers from the general fund of the state to the
5 department of economic development, the university of Iowa,
6 the university of northern Iowa, Iowa state university, the
7 department of workforce development, and the public employment
8 relations board for the 2004-2005 fiscal year.

9 The division provides that the goals for the department of
10 economic development shall be to expand and stimulate the
11 state economy, increase the wealth of Iowans, and increase the
12 population of the state. The division provides that the
13 department of economic development shall demonstrate
14 accountability by using performance measures appropriate to
15 show the attainment of the goals for the state and by
16 measuring the effectiveness and results of the department's
17 programs and activities.

18 Loan repayments on loans under the former rural community
19 2000 program to the department of economic development moneys
20 for providing financial assistance to Iowa's councils of
21 governments and for the rural development program.

22 Moneys collected by the division of insurance in excess of
23 the anticipated gross revenues to the department of economic
24 development for purposes of insurance economic development and
25 international insurance economic development.

26 Moneys from the Iowa community development loan fund to the
27 department of economic development for purposes of the
28 community development program.

29 Moneys from the workforce development fund account to the
30 workforce development fund.

31 The division provides that moneys appropriated or
32 transferred to or receipts credited to the workforce
33 development fund may be used for administration of workforce
34 development activities.

35 The division provides that all moneys remaining in the job

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1 training fund on July 1, 2004, and any moneys appropriated or
2 credited to the fund during the fiscal year beginning July 1,
3 2004, shall be transferred to the workforce development fund.

4 The division appropriates moneys from the administrative
5 contribution surcharge fund to the department of workforce
6 development for salaries, support, maintenance, conducting
7 labor market surveys, miscellaneous purposes, and for
8 workforce development regional advisory board member expenses.

9 The division appropriates moneys from the special
10 employment security contingency fund to the department of
11 workforce development for the division of workers'
12 compensation and immigration service centers.

13 The division provides that the Iowa community college one
14 source training initiative is encouraged to explore a
15 partnership with software and information technology of Iowa
16 to identify methods of funding the training and retraining
17 needs of the software and information technology sector in
18 Iowa.

19 The division allows the office of renewable fuels and
20 coproducts to apply to the department of economic development
21 for moneys in the value-added agricultural products and
22 processes financial assistance fund for deposit in the
23 renewable fuels and coproducts fund.

24 The division provides that the auditor of state is
25 requested to review the audit of the Iowa finance authority
26 performed by the auditor hired by the authority. The division
27 provides that the auditor of state is also requested to
28 conduct a performance audit of the authority to determine the
29 effectiveness of the authority and the programs of the
30 authority.

31 The division provides that, for the fiscal year beginning
32 July 1, 2004, any entity that was specifically identified in
33 2001 Iowa Acts, chapter 188, to receive funding from the
34 department of economic development, excluding any entity
35 identified to receive a direct appropriation beginning July 1,

1 2004, may apply to the department for assistance through the
2 appropriate program.

3 The division provides that the department of economic
4 development, the department of workforce development, and the
5 regents institutions receiving an appropriation pursuant to
6 this division shall file a written report on a quarterly basis
7 with the chairpersons and ranking members of the joint
8 appropriations subcommittee on economic development and the
9 legislative services agency regarding all expenditures of
10 moneys appropriated pursuant to this division during the
11 quarter, allocations of moneys appropriated pursuant to this
12 division during the quarter, and full-time equivalent
13 positions allocated during the quarter.

14 The division provides that, in providing moneys from the
15 shelter assistance fund to homeless shelter programs, the
16 department of economic development shall explore the potential
17 of allocating moneys to programs based in part on their
18 ability to move their clients toward self-sufficiency.

19 The division provides that all federal grants to and the
20 federal receipts of agencies appropriated funds under this
21 division, not otherwise appropriated, are appropriated for the
22 purposes set forth in the federal grants or receipts unless
23 otherwise provided.

24 The division appropriates moneys from moneys credited to
25 the state by the secretary of the treasury of the United
26 States pursuant to the Social Security Act to the department
27 of workforce development for the administration of the
28 unemployment compensation program only.

29 The division appropriates moneys from the general fund to
30 the department of economic development to pay payroll
31 expenditure refunds under the school-to-career program.

32 EDUCATION. This division appropriates moneys for fiscal
33 year 2004-2005 from the general fund of the state to the
34 college student aid commission, the department for the blind,
35 the department of cultural affairs, the department of

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1 education, and the state board of regents and its
2 institutions.

3 The division includes appropriations to the college student
4 aid commission for general administrative purposes, student
5 aid programs, an initiative directing primary care physicians
6 to areas of the state experiencing physician shortages, the
7 national guard educational assistance program, and the teacher
8 shortage forgivable loan program. The division nullifies the
9 \$2.75 million standing appropriation for the Iowa work-study
10 program for fiscal year 2004-2005. The division also amends
11 statutory language to increase the standing appropriations for
12 tuition grants and vocational-technical tuition grants, and to
13 decrease the standing appropriation for scholarships.

14 The division appropriates to the department for the blind
15 for its administration.

16 The division appropriates to the department of cultural
17 affairs for its arts, historical, and administration
18 divisions, for historic sites, and for community cultural
19 grants.

20 The division appropriates moneys to the department of
21 education for purposes of the department's general
22 administration, vocational education administration, division
23 of vocational rehabilitation services, independent living,
24 state library for general administration and the enrich Iowa
25 program, library service area system, public broadcasting
26 division, regional telecommunications councils, vocational
27 education to secondary schools, school food service, Iowa
28 empowerment fund, textbooks for nonpublic school pupils,
29 student achievement and teacher quality program, and community
30 colleges. The division permits the board of educational
31 examiners to retain 85 percent of funds it receives from fee
32 increases between July 1, 1997, and June 30, 2003, and 70
33 percent of the funds it receives from fee increases imposed
34 after July 1, 2003.

35 The division amends statutory language to provide for the

1 proration of an annual award under the national board
2 certification pilot project when a teacher who qualifies for
3 the award is employed on a less than full-time basis.

4 The division also amends statutory language to provide for
5 changes in allocations under the student achievement and
6 teacher quality program, and permits the department to carry
7 over moneys allocated for purposes of the evaluator training
8 program and the career development program and review panel
9 requirements which is to be used for purposes of the evaluator
10 training program and to supplement the moneys distributed to
11 school districts for salaries and career development.

12 The division continues an exception to current law first
13 introduced in FY 2002-2003 regarding minimum teacher salaries
14 which provides that the minimum salary amount a school
15 district or AEA must pay to a first-year beginning teacher for
16 FY 2004-2005 is the amount the district or AEA paid, or would
17 have paid, a first-year beginning teacher in the 2001-2002
18 school year. The minimum career teacher salary paid in FY
19 2004-2005 to a career teacher who was a beginning teacher in
20 the 2001-2002 school year must be \$1,000 greater than the
21 minimum amount paid to a first-year beginning teacher in the
22 2001-2002 school year, unless the minimum career salary paid
23 by the district or AEA exceeds \$30,000.

24 The division appropriates moneys to the state board of
25 regents for the board office, tuition replacement, the
26 southwest Iowa graduate studies center, the tristate graduate
27 center, the quad-cities graduate studies center, the state
28 university of Iowa, Iowa state university of science and
29 technology, the university of northern Iowa, the Iowa school
30 for the deaf, the Iowa braille and sight saving school, and
31 for tuition and transportation costs for students residing in
32 the Iowa braille and sight saving school, and the Iowa school
33 for the deaf.

34 HEALTH AND HUMAN SERVICES. This division appropriates
35 funding from the general fund of the state for FY 2004-2005 to

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1 the department of elder affairs, public health, human
2 services, and the commission of veterans affairs.

3 ELDER AFFAIRS. The division appropriates funding from the
4 general fund of the state for the department of elder affairs.

5 A restriction of 7.5 percent is applied to the amount of
6 allocated funds for aging programs that may be used for
7 administrative purposes by the area agencies on aging.

8 HEALTH. The division appropriates funding from the general
9 fund of the state to the Iowa department of public health.

10 Authority is provided for the Iowa department of public
11 health to retain and expend certain professional licensing
12 fees and licensing fee increases, and to retain and expend
13 fees from certification of lead inspectors and lead abaters.

14 Moneys are appropriated from the gambling treatment fund
15 for addictive disorders and use of the moneys remaining in the
16 fund is addressed.

17 The vital records modernization project is extended to June
18 30, 2005, and the scope of practice review project to June 30,
19 2005.

20 COMMISSION OF VETERANS AFFAIRS. Funding is appropriated
21 from the general fund of the state to the commission of
22 veterans affairs. The division further provides that the Iowa
23 veterans home shall operate with a net state general fund
24 appropriation, and that general fund moneys may be used for
25 cash flow management purposes.

26 Authority is provided for the veterans home to carry
27 forward unspent moneys from fiscal year 2004-2005.

28 HUMAN SERVICES. Funding is appropriated from the general
29 fund of the state and the federal temporary assistance for
30 needy families block grant to the department of human
31 services.

32 The department is authorized to utilize a portion of moneys
33 received in settlement of an overpayment to a child
34 development center or other large overpayment settlement as
35 additional funding for general administration positions.

1 Fiscal year 2003-2004 provisions are renewed suspending the
2 applicability of the following laws: school attendance
3 requirements for children participating in the family
4 investment program, and six-month case permanency plan reviews
5 required for children in an intact family.

6 New Code section 217.14 creates a refugee services
7 foundation. Code section 234.12A, relating to retailer fees
8 paid for electronic benefits transactions, is amended to phase
9 out the fees over a period of years. Code section 249A.21 is
10 amended to revise the reimbursement methodology for
11 noninstitutional providers of anesthesia services under the
12 medical assistance program. Code section 249A.20A is amended
13 to provide that drugs prescribed for mental illness are
14 subject to prior authorization under the medical assistance
15 preferred drug list program. New Code section 505.25 requires
16 health care insurance carriers in the state to provide
17 information to the department of human services regarding the
18 individuals insured by the carrier for the sole purpose of
19 comparing the names of the insureds with names of recipients
20 of the medical assistance program.

21 Provisions related to issuance of funding plans by
22 representatives of the department of human services and the
23 judicial branch and providing for nonreversion of certain FY
24 2003-2004 appropriations take effect upon enactment.

25 SENIOR LIVING AND HOSPITAL TRUST FUNDS. This division
26 makes appropriations for the 2004-2005 fiscal year from the
27 senior living trust fund to the department of elder affairs,
28 the department of human services, and the department of
29 inspections and appeals. An appropriation is made from the
30 hospital trust fund to the department of human services to
31 supplement the medical assistance appropriation.

32 MENTAL HEALTH, MENTAL RETARDATION, DEVELOPMENTAL
33 DISABILITIES, AND BRAIN INJURY. This division provides
34 funding for mental health, mental retardation and other
35 developmental disabilities, and brain injury (MH/MR/DD/BI)

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1 services. The FY 2005-2006 MH/MR/DD allowed growth funding
2 appropriation is included and provisions are made for
3 distribution of the allowed growth appropriation made
4 previously for FY 2004-2005. The distribution methodology
5 provides for withholding of distributions based upon a
6 county's services fund ending balance and includes a separate
7 withholding provision for a county with a population over
8 200,000.

9 JUDICIAL BRANCH. This division makes appropriations for FY
10 2004-2005 to the judicial branch.

11 The percentage rate of the state's contribution to the
12 judicial retirement fund for FY 2004-2005 is reduced.

13 The judicial branch is required to study the best practices
14 and efficiencies of each judicial district.

15 The appointment of a clerk of the district court is
16 prohibited unless the state court administrator approves the
17 appointment.

18 JUSTICE SYSTEM. This division makes appropriations for
19 fiscal year 2004-2005 from the general fund of the state to
20 the departments of justice, corrections, public defense, and
21 public safety, Iowa law enforcement academy, office of the
22 state public defender, the board of parole, and the Iowa state
23 civil rights commission.

24 The division requires that the attorney general be
25 reimbursed up to \$50,000 from the second injury fund for
26 providing services related to the fund.

27 The division provides that the state public defender may
28 contract with a private attorney to provide legal services to
29 indigent persons for a predetermined fee.

30 The division creates an Iowa corrections offender network
31 fund under the control of the department of corrections. The
32 division provides that all sales, gifts, and donations related
33 to the Iowa offender network data system shall be credited to
34 the fund for use in maintenance and further development of the
35 network.

1 The division provides that for the fiscal year 2004-2005,
2 the Iowa law enforcement academy may charge more than one-half
3 the costs of providing the basic training course upon
4 authorization of a majority of the Iowa law enforcement
5 council. Current law prohibits the Iowa law enforcement
6 academy from charging more than one-half of the costs.

7 The division provides that the department of corrections
8 shall coordinate and provide information to the counties
9 regarding available inmate bed space in each county jail,
10 detention facility, or municipal jail.

11 The division provides that a person whose income is at or
12 below 100 percent of the poverty level be entitled to a court-
13 appointed attorney. Current law requires a person's income be
14 at or below 125 percent of the poverty level before an
15 attorney is required to be appointed.

16 The division provides that after deductions to an inmate's
17 earnings under section 904.809, the department of corrections
18 may retain up to 50 percent of any remaining balance from the
19 earnings, if the inmate is employed in a new job created on or
20 after July 1, 2004. The division requires the funds retained
21 by the department of corrections pursuant to this provision be
22 used for supervision costs incurred by the department when
23 supervising the private sector employment of inmates.

24 The division provides that a person on probation may not be
25 prematurely discharged from probation unless the person has
26 paid any court-appointed attorney fees and supervision fees
27 incurred pursuant to Code section 905.14.

28 The division requires the board of parole and the judicial
29 district department of correctional services to develop a
30 mentoring program for persons on probation or parole.

31 The division makes changes to the distribution of
32 delinquent fines and costs collected by the county attorney
33 pursuant to Code section 602.8107, subsection 4. The division
34 provides that if the county attorney's office have
35 collectively accumulated up to \$1.2 million of delinquent

1 fines and costs for deposit into the general fund of the
 2 state, the county attorney's office may keep 33 percent of any
 3 additional delinquent fines and costs collected, the county
 4 general fund shall receive 34 percent of the delinquent fines
 5 and costs, and the general fund of the state receives the
 6 remainder. Current law provides that 35 percent of any
 7 delinquent fines and costs collected be deposited in the
 8 county general fund, and the remainder be deposited into the
 9 general fund of the state.

10 The division amends a 1998 enactment that was most recently
 11 amended by 2003 Iowa Acts, chapter 174, section 17, by
 12 extending the appropriation from the E911 emergency
 13 communications fund for support of the E911 administrator,
 14 until the end of fiscal year 2004-2005.

15 The sections of the division amending Code sections 85.66,
 16 85.67, 904.118, and 2003 Iowa Acts, chapter 174, section 17,
 17 take effect upon enactment.

18 STANDING APPROPRIATIONS, SALARIES, AND MISCELLANEOUS
 19 PROVISIONS. This division makes adjustments to various
 20 standing appropriations, provides for salary and benefits, and
 21 adds miscellaneous changes to the Code.

22 The division makes adjustments to numerous standing
 23 appropriations. The amount appropriated for the general
 24 assembly is reduced by \$2 million. The following standing
 25 appropriations are limited to specific amounts: compensation
 26 of officers and enlisted persons while on active duty,
 27 nonpublic school transportation, printing cigarette tax
 28 stamps, state cost of peace officers' retirement benefits,
 29 livestock production credit refunds, instructional support
 30 state aid, at-risk children programs, paying claims against
 31 the state, administrative expenses of the unemployment
 32 compensation program, interest costs under the federal Cash
 33 Management and Improvement Act, funding the state's deferred
 34 compensation program and the educational excellence program.

35 An appropriation is made to the department of natural

1 resources to expand the help us stop hunger pilot program
2 which involves the providing of donated deer meat to the
3 needy.

4 Code sections 256.7, 273.3, and 279.12 are amended to
5 require the state board of education to adopt rules directing
6 the school districts and area education agencies to submit
7 annually data from the most recent school year detailing
8 contract settlement increases for salaries and group health
9 insurance plans provided under collective bargaining
10 agreements. The amendments direct the department to compile
11 the data in a report to be submitted each year to the
12 chairpersons and ranking members of the house and senate
13 standing committees on education and appropriation and the
14 joint appropriations subcommittee on education.

15 The amendments also include provisions directing the boards
16 of directors of the school districts and area education
17 agencies to submit the data to the department annually.

18 Code sections 256D.4, 256D.5, and 256D.9 are amended to
19 extend the program to reduce class size for K-3 students for
20 FY 2004-2005 and to appropriate \$29.25 million for that fiscal
21 year.

22 Code sections 257.8(1) and 257.16(1) are amended to provide
23 that for the budget year beginning July 1, 2005, and each
24 subsequent budget year, the state percent of growth shall be
25 established by statute and enacted within 30 days of the
26 submission of the governor's budget under Code section 8.21 in
27 the base year, that for the fiscal year beginning July 1,
28 2004, and ending June 30, 2005, there is appropriated from the
29 general fund of the state pursuant to Code section 257.16 the
30 sum of \$1,881,688,628 to pay state foundation aid and
31 supplementary aid, and that \$10 million shall be used by
32 school districts to assist with the purchase of public school
33 textbooks and supplies.

34 If the amounts appropriated are less than the amounts
35 otherwise required to pay state foundation aid and

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1 supplementary aid pursuant to Code section 257.16(1), the
2 difference shall be deducted from the payments that otherwise
3 would have been made to each school district in the same ratio
4 that the budget enrollment of the school district for the
5 appropriate budget year bears to the total budget enrollment
6 to the state for that budget year.

7 Code section 257.14 is amended to provide for the deletion
8 of Code language which restricts school district eligibility
9 for certain budget guarantee provisions.

10 Legislation enacted in 2001 provided for the continuation
11 of budget guarantee provisions through the school budget year
12 beginning July 1, 2003, which enabled a school district to
13 maintain 100 percent of the previous year's budget, adjusted
14 to include the amount of the budget adjustment the district
15 had received in the previous year. For the school budget year
16 beginning July 1, 2004, and succeeding budget years, however,
17 the legislation provided that districts would no longer be
18 eligible for the 100 percent "adjusted guarantee", but would
19 instead be eligible for a 101 percent nonadjusted guarantee.
20 The legislation provided that for a 10-year period, school
21 districts can optionally utilize a gradually decreasing
22 percentage guarantee of the difference between the guarantee
23 level calculated for the school district for the budget year
24 beginning July 1, 2003, and the amount calculated for the
25 current year if the guarantee were calculated to include the
26 "adjustment" language. This option is decreased, or "scaled
27 down", by 10 percent annually, until July 1, 2013, when all
28 school districts will receive a budget guarantee based on 101
29 percent.

30 Code section 257.35 is amended to reduce by \$11.8 million
31 the amount of state aid to area education agencies. This is
32 the same amount as was reduced for FY 2003-2004 and is in
33 addition to a previous \$7.5 million reduction.

34 Code section 280.14 is amended to require the board of
35 directors of each school district to annually review school

1 district expenditures and identify and examine potential cost
2 savings that can be achieved in the delivery of administrative
3 services and other costs involved in the operation of the
4 district. The results of the study must be presented to the
5 public at a regularly scheduled board meeting. The school
6 district must annually report the results to the department of
7 education, which must compile the results in a report it must
8 submit annually to the general assembly by December 31.

9 Code sections 346.27(10) and 346.27(25) are amended to
10 provide for a countywide vote on the issuance of revenue bonds
11 and the sale of assets by an authority established by the
12 county and its county seat to operate public buildings.
13 Present law required only a vote of the registered voters in
14 the unincorporated areas and those of the county seat.

15 Code section 372.13 is amended to provide that a person
16 serving as chief of a volunteer fire department that serves an
17 area with a population of not more than 2,000 who is elected
18 to the city council may continue to hold office as fire chief
19 during the city council term of office.

20 Code sections 422E.1 and 422E.4 are amended to limit the
21 sale of local sales and services tax for school infrastructure
22 bonds to 10 years unless an election was held and the tax
23 imposition was approved on June 17, 2003, and to rewrite the
24 bonding authority of the board of directors of a school
25 district so that it mirrors, to a large extent, the authority
26 set out for city and county revenue bonds under the local
27 option sales and services tax imposed under Code chapter 422B.

28 Code section 422E.2(4) is amended to provide that for
29 elections occurring after April 1, 2003, and before August 1,
30 2003, the requirements relating to a revenue purpose statement
31 are considered to have been met if the revenue purpose
32 statement is submitted by April 1, 2004. This provision is
33 effective upon enactment.

34 Code sections 425.1, 425.39, 425A.1, 426.1, 426A.1A, and
35 435.22 are amended to eliminate the standing appropriations

1 from the state general fund for reimbursement for the
 2 homestead credit, the elderly and disabled credit and rent
 3 reimbursement, the family farm tax credit, the agricultural
 4 land tax credit, and the mobile home tax credit and in lieu
 5 thereof provide for an appropriation from the cash reserve
 6 fund for FY 2004-2005. Code sections 425.19, 425.23, 426A.4,
 7 426A.6, 426A.8, and 426A.9 are amended as coordinating
 8 amendments.

9 Code section 455B.310 is amended to exempt from the
 10 sanitary landfill tonnage fee nonmetallic material shredded by
 11 an industrial shredder and known as shredder fluff.

12 New Code section 668B.2, if enacted, is amended to include
 13 a licensed physician assistant as defined in Code section
 14 148C.1 and a nurse as a health care provider for purposes of
 15 the noneconomic damage awards against health care providers
 16 law. The law limits the amount of noneconomic damages that
 17 may be recovered by an injured plaintiff against a health care
 18 provider to \$250,000.

19 The division provides that moneys to fund collective
 20 bargaining agreements with similar percentage increases for
 21 noncontract state employees are to be from any available
 22 source of the employee's department or agency.

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

26 2001 Iowa Acts, chapter 174, section 1, is amended to
 27 eliminate a standing limited appropriation from the general
 28 fund of the state to the endowment for Iowa's health account
 29 of the tobacco settlement trust fund for FY 2004-2005.

30 2003 Iowa Acts, chapter 179, section 21, is amended to
 31 provide that any unencumbered moneys remaining from the
 32 appropriation made in FY 2002-2003 for military pay
 33 differential purposes shall not revert but are available to be
 34 used until the end of FY 2004-2005. This appropriation is
 35 used for paying state employees who are activated for duty in

1 the armed forces of the United States the difference between
2 their state pay and military pay and to continue state health
3 coverage. The section takes effect upon enactment.

4 The division authorizes the state board of regents to issue
5 bonds in the sum of \$120 million for a five-year building
6 program at the regents universities. The division permits the
7 state board of regents to exceed the limitation placed on the
8 amount of bonds that may be issued under the bill by an amount
9 the state board of regents determines to be necessary to
10 capitalize bond reserves, interest during construction, and
11 issuance costs.

12 The division provides for a refund of registration fees,
13 penalties, and interest paid by a person who failed to
14 register a commercial vehicle because the person sold the
15 commercial vehicle but did not submit the registration plate
16 and registration receipt to the state department of
17 transportation. This provision is effective upon enactment
18 and a claim must be filed by August 1, 2004.

19 The division appropriates \$10,000 to the Iowa department of
20 public health to create a task force with private entities to
21 initiate a pilot study to develop and test access improvement
22 assumptions and viability options related to improving access
23 to drug prescriptions by needy individuals. The study may use
24 a free clinic to assist in performing the study. A report is
25 to be submitted by December 15, 2004.

26 Code section 25B.7 is repealed. This section provides that
27 if the state does not fully reimburse the local jurisdictions
28 for property tax credits granted, the credits received by the
29 taxpayer are to be reduced so that the amount reimbursed by
30 the state covers the actual credit given.

31 Code sections 266.31 and 266.39 are repealed. These
32 sections contain obsolete language that refers to a meat
33 export research center and a livestock producers assistance
34 program.

35

ITEM
VETO

May 17, 2004

The Honorable Chester Culver
Secretary of State
State Capitol Building
L O C A L

Dear Mr. Secretary:

I hereby transmit **Senate File 2298**, an Act making, reducing, and transferring appropriations, providing for government and economic development-related taxation, surcharge, and fee matters, providing for other properly related matters, and including penalty and effective and retroactive and other applicability date provisions.

During my Condition of the State address in January, I asked the Legislature to join me in honoring the spirit of service and sacrifice of Iowans serving in harm's way. As important decisions affecting our state's future presented a significant challenge, I felt it was crucial to put these challenges in perspective to guide our work in shaping the future of Iowa. At that time, I remarked, "Today, and for the foreseeable future, Iowans will be placed in harm's way in the service of liberty and freedom. Their task of improving the world in which we all live is our task as well. In our work at home we should draw inspiration from them to do our duty. They sacrifice to transform a nation and open up opportunity for someone else's child. We sacrifice to transform a state and open up opportunity for their children and all of our children."

We strived to fund initiatives and operations of state government that allowed these values to strengthen our homes, neighborhoods and communities. As a state, we have the **responsibility** to create classrooms of extraordinary learning. Technology should replace worn out textbooks of yesterday to engage youngster's interests ultimately leading to a workforce of unmatched talent. As a state, the Iowa Values Fund has created tremendous economic **opportunity** by investing in good paying jobs. Of course, **security** for all Iowans remains the centerpiece of state government. Seniors deserve the dignity of remaining in their homes longer through assistance of the Senior Living Trust. Vulnerable Iowans deserve health care and social service when they have nowhere else to turn.

Despite continued anemic revenue growth, I renewed my pledge to work with majority party legislative leaders to put together a budget that reflected these important Iowa values. The Legislature, at the direction of Republican leaders, chose a different

route. During the closing days of the session, they sent my office a massive 337-page omnibus-spending bill. In reviewing this legislation, it became clear to me that Legislative leaders chose a path that had the potential to make Iowa less than it must be. I voiced these concerns. Sadly, majority party leaders made it clear that returning to the Capitol to reach compromise was not an option. I must take them at their word.

The Executive Branch of this government will rise up and manage--as best we can--the challenge of providing state services in the absence of adequate resources. So now, the difficult work begins. We will go about this work with a clear sense of duty. We will do this because Iowans expect us to do our jobs. And we will do this because we have a promise to keep. I have not forgotten the promise I made to these very brave Iowans.

Senate File 2298 is approved on this date, with the following exceptions, which I hereby disapprove:

Division I

I am unable to approve the item designated as Section 2, subsection 1, second unnumbered paragraph in its entirety. This paragraph requires the Department of Administrative Services to refund \$1,889,610 to the State's general fund at the end of fiscal year 2005. The Department needs these start-up funds for more than a single year to ensure economic viability as it moves to an entrepreneurial business model.

I am unable to approve the item designated as Section 9 in its entirety. This section prohibits the Alcoholic Beverages Division from adding new positions for the purpose of the State assuming the state liquor warehouse functions currently being done by a private contractor. The language also requires the Division to hire a new private contractor to operate the warehouse using a competitive bidding process. This language prevents the State from considering the opportunity to manage its own resources, including the possibility of achieving cost savings and improving customer service. I support using a competitive bidding process but want to have flexibility for the State to participate in that process.

I am unable to approve the item designated as Section 10 in its entirety. This section is contingent upon the enactment of House File 2521, which was not approved by the Legislature. Therefore, this section is unnecessary.

I am unable to approve the item designated as Section 24, subsection 3 in its entirety. This would appropriate \$50,000 to the Department of Revenue for a study of the entire state and local government tax structure and services they support. As noted later in this message, the resources and the timeframe are inadequate to accomplish a study of this magnitude.

I am unable to approve the item designated as Section 32 in its entirety. This section provides the enactment clause for Section 9, relating to the state liquor warehouse, which is vetoed. Therefore, this section is unnecessary.

Division III

I am unable to approve the item designated as Section 49, subsection 3 in its entirety. As I indicated the last two years, the Accountable Government Act establishes a comprehensive, enterprise-wide process for setting program goals and establishing results measures. These measures have been developed with data currently being compiled. This section would create redundancies in the development and reporting of goals and results measurements for the Department of Economic Development.

I am unable to approve the item designated as a portion of Section 58, subsection 2. This would require that small business development centers be located equally throughout the different regions of the state. This bill contains no instruction as to the legislative meaning or intent of "located equally throughout the different regions of the state." As such, the bill is terminally vague making compliance impossible.

I am unable to approve the items designated as Section 58, subsection 3, paragraph b; Section 59, subsection 2, paragraph b; and Section 60, subsection 2, paragraph b in their entirety. These sections would require any business or individual receiving benefits from specified Regent programs to have a commercially viable service or product. This legislative mandate would have an unacceptable stifling effect on innovation. Iowa should be encouraging entrepreneurship. These sections would have the opposite impact.

I am unable to approve the item designated as Section 67 in its entirety. This section implies that Iowa's community colleges would give funding priority to the training and retraining needs of the information technology sector of Iowa's economy. While the information technology sector represents a very important component of the Iowa economy, it is just one of three sectors targeted by the Iowa Values Fund. Singling out one sector for possible preference could create conflicting expectations both between the information technology businesses and the community colleges and between other targeted industry sectors. Under the Iowa Values Fund legislation the community colleges and the Iowa Department of Economic Development are charged with administering training funds and the Iowa Values Fund Board is responsible for business incentive funding. The addition of a perceived funding preference for one industry sector diminishes the authority vested in these entities by the Iowa Values Fund legislation.

I am unable to approve the item designated as Section 71 in its entirety. Expenditure information for executive branch agencies of state government is currently available to the economic development appropriations subcommittees and the Legislative Services Agency on a daily basis through the Iowa Financial and Accounting System. The Legislative Services Agency also has the authority to request expenditure information from Regent universities. The reporting requirement in this section would

duplicate existing data and place an unnecessary and unprecedented requirement on limited staff resources.

Division IV

I am unable to approve the item designated as Section 82, subsection 1 in its entirety. This section requires the Department of Education, the Board of Regents, and other accredited postsecondary institutions to study the feasibility of offering a teacher intern program that would be available statewide. This study is unnecessary, as the State Board of Education has already provided authority through administrative rules for the development and implementation of this type of program.

I am unable to approve the item designated as Section 86, subsection 1a, first unnumbered paragraph in its entirety. This sentence specifies that the Board of Regents, the Department of Management, and the Legislative Services Agency shall cooperate to determine the amount to be appropriated for tuition replacement. This language is outdated and unnecessary as the Board of Regents now relies on a financial advisor to calculate figures for tuition replacement.

I am unable to approve the item designated as Section 86, subsection 2a, second unnumbered paragraph in its entirety. This paragraph restricts spending on the School of Public Health and the Public Health Initiative at the University of Iowa. As we face a growing need for workers trained in these health professions and for the services provided by this program, it is appropriate to allow reallocations of funds to the School of Public Health from other areas, rather than single this out as the one area at the University of Iowa to have its budget capped at its previous level.

I am unable to approve the item designated as Section 86, subsection 2b, paragraph (4) in its entirety. This language changes a long-standing agreement on the definition of "medically necessary" as applied to conditions for the termination of pregnancy under the Indigent Patient Care Program at the University of Iowa Hospitals. While the prior language may not have satisfied anyone completely, the terminology was based on a process of mutual discussion and agreement that struck a careful balance among people with deeply held convictions. Because this subsection alters that language and disrupts the balance that was previously agreed to without going through a similar process of mutual discussion and agreement, this paragraph is unacceptable.

I am unable to approve the item designated as a portion of Section 86, subsection 3a, second unnumbered paragraph in its entirety. This paragraph restricts spending on the Center for Excellence in Fundamental Plant Sciences at Iowa State University and does not permit this program to receive either its share of dollars for salary increases or internal reallocations of funds from other university programs. If we are committed to making Iowa a leader in plant sciences technologies, then it is unreasonable to single this out as the one center at Iowa State University to have its budget capped at its previous level.

I am unable to approve the item designated as a portion of Section 86, subsection 4a, second unnumbered paragraph in its entirety. This paragraph restricts spending on the Masters in Social Work Program, the roadside vegetation project, and the Iowa Office for Staff Development at the University of Northern Iowa. There is no reason to single these three areas out to be treated differently from all the other programs and activities at the University of Northern Iowa.

I am unable to approve the item designated as Section 96 in its entirety. This section delays by one year, until July 1, 2006, implementation of an evaluator training certification renewal program. We must continue to support the teacher quality initiative started a few years ago. In addition to increasing minimum teacher salaries and providing mentors, this initiative includes training programs for administrators who must evaluate teacher performance. Private foundation funds may be available to develop this training. The evaluator training certification renewal program also aids the Department's efforts to meet federal No Child Left Behind highly qualified teacher expectations.

Division V

I am unable to approve the item designated as a portion of Section 102, subsection 1, paragraph c. This sentence would require the Department of Public Health to produce a report of all organizations that applied for substance abuse treatment funds, the amounts awarded, and the basis for refusal to award funds to any of the organizations that applied. In accordance with the Accountable Government Act, all substance abuse treatment and prevention grants are awarded on a competitive basis. The Healthy Iowans Tobacco Trust bill already requires the Department to report on the success rates of substance abuse treatment programs. This item is duplicative and an unfunded mandate that takes time away from customers and communities for unnecessary reporting.

I am unable to approve the item designated as a portion of Section 106. This sentence directs the Department of Public Health to submit a report regarding a collaborative effort with the Department of Human Services to identify funding to leverage federal funds. The service to Iowans would be enhanced if Department staff spent time identifying additional ways for the State to obtain all available federal matching funds and applying for other federal and private grants rather than drafting an unnecessary report.

I am unable to approve the item designated as Section 107 in its entirety. This section, relating to employment of a division administrator in the Department of Public Health for tobacco prevention efforts, is a duplication of language, although not identical, in House File 2577. Therefore, this section is unnecessary.

I am unable to approve the item designated as Section 111 in its entirety. This section provides additional language for an Iowa Marriage Initiative Grant Fund, and the language directs the Department of Human Services to initiate grants by specifying deadlines for issuing grants and reporting requirements where no funds are available for this purpose. The prior year funding referred to in the bill has been spent, and the

Legislature did not appropriate additional funding for this purpose. Therefore, this section is unnecessary.

I am unable to approve the item designated as a portion of Section 114. This sentence directs the Departments of Public Health and Human Services to submit a report regarding utilization of the food stamp program. Requiring a report will utilize additional resources that could be used for administering the program. This is an unnecessary reporting requirement at a time when funding for staff has been reduced.

I am unable to approve the item designated as Section 116, subsection 1 in its entirety. This language changes a long-standing agreement on the definition of "medically necessary" as applied to conditions for the termination of pregnancy under the Medical Assistance Program. While the prior language may not have satisfied anyone completely, the terminology was based on a process of mutual discussion and agreement that struck a careful balance among people with deeply held convictions. Because this subsection alters that language and disrupts the balance that was previously agreed to without going through a similar process of mutual discussion and agreement, this paragraph is unacceptable. Federal regulations outline the conditions for the termination of pregnancy that qualify under the Medical Assistance Program and shall provide guidance to the Department in administering this program.

I am unable to approve the item designated as Section 124, subsection 1, first unnumbered paragraph in its entirety. This language directs the Department of Human Services to convene a group to review the Iowa Juvenile Home. Many previous studies have made recommendations and generally require additional funds to implement. I have, in fact, recommended funding to implement recommendations of previous studies that the Legislature has chosen not to fund. It seems pointless to conduct another study when the issue is funding.

I am unable to approve the item designated as Section 125, subsection 17 in its entirety. This paragraph directs the Department of Human Services to develop a plan to privatize the administration of foster care and adoption programs. Given the fact that no additional funds were provided for this purpose and the child welfare redesign effort is already underway, implementation of this section is counter-productive.

I am unable to approve the item designated as a portion of Section 135, subsection 2. This sentence requires the Department of Human Services to submit proposed legislation to correct Code references related to service areas. This effort has already been completed with the enactment of House File 2390 – technical changes to programs under the purview of the Department of Human Services. Therefore, this sentence is unnecessary.

I am unable to approve the item designated as Section 142 in its entirety. This section would require unspent funds remaining in the Medical Assistance Program account to carry forward into the next fiscal year. This language does not provide the

Executive Branch the flexibility necessary to deal with the fiscal year 2004 budget that is needed. Additionally, it provides the use of one-time funding for on-going purposes.

I am unable to approve the item designated as Section 147 in its entirety. This section creates a new network of faith-based and community-based organizations by taking nine staff away from their current work of providing child abuse assessments or managing services to families where abuse, neglect, or behavioral problems are present. If the Legislature is serious about this effort, then additional funds should be appropriated and the program should provide for the coordination of all groups in Iowa providing community services that aid families.

I am unable to approve the item designated as Section 150 in its entirety. This section establishes a new Medical Assistance Mental Health Quality of Care Improvement Committee. The committee is directed to advise the Department of Human Services on the required implementation of clinical treatment algorithms for schizophrenia, major depressive disorder and bipolar disorder, and a mental health polypharmacy review process. The Legislature is sending mixed and contrary messages on drug utilization. Legislation already enacted contains costs through preferred drug lists, prior authorization, and state maximum allowable costs for generic drugs. This proposal seems to countermand those efforts with an alternate methodology. Additionally, the State is recognized nationally for its mental health/substance abuse treatment contract. This proposal would put the current waiver and contract at risk, and that is unacceptable.

I approve Section 151, which establishes a Medical Assistance Crisis Intervention Team and directs the team to analyze the Medical Assistance Program and provide recommendations to reduce costs or provide revenue enhancements for the program. With the current federal government stance on eliminating intergovernmental transfers in the Medical Assistance Program, I am directing this team to examine options with and without the continuance of intergovernmental transfers as they conduct their work.

I am unable to approve the item designated as Section 162, subsection 3 in its entirety. This section provides the enactment clause for Section 142, relating to non-reversion and prohibited transfer of appropriations to the Medical Assistance Program, which is vetoed. Therefore, this section is unnecessary.

Division VI

I am unable to approve the item designated as Section 166 in its entirety. This section appropriates funds to the Insurance Division of the Department of Commerce to administer a long-term care insurance partnership program. This appropriation is linked to Senate File 2183 that makes changes to long-term care insurance provisions and providing asset and income disregards for Medicaid. While I am supportive of people incorporating long-term care insurance into their financial plans and future health needs, Senate File 2183, as drafted, expands the proposed benefit beyond those individuals accessing long-term care insurance. This language needs further legislative review, and I

am directing the Department of Human Services and Insurance Division to work with the Legislature to achieve an appropriate solution.

Division IX

I am unable to approve the item designated as a portion of Section 186, subsection 2. This sentence grants immunity from civil or employer liability for a government entity or nonprofit agency using inmate labor. While I support the use of inmate labor for nonprofit and governmental entities, this language provides blanket immunity even in extreme cases. For example, if an inmate were to harm or even take the life of a person while working, regardless of whether it was accidental or intentional and regardless of negligence on the part of the employer, this provision would provide no mechanism for the victim's family to claim compensation for damages inflicted on the victim's spouse, children, or other family members. With the use of inmate labor comes the responsibility to exercise great care to protect the safety of the public, those who employ prison labor, and the inmates themselves.

I am unable to approve the item designated as a portion of Section 192, subsection 5, third unnumbered paragraph in its entirety. This language redirects funds credited to the motor pool depreciation fund, a portion of which is federal funds, to the Department of Public Safety vehicle replacement. While a laudable goal, the impact is that other State employees will face consequences including unreliable vehicles for activities such as investigating child abuse complaints, transporting residents of resource centers to their work, transporting juveniles residing at the Iowa Juvenile Home or Training Center to health care appointments, or the myriad of inspections such as food inspections, medical complaints and others that keep Iowans safe. Merely shifting the funds around does not preclude the needed resources for all programs.

I am unable to approve the item designated as Section 198 in its entirety. This section has the potential to provide private drives through many state-owned recreational properties. Parceling off or dividing sections of recreational land from the public trust undermines the role and responsibilities as stewards of public land. Many state recreational lands have restrictions placed on them as a result of utilizing federal funds for management, development or acquisition. Relinquishing control of this land requires federal coordination and precious state resources to replace it. State recreational areas are for public use and the benefit of everyone. They have never been intended and never should be considered for permanent private use by individuals.

I am unable to approve the item designated as Section 201 in its entirety. This section changes the income level guidelines from "at or below 125 percent" to "at or below 100 percent" of the U.S. poverty level for a person who is entitled to an attorney appointed by the court. Everyone is afforded the constitutional right to counsel, and we should not be attempting to restrict this right by lowering income guidelines. Instead, the Legislature should focus its attention on providing adequate funding for indigent defense and the State Public Defenders Office.

Division X

I am unable to approve the item designated as Section 217 in its entirety. This section requires state departments return to the general fund at the end of the fiscal year any part of an appropriation associated with a full-time position that is vacant during the fiscal year. This gives departments very few options other than cutting services to balance their operations budgets. For example, once an employee leaves, departments make a lump-sum payout for the value of the employee's unused vacation. In practice, departments generally hold positions open for the amount of time necessary to make those payouts. Under this language, that practice would trigger a reversion of the amount to the general fund at the end of the year. In essence, the department must pay twice. The language also limits the ability of departments to utilize the Early Out program or other employee attrition to cover budget reductions. Given that department budgets have been reduced on numerous occasions over the past three years, this section is unworkable and unwise micromangement of Executive Branch operations.

I am unable to approve the item designated as Section 225 in its entirety. The Iowa Supreme Court, in Meyer v. Employment Appeal Board 441 N.W.2d 766 and Area Education Agency 7 v. Bauch, 646 N.W.2d 398, has determined that deferred wages are actually payable when earned. The Court has held that once the school year ends, a school district employee is no longer drawing 'a wage,' but rather collecting 'past earnings due.' Gross earnings should be calculated by using the amount earned rather than the amount actually paid. Section 225 significantly diminishes established property rights that accrue to a school district employee by redrafting a statutory provision clearly interpreted by the Court. Workers' compensation weekly benefits are intended to replace earnings that are lost while the employee is disabled and is based upon the rate at which the employee earns. Earning capacity is best reflected by what an employer is willing to pay an employee in return for services performed. Since the Court has already determined that the proper rate at which the employee earns should be based on the time during which services are provided and because Section 225 would unfairly alter the property rights that accrue to school district employees, I am unable to approve this section.

I am unable to approve the items designated as Sections 229, 239 and 240 in their entirety. These three sections require the Department of Education, local school boards and Area Education Agencies to submit data annually on the salaries and benefits of administrators and increases for employees' salaries and group health insurance plans. The reporting required in these sections duplicates information already collected by the Department and the level of detail specified is not necessary to support policy development and decision-making.

I am unable to approve the item designated as Section 230 in its entirety. This section requires the Department of Education to report in detail on Class Size/Early Intervention expenditures. The Department already provides a lengthy report on this topic. The additional data collection and reporting required in this section is unnecessary.

I am unable to approve the item designated as Section 241 in its entirety. This section requires local school boards to examine expenditures and identify potential cost savings. I believe every school board in the state understands its responsibilities to the citizens of Iowa to be sound stewards of tax dollars. With the limited state aid funding provided to school districts in recent years, school boards already study these items and look for opportunities to reduce operating expenditures. The directive in this legislation goes far beyond what is necessary for prudent management of school districts and incorporates reporting requirements that will create an onerous burden on already strapped administrators.

I am unable to approve the items designated as Section 242, subsections 2 through 4, and the items designated as Sections 243 through 246 in their entirety. These sections create an Iowa Learning Technology Initiative. While I am supportive of providing technology training and learning opportunities for Iowa's children, there is no state funding available for this initiative. If private funds are raised, I am committed to directing the Department of Education to work with the donors to advance the plan. In the meantime, the Department will coordinate a committee effort to study teacher and student technology needs across the educational system so that Iowa-specific information is available on this subject.

I am unable to approve the item designated as Section 261 in its entirety. The proposed exemption under this section sets a precedent contrary to Iowa's waste management hierarchy, by reducing the cost of disposal for one specific waste stream. Shredder fluff has no inherent characteristics that would lead to its exemption from tonnage fees.

I am unable to approve the item designated as Section 263 in its entirety. This section is contingent upon the enactment of House File 2440, which was vetoed. Therefore, this section is unnecessary.

I am unable to approve the item designated as Section 276 in its entirety. This section requires the Board of Regents to develop and implement a policy for "addressing the budget ramifications associated with unfilled vacant positions." Regent institutions are not provided appropriations based on specific positions and full-time equivalent caps, so this policy would serve no useful purpose. Regent institutions require the flexibility to, among other things, use positions to meet student demand and to address patient volumes at the University of Iowa Hospital and Clinics. This is further micromanaging that will serve no useful purpose and drain resources from more productive responsibilities.

I am unable to approve the item designated as Section 278 in its entirety. This section provides for a refund to an individual that exhausted the administrative appeals process and is not entitled to a refund from the State. Judgments on issues such as this should be made based on the facts of the circumstances and the process established by law; not on political connections with individual legislators.

I am unable to approve the item designated as Section 285 in its entirety. This section eliminates the 30-day deadline for enacting the School Foundation Aid allowable growth percentage and the requirement that the allowable growth rate be the only subject matter of the bill for the 2004 legislative session. The Legislature included this language because they failed to comply with Iowa law by failing to set the growth rate for Iowa's school districts until months after the deadline. This delay is unacceptable and hinders the ability of Iowa's school districts to plan for future years. It is difficult to expect our school children to respect and follow the law when lawmakers are unwilling or unable to do the same.

I am unable to approve the item designated as Section 287, subsection 4 in its entirety. This section provides the enactment clause for Section 278, relating to refund for commercial vehicle registration fees, which is vetoed. Therefore, this section is unnecessary.

Division XI

I am unable to approve the item designated as Section 288, subsection 1g in its entirety. This subsection appropriates \$1,770,000 from the Rebuild Iowa Infrastructure Fund for capitol interior restoration. The Legislature's approval of funding for this project at the expense of fully funding the Secure an Advanced Vision for Education Fund in Section 299 validates that they are more interested in spending money to remodel their chambers and offices than they are in meeting their obligation to provide funds for critical repairs and improvements to local schools. In taking this action, I am putting schools first.

I am unable to approve the item designated as Section 288, subsection 8 in its entirety. This subsection provides \$250,000 to construct a new residential treatment facility for youth. I am unable to support providing funds for this type of special interest pork barrel project. This is not a prudent expenditure of taxpayer dollars for the construction of a new facility when existing facilities are closing because the Legislature failed to provide sufficient child welfare funds for the beds that currently exist.

I am unable to approve the item designated as Section 299 in its entirety. This section caps the amount of Rebuild Iowa Infrastructure Fund moneys appropriated to the Secure an Advanced Vision for Education Fund in fiscal year 2005 at \$8,160,000 instead of the \$10 million in current law. The actions being taken in this bill to eliminate less important projects will allow Iowa schools to receive the full \$10 million for local school infrastructure projects. Iowa voters in 88 counties have approved the local option sales tax for school infrastructure improvements, and they are counting on the State to provide the necessary matching money to fully fund these critical projects. In taking this action, I am keeping my commitment to fund school infrastructure even if the Legislature failed to do so.

Division XII

I approve the item designated as Section 301, subsection 1c, second unnumbered paragraph. However, I am concerned that this section specifies a single organization to conduct these efforts, given the complaints expressed to the Executive Branch by the Legislature's Oversight Committee regarding sole source contracting. I caution the Legislature that this form of sole source contracting does not follow good business practices. Competitive bidding for state contracts ensures accountability and efficient use of public resources. I encourage the Department of Agriculture and Land Stewardship to conduct a detailed review of the expenditure of these funds to ensure proper accountability.

Division XIII

I am unable to approve the item designated as Section 304, subsection 1b, first unnumbered paragraph in its entirety. This language requires the Department of Administrative Services to consult with legislative leadership prior to planning or implementing any capitol interior restoration project or other activity. This language represents the Legislature's attempt to micromanage a function of the Executive Branch. This paragraph contains language that is unnecessary and prescribes burdensome requirements on the Department which can, at times, be very difficult to fulfill.

Division XIV

I am unable to approve the item designated as Section 311, second unnumbered paragraph in its entirety. The federal Help America Vote Act (HAVA) legislation requires the chief state election official to distribute HAVA funds to Iowa's 99 counties. It is unnecessary and burdensome to place specific restrictions on the Secretary of State's office in implementing HAVA requirements. Additional State legislative mandates only create another level of bureaucratic red tape and are detrimental to the effective, statewide implementation of HAVA.

I am unable to approve the item designated as Section 315 in its entirety. This section requires the Iowa Finance Authority Board to declare a surplus from bond proceed reserves and transfer this surplus to the State Housing Trust Fund. Such a legislative mandate has a very negative impact on the Authority's bond ratings. National credit rating agencies such as Moody's and Standard and Poor's have suggested such mandates could result in downgrades or negative watches on future Authority bond offerings. Lower bond ratings would drive up interest rates and increase the cost of loans made to first time homebuyers and other bonding programs operated by the Authority. The Iowa Finance Authority is committed to finding additional resources for the State Housing Trust Fund that will not negatively impact their bond rating.

Division XV

I am unable to approve the item designated as Section 319 in its entirety. This section amends Code Section 80.9, subsection 2, paragraph f, by placing sole responsibility for Executive Branch Capitol Complex security in the Department of Public Safety. The State would be better served by a cooperative, joint security effort

between the Departments of Public Safety and Administrative Services and the Homeland Security/Emergency Management Division. Proper competitive procedures can be followed as well as the proper placement of functions and staff.

Division XVI

I am unable to approve the items designated as Section 322, subsection 4, paragraphs b, c, and d in their entirety. These paragraphs appropriate money from the Rebuild Iowa Infrastructure Fund account to the new Vertical Infrastructure Fund. I have maintained the allocation of \$15 million in fiscal year 2006 to this Fund. Beyond that, the designated paragraphs appropriate \$50 million in fiscal year 2007, \$75 million in fiscal year 2008, and \$100 million in fiscal year 2009 and thereafter. This session, the Legislature approved and I signed into law House File 2302, a bill making comprehensive changes to Iowa's gaming laws. The gaming law changes approved will provide the State with additional resources from gambling activities; however, the additional amount that will be generated by these changes is difficult to project absent more information about expanded facilities and products. It is not prudent to put into law, at this time, significant future allocations from the Rebuild Iowa Infrastructure Fund given the absence of revenue to meet those expenditures. I am willing to revisit this issue when more accurate information on projected gaming receipts is available.

I am unable to approve the item designated as Section 335 in its entirety. This section pertains to county agreements with the Iowa Department of Transportation related to disposition of county property. There is a question of precision in defining the application of this section.

I am unable to approve the item designated as Section 336 in its entirety. This section is contingent upon the enactment of Senate File 2295, which was vetoed. Therefore, this section is unnecessary.

I am unable to approve the item designated as Section 344 in its entirety. This section requires Cherokee Mental Health Institute to leave space vacant if vacated by current tenants. This directive hampers the institution's ability to gain revenues from leasing available space or utilizing space in the most efficient way. This section further requires the department to develop a plan to address treatment needs of persons with a developmental disability who exhibit sexually violent behavior; however, no funding is provided for developing such a plan.

Division XVII

I am unable to approve the item designated as Section 354 in its entirety. This section is contingent upon the enactment of House File 2434, which was not approved by the Legislature. Therefore, this section is unnecessary.

Division XIX

I am unable to approve the item designated as Section 403 in its entirety. This section establishes a Regulatory Efficiency Commission. Creating such a commission is duplicative of efforts already underway to comprehensively review regulatory rules as well as regulatory processes of state government and implement business process improvement techniques to enhance efficiency and improve service. This is a collaborative effort including a number of state departments, private industry representatives, and the Iowa Business Council. Iowa companies have already reaped the benefits of this process through a reduction in the time it takes to process an air quality permit. Similar efforts are underway with wastewater permits and a variety of other regulatory processes throughout state government. Appointing a new commission will slow this progress down and divert efforts away from actually improving Iowa's regulatory assistance and creating a more streamlined government.

Division XX

I approve the items designated as Sections 404 through 418 in their entirety, even though the Legislature made a mistake in the drafting of this language resulting in no incentive for wind energy production. I am willing to work with the Legislature next year to ensure that wind energy grows, but not at the risk of other priorities of Iowans. We must ensure that local governments and schools are not hurt by unintended consequences. Therefore, I ask legislative leaders to work with me over the interim to strike the appropriate balance of providing economic incentives for wind energy without devastating other priorities at the state and local level.

I am unable to approve the items designated as Sections 440 and 441 in their entirety. These sections establish and repeal a new state tax implementation committee. Two years ago, I recommended that the Department of Revenue conduct a two-year tax fairness study and provided \$400,000 for staff and support. In contrast, the Legislature continually fails to devote sufficient time or resources to make this study workable. Under the framework devised, in less than a year's time, the Committee and the Departments of Revenue and Management are charged with reviewing and analyzing all revenue sources available to the State; all current exemptions, credits and exclusions; all revenue sources available to local governments; all services provided by local government; the role of property taxes in funding local government, including examining the state school aid formula; alternative systems of property taxation, protesting property assessments; and methods of controlling property tax revenues and expenditures. To accomplish all this, the Legislature appropriated a meager \$50,000.

In the past, the Legislature has devoted as much as two years to tax studies that were not nearly as broad as this one. Last year, the Legislature assembled a similar group charged with making recommendations for changes to the property tax system alone; and after a year of study and meeting, the group has yet to make substantive recommendations for reform. Iowa's tax structure must be reviewed and reformed. Our property tax system is outdated and unfair. Until the Legislature gets serious about tax reform, these insufficient attempts to study the issue are a waste of limited time and resources.

For the above reasons, I respectfully disapprove of the designated items in accordance with Article III, Section 16 of the Constitution of the State of Iowa. All other items in **Senate File 2298** are hereby approved as of this date.

Sincerely,

Thomas J. Vilsack
Governor

TJV:jmc

cc: Secretary of the Senate
Chief Clerk of the House

SENATE FILE 2298

AN ACT

MAKING, REDUCING, AND TRANSFERRING APPROPRIATIONS, PROVIDING FOR GOVERNMENT AND ECONOMIC DEVELOPMENT-RELATED TAXATION, SURCHARGE, AND FEE MATTERS, PROVIDING FOR OTHER PROPERLY RELATED MATTERS, AND INCLUDING PENALTY AND EFFECTIVE AND RETROACTIVE AND OTHER APPLICABILITY DATE PROVISIONS.

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

DIVISION I

ADMINISTRATION AND REGULATION

Section 1. DEPARTMENT OF ADMINISTRATIVE SERVICES. There is appropriated from the general fund of the state to the department of administrative services for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 4,616,351
..... FTEs 233.95

UTILITY COSTS

2. For the payment of utility costs:

..... \$ 2,576,000

Notwithstanding section 8.33, any excess funds appropriated for utility costs in this subsection shall not revert to the general fund of the state at the end of the fiscal year but shall remain available for expenditure for the purposes of this subsection during the fiscal year beginning July 1, 2005.

3. For distribution to other departments:

..... \$ 10,802,911

Moneys appropriated in this subsection shall be separately accounted for in a distribution account and shall be distributed to other governmental entities based upon formulas established by the department to pay for services provided governmental entities by the department as described in chapter 8A.

4. Members of the general assembly serving as members of the deferred compensation advisory board shall be entitled to receive per diem and necessary travel and actual expenses pursuant to section 2.10, subsection 5, while carrying out their official duties as members of the board.

5. Any funds and premiums collected by the department for workers' compensation shall be segregated into a separate workers' compensation fund in the state treasury to be used for payment of state employees' workers' compensation claims and administrative costs. Notwithstanding section 8.33, unencumbered or unobligated moneys remaining in this workers' compensation fund at the end of the fiscal year shall not revert but shall be available for expenditure for purposes of the fund for subsequent fiscal years.

Sec. 2. REVOLVING FUNDS.

1. There is appropriated from the general fund of the state to the department of administrative 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 purposes designated:

For start-up funding for revolving funds under the control of the department of administrative services and for salaries, support, maintenance, and miscellaneous purposes:
..... \$ 1,889,610

Notwithstanding any provision of this section to the contrary, the department of administrative services shall deposit \$1,889,610 in the general fund of the state from moneys in departmental revolving funds and internal service funds at the end of the fiscal year.

2. There is appropriated to the department of administrative services for the fiscal year beginning July 1,

2004, and ending June 30, 2005, from the revolving funds designated in chapter 8A and from internal service funds created by the department, such amounts as the department deems necessary for the operation of the department consistent with the requirements of chapter 8A.

Sec. 3. READY TO WORK PROGRAM COORDINATOR. There is appropriated from the workers' compensation trust fund to the department of administrative 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 purposes designated:

For the salary, support, and miscellaneous expenses for the ready to work program and coordinator:
..... \$ 89,416

Sec. 4. FUNDING FOR IOWACCESS.

1. Notwithstanding section 321A.3, subsection 1, for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the first \$1,000,000 collected and transferred by the department of transportation to the treasurer of state with respect to the fees for transactions involving the furnishing of a certified abstract of a vehicle operating record under section 321A.3, subsection 1, shall be transferred to the IowAccess revolving fund established by section 8A.224 and administered by the department of administrative services for the purposes of developing, implementing, maintaining, and expanding electronic access to government records as provided by law.

2. All fees collected with respect to transactions involving IowAccess shall be deposited in the IowAccess revolving fund and shall be used only for the support of IowAccess projects.

Sec. 5. STATE EMPLOYEE HEALTH INSURANCE ADMINISTRATION CHARGE. For the fiscal year beginning July 1, 2004, and ending June 30, 2005, the monthly per contract administrative charge which may be assessed by the department of administrative services shall be \$2.00 per contract on all health insurance plans administered by the department.

Sec. 6. AUDITOR OF STATE. There is appropriated from the general fund of the state to the office of the auditor of state for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... \$ 1,092,755
..... FTEs 106.30

The auditor of state may retain additional full-time equivalent positions as is reasonable and necessary to perform governmental subdivision audits which are reimbursable pursuant to section 11.20 or 11.21, to perform audits which are requested by and reimbursable from the federal government, and to perform work requested by and reimbursable from departments or agencies pursuant to section 11.5A or 11.5B. The auditor of state shall notify the department of management, the legislative fiscal committee, and the legislative services agency of the additional full-time equivalent positions retained.

Sec. 7. IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD. There is appropriated from the general fund of the state to the Iowa ethics and campaign disclosure board for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... \$ 411,296
..... FTEs 6.00

Sec. 8. DEPARTMENT OF COMMERCE. There is appropriated from the general fund of the state to the department of commerce for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, for the purposes designated:

1. ALCOHOLIC BEVERAGES DIVISION

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

..... \$ 1,876,497
..... FTEs 33.00

2. BANKING DIVISION

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

..... \$ 6,344,805
..... FTEs 65.00

3. CREDIT UNION DIVISION

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

..... \$ 1,377,364
..... FTEs 19.00

4. INSURANCE DIVISION

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

..... \$ 3,850,498
..... FTEs 95.00

b. The insurance division may reallocate authorized full-time equivalent positions as necessary to respond to accreditation recommendations or requirements. The insurance division expenditures for examination purposes may exceed the projected receipts, refunds, and reimbursements, estimated pursuant to section 505.7, subsection 7, including the expenditures for retention of additional personnel, if the expenditures are fully reimbursable and the division first does both of the following:

(1) Notifies the department of management, the legislative services agency, and the legislative fiscal committee of the need for the expenditures.

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

c. The insurance division shall allocate \$10,000 from the examination receipts for the payment of its fees to the national council of insurance legislators.

5. PROFESSIONAL LICENSING AND REGULATION DIVISION

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

..... \$ 766,766
..... FTEs 12.00

6. UTILITIES DIVISION

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

..... \$ 6,877,319
..... FTEs 79.00

b. The utilities division may expend additional funds, including funds for additional personnel, if those additional expenditures are actual expenses which exceed the funds budgeted for utility regulation and the expenditures are fully reimbursable. Before the division expends or encumbers an amount in excess of the funds budgeted for regulation, the division shall first do both of the following:

(1) Notify the department of management, the legislative services agency, and the legislative fiscal committee of the need for the expenditures.

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

7. CHARGES -- TRAVEL

Each division and the office of consumer advocate shall include in its charges assessed or revenues generated, an amount sufficient to cover the amount stated in its appropriation, and any state-assessed indirect costs determined by the department of administrative services. The director of the department of commerce shall review on a quarterly basis all out-of-state travel for the previous quarter for officers and employees of each division of the

department if the travel is not already authorized by the executive council.

Sec. 9. ALCOHOLIC BEVERAGES DIVISION -- STATE LIQUOR WAREHOUSE FUNCTIONS. Notwithstanding sections 7J.1 and 123.20, subsection 4, and any other applicable provision of law, the alcoholic beverages division of the department of commerce shall not add full-time equivalent positions for purposes of the state assuming the state liquor warehouse functions performed by a private contractor as of April 1, 2004. The division shall issue a request for proposals or otherwise utilize a competitive process to select a successor private contractor to perform the state liquor warehouse functions.

Sec. 10. IOWA HEALTH INSURANCE VALUE INITIATIVE. If 2004 Iowa Acts, House File 2521, is enacted, there is appropriated from the general fund of the state to the department of commerce 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 the insurance division to conduct a study regarding the costs of health insurance premiums for businesses and individual customers in this state, in accordance with 2004 Iowa Acts, House File 2521:

..... \$ 150,000

Sec. 11. DEPARTMENT OF COMMERCE -- PROFESSIONAL LICENSING AND REGULATION. There is appropriated from the housing improvement fund of the Iowa department of economic development to the division of professional licensing and regulation of the department of commerce for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes: \$ 62,317

Sec. 12. GOVERNOR AND LIEUTENANT GOVERNOR. There is appropriated from the general fund of the state to the offices

of the governor and the lieutenant governor for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. GENERAL OFFICE

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

..... \$ 1,536,949
..... FTEs 19.25

2. TERRACE HILL QUARTERS

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

..... \$ 343,149
..... FTEs 8.00

3. ADMINISTRATIVE RULES COORDINATOR

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

..... \$ 136,458
..... FTEs 3.00

4. NATIONAL GOVERNORS ASSOCIATION

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

..... \$ 64,393

5. STATE-FEDERAL RELATIONS

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

..... \$ 111,236
..... FTEs 2.00

Sec. 13. GOVERNOR'S OFFICE OF DRUG CONTROL POLICY.

1. There is appropriated from the general fund of the state to the governor's office of drug control policy for the

fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes including statewide coordination of the drug abuse resistance education (D.A.R.E.) programs or similar programs, and for not more than the following full-time equivalent positions:

..... \$ 254,386
..... FTEs 9.00

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

Sec. 14. DEPARTMENT OF HUMAN RIGHTS. There is appropriated from the general fund of the state to the department of human rights for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. CENTRAL ADMINISTRATION DIVISION

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

..... \$ 264,102
..... FTEs 7.00

2. DEAF SERVICES DIVISION

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

..... \$ 362,710
..... FTEs 6.00

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

3. PERSONS WITH DISABILITIES DIVISION

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

..... \$ 184,971
..... FTEs 3.50

4. LATINO AFFAIRS DIVISION

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

..... \$ 166,718
..... FTEs 3.00

5. STATUS OF WOMEN DIVISION

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

..... \$ 329,530
..... FTEs 3.00

6. STATUS OF AFRICAN-AMERICANS DIVISION

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

..... \$ 118,296
..... FTEs 2.00

7. CRIMINAL AND JUVENILE JUSTICE PLANNING DIVISION

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

..... \$ 403,774
..... FTEs 6.96

The criminal and juvenile justice planning advisory council and the juvenile justice advisory council shall coordinate their efforts in carrying out their respective duties relative to juvenile justice.

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

Sec. 15. DEPARTMENT OF INSPECTIONS AND APPEALS. There is appropriated from the general fund of the state to the department of inspections and appeals for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, for the purposes designated:

1. ADMINISTRATION DIVISION

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

..... \$ 1,489,090
 FTEs 32.25

2. ADMINISTRATIVE HEARINGS DIVISION

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

..... \$ 614,114
 FTEs 23.00

3. INVESTIGATIONS DIVISION

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

..... \$ 1,407,295
 FTEs 41.00

4. HEALTH FACILITIES DIVISION

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

..... \$ 2,276,836
 FTEs 108.75

5. EMPLOYMENT APPEAL BOARD

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

..... \$ 35,215
 FTEs 15.00

The employment appeal board shall be reimbursed by the labor services division of the department of workforce development for all costs associated with hearings conducted under chapter 91C, related to contractor registration. The board may expend, in addition to the amount appropriated under this subsection, additional amounts as are directly billable to the labor services division under this subsection and to retain the additional full-time equivalent positions as needed to conduct hearings required pursuant to chapter 91C.

6. CHILD ADVOCACY BOARD

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

..... \$ 1,952,780
 FTEs 38.99

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

b. The court appointed special advocate program shall investigate and develop opportunities for expanding fund-raising for the program.

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

Sec. 16. RACING AND GAMING COMMISSION.

1. RACETRACK REGULATION

There is appropriated from the general fund of the state to the racing and gaming commission of the department of inspections and appeals for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 2,201,453
..... FTEs 27.53

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

2. EXCURSION BOAT REGULATION

There is appropriated from the general fund of the state to the racing and gaming commission of the department of inspections and appeals for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 1,806,048
..... FTEs 30.22

Sec. 17. USE TAX APPROPRIATION. There is appropriated from the use tax receipts collected pursuant to sections 423.26 and 423.27 as enacted by 2003 Iowa Acts, First Extraordinary Session, chapter 2, sections 119 and 120 prior to their deposit in the road use tax fund pursuant to section 423.43 as enacted by 2003 Iowa Acts, First Extraordinary Session, chapter 2, section 136, to the administrative hearings division of the department of inspections and appeals for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes:

..... \$ 1,325,632

Sec. 18. DEPARTMENT OF MANAGEMENT. There is appropriated from the general fund of the state to the department of management for the fiscal year beginning July 1, 2004, and

ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. GENERAL OFFICE -- STATEWIDE PROPERTY TAX ADMINISTRATION

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

..... \$ 2,137,824
..... FTEs 32.00

2. ENTERPRISE RESOURCE PLANNING

If funding is provided for the redesign of the enterprise resource planning budget system for the fiscal year beginning July 1, 2004, then there is appropriated from the general fund of the state to the department of management for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes for administration of the enterprise resource planning system, and for not more than the following full-time equivalent positions:

..... \$ 57,435
..... FTEs 1.00

3. SALARY MODEL ADMINISTRATOR

For salary, support, and miscellaneous purposes of the salary model administrator, and for not more than the following full-time equivalent positions:

..... \$ 123,598
..... FTEs 1.00

The salary model administrator shall work in conjunction with the legislative services agency to maintain the state's salary model used for analyzing, comparing, and projecting state employee salary and benefit information, including information relating to employees of the state board of regents. The department of revenue, the department of administrative services, the five institutions under the jurisdiction of the state board of regents, the judicial

district departments of correctional services, and the state department of transportation shall provide salary data to the department of management and the legislative services agency to operate the state's salary model. The format and frequency of provision of the salary data shall be determined by the department of management and the legislative services agency. The information shall be used in collective bargaining processes under chapter 20 and in calculating the funding needs contained within the annual salary adjustment legislation. A state employee organization as defined in section 20.3, subsection 4, may request information produced by the model, but the information provided shall not contain information attributable to individual employees.

4. FEDERAL OVERRECOVERY

For providing matching funds for information technology services provided by the department of administrative services to the department of human services:

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

Sec. 19. ROAD USE TAX APPROPRIATION. There is appropriated from the road use tax fund to the department of management for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes:

..... \$ 56,000

Sec. 20. SECRETARY OF STATE. There is appropriated from the general fund of the state to the office of the secretary of state for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION AND ELECTIONS

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

..... \$ 660,233

..... FTEs 10.00

The state department or state agency which provides data processing services to support voter registration file maintenance and storage shall provide those services without charge.

2. BUSINESS SERVICES

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

..... \$ 1,615,893

..... FTEs 32.00

Sec. 21. SECRETARY OF STATE FILING FEES REFUND.

Notwithstanding the obligation to collect fees pursuant to the provisions of section 490.122, subsection 1, paragraphs "a" and "s", and section 504A.85, subsections 1 and 9, for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the secretary of state may refund these fees to the filer pursuant to rules established by the secretary of state. The decision of the secretary of state not to issue a refund under rules established by the secretary of state is final and not subject to review pursuant to the provisions of the Iowa administrative procedure Act.

Sec. 22. TREASURER. There is appropriated from the general fund of the state to the office of treasurer of state for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 800,564

..... FTEs 28.80

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

Sec. 23. IPERS -- GENERAL OFFICE. There is appropriated from the Iowa public employees' retirement system fund to the Iowa public employees' retirement system for the fiscal year

beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 8,879,900
..... FTES 90.13

Sec. 24. DEPARTMENT OF REVENUE. There is appropriated from the general fund of the state to the department of revenue for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. COMPLIANCE -- INTERNAL RESOURCES MANAGEMENT -- STATEWIDE PROPERTY TAX ADMINISTRATION

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

..... \$ 24,776,391
..... FTES 389.66

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

The director of revenue shall prepare and issue a state appraisal manual and the revisions to the state appraisal manual as provided in section 421.17, subsection 17, without cost to a city or county.

2. COLLECTION COSTS AND FEES

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

..... \$ 27,462

3. STATE TAX IMPLEMENTATION COMMITTEE

To administer the state tax implementation committee and to purchase data deemed necessary by the committee:

..... \$ 50,000

Sec. 25. MOTOR VEHICLE FUEL TAX APPROPRIATION. There is appropriated from the motor fuel tax fund created by section 452A.77 to the department of revenue for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes for administration and enforcement of the provisions of chapter 452A and the motor vehicle use tax program:

..... \$ 1,181,082

Sec. 26. Section 7J.1, Code Supplement 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 7A. EXECUTIVE COUNCIL FLEXIBILITY. Notwithstanding any provision of law to the contrary, a charter agency shall not be required to obtain executive council approval for claims for expenses of attending conventions, out-of-state travel requests, and memberships in professional organizations.

Sec. 27. Section 8.63, subsection 5, Code Supplement 2003, is amended to read as follows:

5. A state agency seeking a loan from the innovations fund shall complete an application form designed by the state innovations fund committee which employs, for projects, a return on investment concept and demonstrates how state general fund expenditures will be reduced or how state general fund revenues will increase, or for enterprises, a business plan that shows how the enterprise will meet customer needs, provide value to customers, and demonstrate financial viability. Minimum loan requirements for state agency requests shall be determined by the committee. As an incentive to increase state general fund revenues, an agency may retain up to fifty percent of savings realized in connection with a project loan from the innovations fund. The amount retained shall be determined by the innovations fund committee. Savings realized but not retained by an agency shall not be deposited in the innovations fund.

Sec. 28. Section 8.63, subsection 6, paragraph b, Code Supplement 2003, is amended to read as follows:

b. If the department of management and the department of revenue certify that the savings from a proposed innovations fund project will result in a net increase in the balance of the general fund of the state without a corresponding cost savings to the requesting agency, and if the requesting agency meets all other eligibility requirements, the innovations fund committee may approve the loan for the project and not require repayment by the requesting agency. There is appropriated from the general fund of the state to the department of management for deposit in the innovations fund an amount sufficient to repay the loan amount, which amount shall not exceed the principal amount of the loan plus interest on the loan.

Sec. 29. Section 543B.14, Code 2003, is amended to read as follows:

543B.14 FEES AND EXPENSES -- FUNDS.

All fees and charges collected by the real estate commission under this chapter shall be paid into the general fund of the state, except that ~~the equivalent of the greater of ten dollars or forty percent per year of the fees for fifty dollars from~~ each real estate salesperson's license, ~~plus the equivalent of the greater of ten dollars or twenty-five percent per year of the fees for~~ and each broker's license shall be paid into the Iowa real estate education fund created in section 543B.54. All expenses incurred by the commission under this chapter, including compensation of staff assigned to the commission, shall be paid from funds appropriated for those purposes, except for expenses incurred and compensation paid for the real estate education director, which shall be paid out of the real estate education fund.

Sec. 30. Section 543B.54, Code 2003, is amended to read as follows:

543B.54 REAL ESTATE EDUCATION FUND.

The Iowa real estate education fund is created as a financial assurance mechanism to assist in the establishment

and maintenance of a real estate education program at the university of northern Iowa and to assist the real estate commission in providing an education director. The fund is created as a separate fund in the state treasury, and any funds remaining in the fund at the end of each fiscal year shall not revert to the general fund, but shall remain in the Iowa real estate education fund. Seventy-percent-of-the moneys-in-the-fund Twenty-five dollars per license from fees deposited for each real estate salesperson's license and each broker's license shall be distributed and are appropriated to the board of regents for the purpose of establishing and maintaining a real estate education program at the university of northern Iowa. ~~Thirty-percent-of-the~~ The remaining moneys in the fund shall be distributed and are appropriated to the professional licensing and regulation division of the department of commerce for the purpose of hiring and compensating a real estate education director and regulatory compliance personnel.

Sec. 31. SPAN OF CONTROL. The department of administrative services, in consultation with the department of management and after discussion and collaboration with executive branch agencies, shall pursue a goal of increasing the ratio of the number of employees per supervisor for executive branch agencies in the aggregate to twelve employees for one supervisor by December 31, 2005.

Sec. 32. EFFECTIVE DATE. The section of this division of this Act relating to the state liquor warehouse functions, being deemed of immediate importance, takes effect upon enactment.

DIVISION II
AGRICULTURE AND NATURAL RESOURCES
DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP
GENERAL APPROPRIATIONS

Sec. 33. GENERAL DEPARTMENT APPROPRIATION. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the

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

1. For purposes of supporting the department, including its divisions, for administration, regulation, and programs, for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 16,946,668
..... FTEs 410.64

2. Of the amount appropriated in subsection 1, the department shall not expend less than \$50,000 for salaries, support, maintenance, and miscellaneous purposes of administering the senior farmers market nutrition program under the jurisdiction of the United States department of agriculture.

DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP
DESIGNATED APPROPRIATIONS

Sec. 34. RIVER AUTHORITY. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of supporting the department's membership in the state interagency Missouri river authority, created in section 28L.1, in the Missouri river basin association:

..... \$ 9,535

Sec. 35. HORSE AND DOG RACING. There is appropriated from the moneys available under section 99D.13 to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 305,516

Sec. 36. DAIRY PRODUCTS CONTROL BUREAU. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of supporting the operations of the dairy products control bureau, including salaries, support, maintenance, and miscellaneous purposes:

..... \$ 632,170

Sec. 37. AVIAN INFLUENZA. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the support of testing and monitoring avian influenza:
..... \$ 50,000

Notwithstanding section 8.33, moneys appropriated pursuant to this section which are unencumbered or unobligated on June 30, 2005, shall not revert as provided in section 8.33. After June 30, 2005, the department shall retain any such unobligated or unencumbered moneys for the continued testing and monitoring of avian influenza.

Sec. 38. SALE AND PURCHASE OF LABORATORY EQUIPMENT -- APPROPRIATIONS. Notwithstanding chapter 8A, the department of administrative services shall conduct a sale of equipment or devices owned by the department of agriculture and land stewardship and used by laboratories operated by the department of agriculture and land stewardship. The department of administrative services shall conduct the sale upon authorization of the department of agriculture and land stewardship. The sale shall only include equipment and devices that the department does not move to its new laboratory building. The moneys from the sale are appropriated to the department of agriculture and land stewardship for the fiscal period beginning July 1, 2004, and

ending June 30, 2006. The moneys shall only be used to replace, update, enhance, or supplement equipment or devices used by laboratories operated by the department of agriculture and land stewardship. However, the department shall not enter into a lease-purchase agreement to obtain the equipment or devices. Unencumbered and unobligated moneys remaining on June 30, 2006, shall be deposited in the general fund of the state in the same manner as a reversion under section 8.33.

DEPARTMENT OF NATURAL RESOURCES
GENERAL APPROPRIATIONS

Sec. 39. GENERAL DEPARTMENT APPROPRIATION. There is appropriated from the general fund of the state to the department of natural resources for the fiscal year beginning July 1, 2004, and ending June 30, 2005; the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 16,569,282
..... FTEs 1080.12

Sec. 40. STATE FISH AND GAME PROTECTION FUND -- APPROPRIATION TO THE DIVISION OF FISH AND WILDLIFE.

1. a. There is appropriated from the state fish and game protection fund to the department of natural resources for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For administrative support, and for salaries, support, maintenance, equipment, and miscellaneous purposes:
..... \$ 30,715,335

b. Notwithstanding section 455A.10, the department may use the unappropriated balance remaining in the fish and game protection fund to provide for the funding of health and life insurance premium payments from unused sick leave balances of

conservation peace officers employed in a protection occupation who retire, pursuant to section 97B.49B.

2. The department shall not expend more moneys from the fish and game protection fund than provided in this section, unless the expenditure derives from contributions made by a private entity, or a grant or moneys received from the federal government, and is approved by the natural resource commission. The department of natural resources shall promptly notify the legislative services agency and the chairpersons and ranking members of the joint appropriations subcommittee on agriculture and natural resources concerning the commission's approval.

DEPARTMENT OF NATURAL RESOURCES
RELATED TRANSFERS

Sec. 41. SNOWMOBILE FEES -- TRANSFER FOR ENFORCEMENT PURPOSES. There is transferred on July 1, 2004, from the fees required to be deposited in the special conservation fund under section 321G.7 to the fish and game protection fund and appropriated to the department of natural resources for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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

..... \$ 100,000

Sec. 42. VESSEL FEES -- TRANSFER FOR ENFORCEMENT PURPOSES. There is transferred on July 1, 2004, from the fees required to be deposited in the special conservation fund under section 462A.52 to the fish and game protection fund and appropriated to the natural resource commission for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the administration and enforcement of navigation laws and water safety:
..... \$ 1,400,000

Notwithstanding section 8.33, moneys transferred and appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert to the credit of the fish and game protection fund but shall be credited to the special conservation fund established by section 462A.52 to be used as provided in that section.

DEPARTMENT OF NATURAL RESOURCES
DESIGNATED APPROPRIATIONS

Sec. 43. REVENUE ADMINISTERED BY THE IOWA COMPREHENSIVE UNDERGROUND STORAGE TANK FUND BOARD. There is appropriated from the unassigned revenue fund administered by the Iowa comprehensive underground storage tank fund board, to the department of natural resources for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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

..... \$ 200,000

Sec. 44. FLOODPLAIN PERMIT BACKLOG. Notwithstanding any contrary provision of state law, for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the department of natural resources may use additional funds available to the department from stormwater discharge permit fees for the staffing of the following additional full-time staff members to reduce the department's floodplain permit backlog:

..... FTEs 2.00

Sec. 45. IMPLEMENTATION OF THE FEDERAL TOTAL MAXIMUM DAILY LOAD PROGRAM. Notwithstanding any contrary provision of state law, for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the department of natural resources may use additional funds available to the department from stormwater discharge permit fees for the staffing of the following additional full-time equivalent positions for implementation of the federal total maximum daily load program:

..... FTEs 2.00

MISCELLANEOUS PROVISIONS

Sec. 46. Section 424.19, Code Supplement 2003, is amended to read as follows:

424.19 FUTURE REPEAL.

This chapter is repealed effective June 30, ~~2014~~ 2016.

Sec. 47. CONTINGENT EFFECTIVENESS. The moneys appropriated from the general fund of the state to the department of agriculture and land stewardship for purposes of supporting the testing and monitoring of avian influenza as provided in this division of this Act shall not be effective if 2004 Iowa Acts, Senate File 2194, is enacted.

Sec. 48. CONTINGENT EFFECTIVENESS. The amendment to section 424.19, as provided in this division of this Act, is effective only if 2004 Iowa Acts, House File 2401, is enacted.

DIVISION III
ECONOMIC DEVELOPMENT

Sec. 49. GOALS AND ACCOUNTABILITY.

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

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

- a. Concentrate its efforts on programs and activities that result in commercially viable products and services.
- b. Adopt practices and services consistent with free market, private sector philosophies.
- c. Ensure economic growth and development throughout the state.

3. The department of economic development shall demonstrate accountability by using performance measures appropriate to show the attainment of the goals in subsection 1 for the state and by measuring the effectiveness and results of the department's programs and activities. The performance measures and associated benchmarks shall be developed or identified in cooperation with the legislative services agency and approved by the joint appropriations subcommittee on economic development. The data demonstrating accountability

collected by the department shall be made readily available and maintained in computer-readable format.

Sec. 50. DEPARTMENT OF ECONOMIC DEVELOPMENT. There is appropriated from the general fund of the state to the department of economic development for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION DIVISION

a. General administration

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

..... \$ 1,562,332
..... FTEs 28.75

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

2. BUSINESS DEVELOPMENT DIVISION

a. Business development operations

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

..... \$ 6,084,500
..... FTEs 57.00

b. The department shall establish a strong and aggressive marketing image to showcase Iowa's workforce, existing industry, and potential. A priority shall be placed on recruiting new businesses, business expansion, and retaining

existing Iowa businesses. Emphasis shall also be placed on entrepreneurial development through helping to secure capital for entrepreneurs, and developing networks and a business climate conducive to entrepreneurs and small business.

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

3. COMMUNITY DEVELOPMENT DIVISION

a. Community development programs

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

..... \$ 5,505,725
..... FTEs 61.75

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

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

d. Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert to any fund but shall remain available for expenditure for the designated purposes during the succeeding fiscal year.

4. For allocating moneys for the world food prize:

..... \$ 285,000

Sec. 51. VISION IOWA PROGRAM -- FTE AUTHORIZATION. For purposes of administrative duties associated with the vision Iowa program, the department of economic development is authorized an additional 2.25 full-time equivalent positions above those otherwise authorized in this division of this Act.

Sec. 52. RURAL COMMUNITY 2000 PROGRAM. There is appropriated from loan repayments on loans under the former rural community 2000 program, sections 15.281 through 15.288, Code 2001, to the department of economic development for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 150,000

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

..... \$ 120,000

Sec. 53. INSURANCE ECONOMIC DEVELOPMENT. There is appropriated from moneys collected by the division of insurance in excess of the anticipated gross revenues under section 505.7, subsection 3, to the department of economic development for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, for insurance economic development and international insurance economic development:

..... \$ 100,000

Sec. 54. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding section 15E.120, subsection 5, there is appropriated from the Iowa community development loan fund all the moneys available during the fiscal year beginning July 1, 2004, and ending June 30, 2005, to the department of economic development for the community development program to be used by the department for the purposes of the program.

Sec. 55. WORKFORCE DEVELOPMENT FUND. There is appropriated from the workforce development fund account created in section 15.342A, to the workforce development fund created in section 15.343, for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, for the purposes of the workforce development fund, and for not more than the following full-time equivalent positions:

..... \$ 4,000,000
 FTEs 4.00

Sec. 56. WORKFORCE DEVELOPMENT ADMINISTRATION. From funds appropriated or transferred to or receipts credited to the workforce development fund created in section 15.343, up to \$400,000 for the fiscal year beginning July 1, 2004, and ending June 30, 2005, may be used for the administration of workforce development activities including salaries, support, maintenance, and miscellaneous purposes and for not more than 4.00 full-time equivalent positions.

Sec. 57. JOB TRAINING FUND. Notwithstanding section 15.251, all remaining moneys in the job training fund on July 1, 2004, and any moneys appropriated or credited to the fund during the fiscal year beginning July 1, 2004, shall be transferred to the workforce development fund established pursuant to section 15.343.

Sec. 58. IOWA STATE UNIVERSITY.

1. There is appropriated from the general fund of the state to the Iowa state university of science and technology for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for small business development centers, the science and technology research park, the institute for physical research, and for not more than the following full-time equivalent positions:

..... \$ 2,363,557
 FTEs 56.53

2. Of the moneys appropriated in subsection 1, Iowa state university shall allocate at least \$550,000 for purposes of funding small business development centers. Small business

development centers shall be located equally throughout the different regions of the state. Iowa state university may allocate moneys appropriated in subsection 1 to the various small business development centers in any manner necessary to achieve the purposes of this subsection.

3. Iowa state university of science and technology shall do all of the following:

- a. Direct expenditures for research toward projects that will provide economic stimulus for Iowa.
- b. Emphasize that a business and an individual that creates a business and receives benefits from a program funded, in part, through moneys appropriated in this section have a commercially viable product or service.
- c. Provide emphasis to providing services to Iowa-based companies.

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

Iowa state university of science and technology shall report annually to the joint appropriations subcommittee on economic development and the legislative services agency the total amount of private contributions, the proportion of contributions from small businesses and other businesses, and the proportion for directed contract research and nondirected research of benefit to Iowa businesses and industrial sectors.

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

Sec. 59. UNIVERSITY OF IOWA.

1. There is appropriated from the general fund of the state to the state university of Iowa for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the university of Iowa research park and for the advanced drug development program at the Oakdale research park, including salaries, support, maintenance, equipment, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	247,005
.....	FTEs	6.00

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

- a. Direct expenditures for research toward projects that will provide economic stimulus for Iowa.
- b. Emphasize that a business and an individual that creates a business and receives benefits from a program funded, in part, through moneys appropriated in this section have a commercially viable product or service.
- c. Provide emphasis to providing services to Iowa-based companies.

3. The board of regents shall submit a report on the progress of regents institutions in meeting the strategic plan for technology transfer and economic development to the secretary of the senate, the chief clerk of the house of representatives, and the legislative services agency by January 15, 2005.

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

Sec. 60. UNIVERSITY OF NORTHERN IOWA.

1. There is appropriated from the general fund of the state to the university of northern Iowa for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the metal casting institute, and for the institute of decision making, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 361,291
..... FTES 4.75

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

- a. Direct expenditures for research toward projects that will provide economic stimulus for Iowa.
- b. Emphasize that a business and an individual that creates a business and receives benefits from a program funded, in part, through moneys appropriated in this section have a commercially viable product or service.
- c. Provide emphasis to providing services to Iowa-based companies.

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

Sec. 61. DEPARTMENT OF WORKFORCE DEVELOPMENT.

1. There is appropriated from the general fund of the state to the department of workforce development for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, for the division of labor services, the division of workers' compensation, the workforce development state and regional boards, the new employment opportunity fund, salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 4,889,124
..... FTES 94.20

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

3. The division of workers' compensation shall continue charging a \$65 filing fee for workers' compensation cases. The filing fee shall be paid by the petitioner of a claim. However, the fee can be taxed as a cost and paid by the losing party, except in cases where it would impose an undue hardship or be unjust under the circumstances. Of the moneys generated by the filing fee allowed under this subsection, the first \$225,000 is appropriated to the department of workforce development to be used for purposes of administering the division of workers' compensation.

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

Sec. 62. ADMINISTRATIVE CONTRIBUTION SURCHARGE FUND. Notwithstanding section 96.7, subsection 12, paragraph "c", there is appropriated from the administrative contribution surcharge fund of the state to the department of workforce development for the fiscal year beginning July 1, 2004, and ending June 30, 2005, any moneys remaining in the administrative contribution surcharge fund on June 30, 2004, and the entire amount collected during the fiscal year beginning July 1, 2004, and ending June 30, 2005, or so much thereof as is necessary, for salaries, support, maintenance, conducting labor market surveys, miscellaneous purposes, and for workforce development regional advisory board member expenses.

Sec. 63. EMPLOYMENT SECURITY CONTINGENCY FUND. There is appropriated from the special employment security contingency fund to the department of workforce development for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, for the purposes designated:

1. DIVISION OF WORKERS' COMPENSATION

For salaries, support, maintenance, and miscellaneous purposes:

..... \$ 471,000

2. IMMIGRATION SERVICE CENTERS

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

..... \$ 160,000

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

Any remaining additional penalty and interest revenue may be allocated and used to accomplish the mission of the department.

Sec. 64. PUBLIC EMPLOYMENT RELATIONS BOARD. There is appropriated from the general fund of the state to the public employment relations board for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, for the purposes designated:

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

..... \$ 895,752
..... FTEs 10.00

Sec. 65. Section 96.7, subsection 2, paragraph d, subparagraph (1), Code Supplement 2003, is amended to read as follows:

(1) The current reserve fund ratio is computed by dividing the total funds available for payment of benefits, on the computation date, by the total wages paid in covered employment excluding reimbursable employment wages during the first four calendar quarters of the five calendar quarters immediately preceding the computation date. However, in computing the current reserve fund ratio the following amounts shall be added to the total funds available for payment of benefits on the following computation dates:

- (a) Twenty million dollars on July 1, 2004.
(b) Seventy million dollars on July 1, 2005.
(c) One hundred twenty million dollars on July 1, 2006.
(d) One hundred fifty million dollars on July 1, 2007, and on each subsequent computation date.

Sec. 66. Section 96.19, subsection 18, paragraph a, subparagraph (7), subparagraph subdivision (a), Code 2003, is amended to read as follows:

(a) A person in agricultural labor when such labor is performed for an employing unit which during any calendar quarter in the calendar year or the preceding calendar year paid remuneration in cash of twenty thousand dollars or more to individuals employed in agricultural labor excluding labor performed before January 1, 1980, by an alien referred to in this subparagraph; or on each of some twenty days during the calendar year or the preceding calendar year, each day being in a different calendar week, employed in agricultural labor for some portion of the day ten or more individuals, excluding labor performed before January 1, 1980, by an alien referred to in this subparagraph; and such labor is not agricultural labor performed before January 1, 1980, by an individual who is an alien admitted to the United States to perform agricultural labor pursuant to sections 214(c) and 101(a)(15)(H) of the Immigration and Nationality Act, 8 U.S.C. § 1184(c), 1101(a)(15)(H) (1976). For purposes of this subparagraph subdivision, "employed" shall not include services performed by agricultural workers who are aliens admitted to the United States to perform labor pursuant to

section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act and who are not covered under the Federal Unemployment Tax Act.

Sec. 67. IOWA COMMUNITY COLLEGE ONE SOURCE TRAINING INITIATIVE. In the interest of putting an emphasis on the software and information technology sector in this state, the Iowa community college one source training initiative is encouraged to explore a partnership with software and information technology of Iowa to identify methods of funding the training and retraining needs of the software and information technology sector in Iowa. To the extent possible, funding from the workforce training and economic development moneys in the grow Iowa values fund should be considered as a potential funding source for these purposes.

Sec. 68. VALUE-ADDED AGRICULTURAL PRODUCTS AND PROCESSES FINANCIAL ASSISTANCE FUND MONEYS. The office of renewable fuels and coproducts may apply to the department of economic development for moneys in the value-added agricultural products and processes financial assistance fund for deposit in the renewable fuels and coproducts fund created in section 159A.7.

Sec. 69. IOWA FINANCE AUTHORITY AUDIT. The auditor of state is requested to review the audit of the Iowa finance authority performed by the auditor hired by the authority. The auditor of state is also requested to conduct a performance audit of the authority to determine the effectiveness of the authority and the programs of the authority.

Sec. 70. APPLICATION FOR DEPARTMENT OF ECONOMIC DEVELOPMENT MONEYS. For the fiscal year beginning July 1, 2004, any entity that was specifically identified in 2001 Iowa Acts, chapter 188, to receive funding from the department of economic development, excluding any entity identified to receive a direct appropriation beginning July 1, 2004, may apply to the department for assistance through the appropriate program. The department shall provide application criteria necessary to implement this section.

Sec. 71. EXPENDITURE AND ALLOCATION REPORTS. The department of economic development, the department of workforce development, and the regents institutions receiving an appropriation pursuant to this division of this Act shall file a written report on a quarterly basis with the chairpersons and ranking members of the joint appropriations subcommittee on economic development and the legislative services agency regarding all expenditures of moneys appropriated pursuant to this division of this Act during the quarter, allocations of moneys appropriated pursuant to this Act during the quarter, and full-time equivalent positions allocated during the quarter.

Sec. 72. SHELTER ASSISTANCE FUND. In providing moneys from the shelter assistance fund to homeless shelter programs in the fiscal year beginning July 1, 2004, and ending June 30, 2005, the department of economic development shall explore the potential of allocating moneys to homeless shelter programs based in part on their ability to move their clients toward self-sufficiency.

Sec. 73. FEDERAL GRANTS. All federal grants to and the federal receipts of agencies appropriated funds under this division of this Act, not otherwise appropriated, are appropriated for the purposes set forth in the federal grants or receipts unless otherwise provided by the general assembly.

Sec. 74. UNEMPLOYMENT COMPENSATION PROGRAM. Notwithstanding section 96.9, subsection 4, paragraph "a", moneys credited to the state by the secretary of the treasury of the United States pursuant to section 903 of the Social Security Act shall be appropriated to the department of workforce development and shall be used by the department for the administration of the unemployment compensation program only. This appropriation shall not apply to any fiscal year beginning after December 31, 2004.

Sec. 75. PAYROLL EXPENDITURE REFUNDS. There is appropriated from the general fund of the state to the department of economic development for the fiscal year beginning July 1, 2004, and ending June 30, 2005, \$27,786, or

so much thereof as is necessary, to pay refunds as provided under section 15.365.

DIVISION IV
EDUCATION

COLLEGE STUDENT AID COMMISSION

Sec. 76. There is appropriated from the general fund of the state to the college student aid commission for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

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

..... \$ 298,825
..... FTEs 4.30

2. STUDENT AID PROGRAMS

For payments to students for the Iowa grant program:

..... \$ 1,029,784

3. DES MOINES UNIVERSITY -- OSTEOPATHIC MEDICAL CENTER

For the Des Moines university -- osteopathic medical center for an initiative in primary health care to direct primary care physicians to shortage areas in the state:

..... \$ 396,451

From the funds appropriated in this subsection, \$50,000 shall be used for forgivable loans in accordance with section 261.19, subsection 2.

4. NATIONAL GUARD EDUCATIONAL ASSISTANCE PROGRAM

For purposes of providing national guard educational assistance under the program established in section 261.86:

..... \$ 2,900,000

5. TEACHER SHORTAGE FORGIVABLE LOAN PROGRAM

For the teacher shortage forgivable loan program established in section 261.111:

..... \$ 460,472

Sec. 77. WORK-STUDY APPROPRIATION NULLIFICATION FOR FY 2004-2005. Notwithstanding section 261.85, for the fiscal

year beginning July 1, 2004, and ending June 30, 2005, the amount appropriated for the work-study program under section 261.85 shall be zero.

DEPARTMENT FOR THE BLIND

Sec. 78. ADMINISTRATION. There is appropriated from the general fund of the state to the department for the blind for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 1,541,907
..... FTEs 109.51

DEPARTMENT OF CULTURAL AFFAIRS

Sec. 79. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION

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

..... \$ 214,475
..... FTEs 1.17

The department of cultural affairs shall coordinate activities with the tourism office of the department of economic development to promote attendance at the state historical building and at this state's historic sites.

2. COMMUNITY CULTURAL GRANTS

For planning and programming for the community cultural grants program established under section 303.3:

..... \$ 299,240

3. HISTORICAL DIVISION

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

..... \$ 2,868,725
 FTEs 54.78

4. HISTORIC SITES

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

..... \$ 526,459
 FTEs 8.00

5. ARTS DIVISION

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

..... \$ 1,157,486
 FTEs 7.55

DEPARTMENT OF EDUCATION

Sec. 80. There is appropriated from the general fund of
 the state to the department of education for the fiscal year
 beginning July 1, 2004, and ending June 30, 2005, the
 following amounts, or so much thereof as may be necessary, to
 be used for the purposes designated:

1. GENERAL ADMINISTRATION

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

..... \$ 5,168,114
 FTEs 85.65

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

districts to seek direct claiming under the medical assistance
 program for funding of school district nursing services for
 students.

2. VOCATIONAL EDUCATION ADMINISTRATION

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

..... \$ 514,828
 FTEs 18.25

3. VOCATIONAL REHABILITATION SERVICES DIVISION

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

..... \$ 4,278,784
 FTEs 281.50

The division of vocational rehabilitation services shall
 seek funding from other sources, such as local funds, for
 purposes of matching the state's federal vocational
 rehabilitation allocation, as well as for matching other
 federal vocational rehabilitation funding that may become
 available.

Except where prohibited under federal law, the division of
 vocational rehabilitation services of the department of
 education shall accept client assessments, or assessments of
 potential clients, performed by other agencies in order to
 reduce duplication of effort.

Notwithstanding the full-time equivalent position limit
 established in this lettered paragraph, for the fiscal year
 ending June 30, 2005, if federal funding is received to pay
 the costs of additional employees for the vocational
 rehabilitation services division who would have duties
 relating to vocational rehabilitation services paid for
 through federal funding, authorization to hire not more than
 4.00 additional full-time equivalent employees shall be
 provided, the full-time equivalent position limit shall be
 exceeded, and the additional employees shall be hired by the
 division.

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

.....	\$	54,150
.....	FTEs	1.00

The highest priority use for the moneys appropriated under this lettered paragraph shall be for programs that emphasize employment and assist persons with severe physical or mental disabilities to find and maintain employment to enable them to function more independently.

4. STATE LIBRARY

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

.....	\$	1,262,603
.....	FTEs	18.00

b. For the enrich Iowa program:

.....	\$	1,698,432
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(1) Funds allocated for purposes of the enrich Iowa program as provided in this lettered paragraph shall be distributed by the division of libraries and information services to provide support for Iowa's libraries. The commission of libraries shall develop rules governing the allocation of funds provided by the general assembly for the enrich Iowa program to provide direct state assistance to public libraries and to fund the open access and access plus programs. Direct state assistance to eligible public libraries is provided as an incentive to improve library services and to reduce inequities among communities in the delivery of library services based on recognized and adopted performance measures. Funds distributed as direct state assistance shall be distributed to eligible public libraries that are in compliance with performance measures adopted by rule by the commission of libraries. The funds allocated as provided in this lettered paragraph shall not be used for the costs of administration by the division. The amount of direct

state assistance distributed to each eligible public library shall be based upon the following:

(a) The level of compliance by the eligible public library with the performance measures adopted by the commission as provided in this subparagraph.

(b) The number of people residing within an eligible library's geographic service area for whom the library provides services.

(c) The amount of other funding the eligible public library received in the previous fiscal year for providing services to rural residents and to contracting communities.

(2) Moneys received by a public library under this lettered paragraph shall supplement, not supplant, any other funding received by the library.

(3) For purposes of this section, "eligible public library" means a public library that meets all of the following requirements:

(a) Submits to the division all of the following:

(i) The report provided for under section 256.51, subsection 1, paragraph "h".

(ii) An application and accreditation report, in a format approved by the commission, that provides evidence of the library's compliance with at least one level of the standards established in accordance with section 256.51, subsection 1, paragraph "k".

(iii) Any other application or report the division deems necessary for the implementation of the enrich Iowa program.

(b) Participates in the library resource and information sharing programs established by the state library.

(c) Is a public library established by city ordinance or a library district as provided in chapter 336.

(4) Each eligible public library shall maintain a separate listing within its budget for payments received and expenditures made pursuant to this lettered paragraph, and shall annually submit this listing to the division.

(5) By January 15, 2006, the division shall submit a program evaluation report to the general assembly and the

governor detailing the uses and the impacts of funds allocated under this lettered paragraph.

(6) A public library that receives funds in accordance with this lettered paragraph shall have an internet use policy in place, which may or may not include internet filtering. The library shall submit a report describing the library's internet use efforts to the division.

(7) A public library that receives funds in accordance with this lettered paragraph shall provide open access, the reciprocal borrowing program, as a service to its patrons, at a reimbursement rate determined by the state library.

5. LIBRARY SERVICE AREA SYSTEM

For state aid:

..... \$ 1,376,558

6. PUBLIC BROADCASTING DIVISION

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

..... \$ 6,568,514
..... FTEs 78.00

7. REGIONAL TELECOMMUNICATIONS COUNCILS

For state aid and for not more than the following full-time equivalent positions:

..... \$ 1,600,806
..... FTEs 6.00

a. Of the amount appropriated in this subsection, \$360,328 shall be allocated to the public broadcasting division for purposes of providing support for functions related to the Iowa communications network, including but not limited to the following functions: development of distance learning applications; development of a central information source on the internet relating to educational uses of the network; second-line technical support for network sites; testing and initializing sites onto the network; and coordinating the work of the education telecommunications council.

b. Of the amount appropriated in this subsection, \$1,240,478 shall be allocated to the regional

telecommunications councils established in section 8D.5. The regional telecommunications councils shall use the funds to provide technical assistance for network classrooms, planning and troubleshooting for local area networks, scheduling of video sites, and other related support activities.

8. VOCATIONAL EDUCATION TO SECONDARY SCHOOLS

For reimbursement for vocational education expenditures made by secondary schools:

..... \$ 2,936,904

Funds appropriated in this subsection shall be used for expenditures made by school districts to meet the standards set in sections 256.11, 258.4, and 260C.14 as a result of the enactment of 1989 Iowa Acts, chapter 278. Funds shall be used as reimbursement for vocational education expenditures made by secondary schools in the manner provided by the department of education for implementation of the standards set in 1989 Iowa Acts, chapter 278.

9. SCHOOL FOOD SERVICE

For use as state matching funds for federal programs that shall be disbursed according to federal regulations, including salaries, support, maintenance, and miscellaneous purposes:

..... \$ 2,509,683

10. IOWA EMPOWERMENT FUND

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

..... \$ 13,381,594

a. From the moneys deposited in the school ready children grants account for the fiscal year beginning July 1, 2004, and ending June 30, 2005, not more than \$200,000 is allocated for the community empowerment office and other technical assistance activities. It is the intent of the general assembly that regional technical assistance teams will be established and will include staff from various agencies, as appropriate, including the area education agencies, community colleges, and the Iowa state university of science and technology cooperative extension service in agriculture and home economics. The Iowa empowerment board shall direct staff

to work with the advisory council to inventory technical assistance needs. Funds allocated under this lettered paragraph may be used by the Iowa empowerment board for the purpose of skills development and support for ongoing training of the regional technical assistance teams. However, funds shall not be used for additional staff or for the reimbursement of staff.

b. Notwithstanding any other provision of law to the contrary, the community empowerment office shall use the documentation created by the legislative services agency to continue the implementation of the four-year phase-in period of the distribution formula approved by the community empowerment board.

c. As a condition of receiving funding appropriated in this subsection, each community empowerment area board shall report to the Iowa empowerment board progress on each of the state indicators approved by the state board, as well as progress on local indicators. The community empowerment area board must also submit a written plan amendment extending by one year the area's comprehensive school ready children grant plan developed for providing services for children from birth through five years of age and provide other information specified by the Iowa empowerment board. The amendment may also provide for changes in the programs and services provided under the plan. The Iowa empowerment board shall establish a submission deadline for the plan amendment that allows a reasonable period of time for preparation of the plan amendment and for review and approval or request for modification of the plan amendment by the Iowa empowerment board. In addition, the community empowerment board must continue to comply with reporting provisions and other requirements adopted by the Iowa empowerment board in implementing section 28.8.

11. TEXTBOOKS OF NONPUBLIC SCHOOL PUPILS

To provide funds for costs of providing textbooks to each resident pupil who attends a nonpublic school as authorized by section 301.1. The funding is limited to \$20 per pupil and

shall not exceed the comparable services offered to resident public school pupils:

..... \$ 590,458

12. STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM

For purposes, as provided in law, of the student achievement and teacher quality program established pursuant to chapter 284:

..... \$ 45,283,894

13. JOBS FOR AMERICA'S GRADUATES

For school districts to provide direct services to the most at-risk senior high school students enrolled in school districts through direct intervention by a jobs for America's graduates specialist:

..... \$ 400,000

14. CLOSING THE ACHIEVEMENT GAP GRANTS

For competitive grants to be awarded in no more than four school districts:

..... \$ 500,000

a. The department shall establish a competitive grant program that supports school district efforts to address the achievement gap. Priority shall be given to school districts using research-based strategies that have the highest probability of improving student achievement. A grant in the amount of \$125,000 shall be awarded no later than October 1, 2004, to a school district in each of the following size school districts:

- (1) A school district with an enrollment of 1199 or less.
- (2) A school district with an enrollment of more than 1199, but not more than 4749.
- (3) A school district with an enrollment of more than 4749.
- (4) A school district with any enrollment.

b. Grant moneys may be used by recipient school districts for purposes including, but not limited to, assigning highly skilled teachers to high-need students and highly skilled administrators to high-need buildings, maintaining a commitment to cultural competency training, sustaining high

expectations for all children, and creating partnerships between schools, communities, and businesses.

15. COMMUNITY COLLEGES

For general state financial aid to merged areas as defined in section 260C.2 in accordance with chapters 258 and 260C: \$139,779,244

The funds appropriated in this subsection shall be allocated as follows:

- a. Merged Area I \$ 6,717,353
- b. Merged Area II \$ 7,859,917
- c. Merged Area III \$ 7,295,985
- d. Merged Area IV \$ 3,569,332
- e. Merged Area V \$ 7,499,287
- f. Merged Area VI \$ 6,918,909
- g. Merged Area VII \$ 10,008,601
- h. Merged Area IX \$ 12,311,409
- i. Merged Area X \$ 19,369,288
- j. Merged Area XI \$ 20,524,506
- k. Merged Area XII \$ 8,084,396
- l. Merged Area XIII \$ 8,298,918
- m. Merged Area XIV \$ 3,612,936
- n. Merged Area XV \$ 11,362,216
- o. Merged Area XVI \$ 6,346,191

Sec. 81. WHOLE-GRADE SHARING AGREEMENT DEADLINE WAIVER.

Notwithstanding sections 282.10 and 282.11, the department of education may, at the department's discretion, waive any of the deadline requirements of sections 282.10 and 282.11, relating to the signing of a whole-grade sharing agreement by the boards of two or more school districts involved in the agreement and the public notice and hearing requirements, if one of the districts involved in the agreement has an enrollment of less than three hundred. This section is repealed July 1, 2004.

Sec. 82. STATEWIDE TEACHER INTERN PROGRAM FEASIBILITY STUDY -- FEDERAL GRANT APPLICATION COORDINATION.

1. The department of education shall work cooperatively with the state board of regents and other accredited

postsecondary institutions with approved practitioner preparation programs to assess the feasibility of the offering of a teacher intern program that will be available statewide and which will meet the standards as provided in 281 IAC 77. The department shall, at minimum, collaborate with the state board of regents and the colleges of education at board's institutions of higher learning, and with other accredited postsecondary institutions with approved practitioner preparation programs. The study shall include the projected enrollment, cost, delivery of the program via technology, and possible time lines for implementation of a statewide teacher intern program. The study shall, at minimum, consider the establishment of a program operated through a regents institution under a cooperative arrangement with other postsecondary institutions, including institutions that do not have approved practitioner preparation programs, or with one or more area education agencies. The department shall submit a report summarizing the results of the study and making recommendations to the chairpersons and ranking members of the house and senate committees on education and the chairpersons and rankings members of the joint appropriations subcommittee on education by January 15, 2005.

2. The department shall work cooperatively with the state board of regents and other appropriate eligible grantees to obtain any available federal funding, including grants that may be available for the establishment and operation of a teacher intern program.

Sec. 83. BOARD OF EDUCATIONAL EXAMINERS LICENSING FEES. Notwithstanding section 272.10, up to 85 percent of any funds received annually resulting from an increase in fees approved and implemented for licensing by the state board of educational examiners after July 1, 1997, and before June 30, 2003, and up to 70 percent of any funds received annually resulting from an increase in fees approved and implemented for licensing by the state board after July 1, 2003, shall be available for the fiscal year beginning July 1, 2004, to the state board for purposes related to the state board's duties,

including, but not limited to, additional full-time equivalent positions. The director of the department of administrative services shall draw warrants upon the treasurer of state from the funds appropriated as provided in this section and shall make the funds resulting from the increase in fees available during the fiscal year to the state board on a monthly basis.

Sec. 84. MINIMUM TEACHER SALARY REQUIREMENTS -- FY 2004-2005.

1. Notwithstanding section 284.7, subsection 1, paragraph "a", subparagraph (2), the minimum teacher salary paid by a school district or area education agency for purposes of teacher compensation in accordance with chapter 284, for the fiscal year beginning July 1, 2004, and ending June 30, 2005, shall be the minimum salary amount the school district or area education agency paid to a first-year beginning teacher or, the minimum salary amount the school district or area education agency would have paid a first-year beginning teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001. If the school district or area education agency did not employ a first-year beginning teacher in the 2001-2002 school year, the minimum salary is the amount that the district would have paid a first-year beginning teacher under chapter 284 in the 2001-2002 school year.

2. Notwithstanding section 284.7, subsection 1, paragraph "b", subparagraph (2), the minimum career teacher salary paid to a career teacher who was a beginning teacher in the 2003-2004 school year, by a school district or area education agency participating in the student achievement and teacher quality program, for the school year beginning July 1, 2004, and ending June 30, 2005, shall be, unless the school district has a minimum career teacher salary that exceeds thirty thousand dollars, one thousand dollars greater than the minimum salary amount the school district or area education agency paid to a first-year beginning teacher if the school district or area education agency participated in the program

during the 2001-2002 school year, or the minimum salary amount the school district or area education agency would have paid a first-year beginning teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001.

3. Notwithstanding section 284.7, subsection 1, paragraph "b", subparagraph (2), and except as provided in subsection 2, the minimum career teacher salary paid by a school district or area education agency participating in the student achievement and teacher quality program, for purposes of teacher compensation in accordance with chapter 284, for the school year beginning July 1, 2004, and ending June 30, 2005, shall be the minimum salary amount the school district or area education agency paid to a career teacher if the school district or area education agency participated in the program during the 2001-2002 school year, or, the minimum salary amount the school district or area education agency would have paid a career teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001.

Sec. 85. SUPPLEMENTAL AID FOR THE IOWA PUBLIC BROADCASTING DIVISION. Notwithstanding the provisions of section 8.33, or any other provision of law to the contrary, \$158,000 from the moneys from the appropriation made in section 284.13, subsection 1, paragraph "d", as amended by this division of this Act, which remain unexpended or unencumbered on June 30, 2004, shall not revert but shall remain available for expenditure in the succeeding fiscal year by the department of education for the public broadcasting division to supplement the appropriation made in this division of this Act for the public broadcasting division.

STATE BOARD OF REGENTS

Sec. 86. There is appropriated from the general fund of the state to the state board of regents for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the

following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. OFFICE OF STATE BOARD OF REGENTS

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

..... \$ 1,160,398
..... FTEs 16.00

The state board of regents, the department of management, and the legislative services agency shall cooperate to determine and agree upon, by November 15, 2004, the amount that needs to be appropriated for tuition replacement for the fiscal year beginning July 1, 2005.

The state board of regents shall submit a monthly financial report in a format agreed upon by the state board of regents office and the legislative services agency.

b. For allocation by the state board of regents to the state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa to reimburse the institutions for deficiencies in their operating funds resulting from the pledging of tuitions, student fees and charges, and institutional income to finance the cost of providing academic and administrative buildings and facilities and utility services at the institutions:

..... \$ 13,009,474

Notwithstanding section 8.33, funds appropriated for the purposes in this lettered paragraph remaining unencumbered or unobligated at the end of the fiscal year shall not revert to the general fund of the state but shall be available for expenditure for the purposes specified in this lettered paragraph during the subsequent fiscal year.

c. For funds to be allocated to the southwest Iowa graduate studies center:

..... \$ 105,956

d. For funds to be allocated to the siouxland interstate metropolitan planning council for the tristate graduate center under section 262.9, subsection 21:

..... \$ 77,941

e. For funds to be allocated to the quad-cities graduate studies center:

..... \$ 157,144

2. STATE UNIVERSITY OF IOWA

a. General university, including lakeside laboratory For salaries, support, maintenance, equipment, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$219,937,344
..... FTEs 4,055.62

It is the intent of the general assembly that the university continue progress on the school of public health and the public health initiative for the purposes of establishing an accredited school of public health and for funding an initiative for the health and independence of elderly Iowans. From the funds appropriated in this lettered paragraph, the university may use up to \$2,100,000 for the school of public health and the public health initiative.

b. University hospitals

For salaries, support, maintenance, equipment, and miscellaneous purposes and for medical and surgical treatment of indigent patients as provided in chapter 255, for medical education, and for not more than the following full-time equivalent positions:

..... \$ 27,284,584
..... FTEs 5,471.01

Of the amount appropriated in this lettered paragraph, \$25,950,166 shall be considered encumbered and shall not be expended for any purpose until January 1, 2005.

(1) However, if the department of human services adjusts hospital payments to provide an increased base rate to offset the high cost incurred for providing services to medical assistance patients prior to January 1, 2005, a portion of the amount specified in this unnumbered paragraph equal to the increased Medicaid payment shall revert to the general fund of the state. Notwithstanding section 8.54, subsection 7, the

amount required to revert under this subparagraph shall not be considered to be appropriated for purposes of the state general fund expenditure limitation for the fiscal year beginning July 1, 2004.

(2) If the adjustment described in subparagraph (1) to increase the base rate is not made prior to January 1, 2005, the amount specified in this unnumbered paragraph shall no longer be considered encumbered, may be expended, and shall be available for the purposes originally specified.

(3) Any incremental increase in the base rate made pursuant to subparagraph (1) shall not be used in determining the university of Iowa hospital and clinics disproportionate share rate or when determining the statewide average base rate for purposes of calculating indirect medical education rates.

The university of Iowa hospitals and clinics shall, within the context of chapter 255 and when medically appropriate, make reasonable efforts to extend the university of Iowa hospitals and clinics' use of home telemedicine and other technologies to reduce the frequency of visits to the hospital required by the indigent patients.

The university of Iowa hospitals and clinics shall submit quarterly a report regarding the portion of the appropriation in this lettered paragraph expended on medical education. The report shall be submitted in a format jointly developed by the university of Iowa hospitals and clinics, the legislative services agency, and the department of management, and shall delineate the expenditures and purposes of the funds.

(4) Funds appropriated in this lettered paragraph shall not be used to perform abortions except medically necessary abortions, and shall not be used to operate the early termination of pregnancy clinic except for the performance of medically necessary abortions. For the purpose of this lettered paragraph, an abortion is the purposeful interruption of pregnancy with the intention other than to produce a live-born infant or to remove a dead fetus, and a medically necessary abortion is one performed under one of the following conditions:

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

(b) The attending physician certifies that the fetus is mentally deficient or afflicted with a congenital illness.

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

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

(e) The abortion is a spontaneous abortion, commonly known as a miscarriage, wherein not all of the products of conception are expelled.

The total quota allocated to the counties for indigent patients for the fiscal year beginning July 1, 2004, shall not be lower than the total quota allocated to the counties for the fiscal year commencing July 1, 1998. The total quota shall be allocated among the counties on the basis of the 2000 census pursuant to section 255.16.

The university of Iowa hospitals and clinics, in cooperation with the department of corrections, shall study the utilization of the indigent patient care program by department of corrections' inmates and shall submit a report to the governor and the general assembly on or before January 1, 2005, regarding recommendations to improve the efficiency and cost-effectiveness of the care provided to the inmates.

c. Psychiatric hospital

For salaries, support, maintenance, equipment, miscellaneous purposes, for the care, treatment, and maintenance of committed and voluntary public patients, and for not more than the following full-time equivalent positions:

.....	\$	7,043,056
.....	FTEs	272.11

d. Center for disabilities and development

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

..... \$ 6,363,265
 FTEs 143.34

From the funds appropriated in this lettered paragraph, \$200,000 shall be allocated for purposes of the employment policy group.

e. Oakdale campus

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

..... \$ 2,657,335
 FTEs 43.25

f. State hygienic laboratory

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

..... \$ 3,802,520
 FTEs 102.49

g. Family practice program

For allocation by the dean of the college of medicine, with approval of the advisory board, to qualified participants, to carry out chapter 148D for the family practice program, including salaries and support, and for not more than the following full-time equivalent positions:

..... \$ 2,075,948
 FTEs 192.40

h. Child health care services

For specialized child health care services, including childhood cancer diagnostic and treatment network programs, rural comprehensive care for hemophilia patients, and the Iowa high-risk infant follow-up program, including salaries and support, and for not more than the following full-time equivalent positions:

..... \$ 649,066
 FTEs 53.46

i. Statewide cancer registry

For the statewide cancer registry, and for not more than the following full-time equivalent positions:

..... \$ 178,739
 FTEs 2.40

j. Substance abuse consortium

For funds to be allocated to the Iowa consortium for substance abuse research and evaluation, and for not more than the following full-time equivalent positions:

..... \$ 64,871
 FTEs 1.50

k. Center for biocatalysis

For the center for biocatalysis, and for not more than the following full-time equivalent positions:

..... \$ 881,384
 FTEs 5.20

l. Primary health care initiative

For the primary health care initiative in the college of medicine and for not more than the following full-time equivalent positions:

..... \$ 759,875
 FTEs 7.75

From the funds appropriated in this lettered paragraph, \$330,000 shall be allocated to the department of family practice at the state university of Iowa college of medicine for family practice faculty and support staff.

m. Birth defects registry

For the birth defects registry and for not more than the following full-time equivalent positions:

..... \$ 44,636
 FTEs 1.30

3. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

a. General university

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

..... \$173,189,751
 FTEs 3,647.42

It is the intent of the general assembly that the university continue progress on the center for excellence in fundamental plant sciences. From the funds appropriated in this lettered paragraph, the university may use up to \$4,670,000 for the center for excellence in fundamental plant sciences.

b. Agricultural experiment station

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

..... \$ 31,019,520
..... FTEs 546.98

c. Cooperative extension service in agriculture and home economics

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

..... \$ 19,738,432
..... FTEs 383.34

d. Leopold center

For agricultural research grants at Iowa state university under section 266.39B, and for not more than the following full-time equivalent positions:

..... \$ 464,319
..... FTEs 11.25

e. Livestock disease research

For deposit in and the use of the livestock disease research fund under section 267.8:

..... \$ 220,708

4. UNIVERSITY OF NORTHERN IOWA

a. General university

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

..... \$ 77,804,507
..... FTEs 1,398.01

It is the intent of the general assembly that the university continue progress on the implementation of a masters in social work program. From the funds appropriated in this lettered paragraph, the university may use up to \$450,000 for the implementation of the masters in social work program, up to \$100,000 for the roadside vegetation project, and up to \$200,000 for the Iowa office for staff development.

b. Recycling and reuse center

For purposes of the recycling and reuse center, and for not more than the following full-time equivalent positions:

..... \$ 211,858
..... FTEs 3.00

5. STATE SCHOOL FOR THE DEAF

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

..... \$ 8,468,249
..... FTEs 126.60

6. IOWA BRAILLE AND SIGHT SAVING SCHOOL

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

..... \$ 4,737,675
..... FTEs 81.00

7. TUITION AND TRANSPORTATION COSTS

For payment to local school boards for the tuition and transportation costs of students residing in the Iowa braille and sight saving school and the state school for the deaf pursuant to section 262.43 and for payment of certain clothing, prescription, and transportation costs for students at these schools pursuant to section 270.5:

..... \$ 15,020

Sec. 87. MEDICAL ASSISTANCE -- SUPPLEMENTAL AMOUNTS. For the fiscal year beginning July 1, 2004, and ending June 30, 2005, the department of human services shall continue the supplemental disproportionate share and a supplemental indirect medical education adjustment applicable to state-

owned acute care hospitals with more than 500 beds and shall reimburse qualifying hospitals pursuant to that adjustment with a supplemental amount for services provided medical assistance recipients. The adjustment shall generate supplemental payments intended to equal the state appropriation made to a qualifying hospital for treatment of indigent patients as provided in chapter 255. To the extent of the supplemental payments, a qualifying hospital shall, after receipt of the funds, transfer to the department of human services an amount equal to the actual supplemental payments that were made in that month. The aggregate amounts for the fiscal year shall not exceed the state appropriation made to the qualifying hospital for treatment of indigent patients as provided in chapter 255. The department of human services shall deposit these funds in the department's medical assistance account. To the extent that state funds appropriated to a qualifying hospital for the treatment of indigent patients as provided in chapter 255 have been transferred to the department of human services as a result of these supplemental payments made to the qualifying hospital, the department shall not, directly or indirectly, recoup the supplemental payments made to a qualifying hospital for any reason, unless an equivalent amount of the funds transferred to the department of human services by a qualifying hospital pursuant to this provision is transferred to the qualifying hospital by the department.

If the state supplemental amount allotted to the state of Iowa for the federal fiscal year beginning October 1, 2004, and ending September 30, 2005, pursuant to section 1923(f)(3) of the federal Social Security Act, as amended, or pursuant to federal payments for indirect medical education is greater than the amount necessary to fund the federal share of the supplemental payments specified in the preceding paragraph, the department of human services shall increase the supplemental disproportionate share or supplemental indirect medical education adjustment by the lesser of the amount necessary to utilize fully the state supplemental amount or

the amount of state funds appropriated to the state university of Iowa general education fund and allocated to the university for the college of medicine. The state university of Iowa shall transfer from the allocation for the college of medicine to the department of human services, on a monthly basis, an amount equal to the additional supplemental payments made during the previous month pursuant to this paragraph. A qualifying hospital receiving supplemental payments pursuant to this paragraph that are greater than the state appropriation made to the qualifying hospital for treatment of indigent patients as provided in chapter 255 shall be obligated as a condition of its participation in the medical assistance program to transfer to the state university of Iowa general education fund on a monthly basis an amount equal to the funds transferred by the state university of Iowa to the department of human services. To the extent that state funds appropriated to the state university of Iowa and allocated to the college of medicine have been transferred to the department of human services as a result of these supplemental payments made to the qualifying hospital, the department shall not, directly or indirectly, recoup these supplemental payments made to a qualifying hospital for any reason, unless an equivalent amount of the funds transferred to the department of human services by the state university of Iowa pursuant to this paragraph is transferred to the qualifying hospital by the department.

Continuation of the supplemental disproportionate share and supplemental indirect medical education adjustment shall preserve the funds available to the university hospital for medical and surgical treatment of indigent patients as provided in chapter 255 and to the state university of Iowa for educational purposes at the same level as provided by the state funds initially appropriated for that purpose.

The department of human services shall, in any compilation of data or other report distributed to the public concerning payments to providers under the medical assistance program, set forth reimbursements to a qualifying hospital through the

supplemental disproportionate share and supplemental indirect medical education adjustment as a separate item and shall not include such payments in the amounts otherwise reported as the reimbursement to a qualifying hospital for services to medical assistance recipients.

For purposes of this section, "supplemental payment" means a supplemental payment amount paid for medical assistance to a hospital qualifying for that payment under this section.

Sec. 88. For the fiscal year beginning July 1, 2004, and ending June 30, 2005, the state board of regents may use notes, bonds, or other evidences of indebtedness issued under section 262.48 to finance projects that will result in energy cost savings in an amount that will cause the state board to recover the cost of the projects within an average of six years.

Sec. 89. Notwithstanding section 270.7, the department of administrative services shall pay the state school for the deaf and the Iowa braille and sight saving school the moneys collected from the counties during the fiscal year beginning July 1, 2004, for expenses relating to prescription drug costs for students attending the state school for the deaf and the Iowa braille and sight saving school.

Sec. 90. Section 256.44, subsection 7, Code 2003, is amended to read as follows:

7. The department shall prorate the amount of the annual awards paid in accordance with this section when the number of award recipients exceeds one thousand one hundred individuals. The department may prorate the amount of an annual award when a teacher who meets the qualifications of subsection 1 is employed on a less than full-time basis by a school district. The state board shall adopt rules under chapter 17A establishing criteria for the proration of annual awards.

Sec. 91. Section 261.19, subsection 2, Code 2003, is amended to read as follows:

2. a. Notwithstanding the administration provisions of subsection 1, the forgivable loan program established pursuant to subsection 1 shall be administered by the commission in

conjunction with Des Moines university. Des Moines university shall match on an equal basis state aid appropriated for purposes of the forgivable loan program.

b. Des Moines university shall provide recommendations to the commission for students who meet the eligibility requirements of the forgivable loan program. A forgivable loan may be awarded to a resident of Iowa who is enrolled at Des Moines university -- osteopathic medical center if the student agrees to practice in this state for a period of time to be determined by the commission at the time the loan is awarded. Forgivable loans to eligible students shall not become due until after the student completes a residency program. Interest on the loans shall begin to accrue the day following the student's graduation date. If the student completes the period of practice established by the commission and agreed to by the student, the loan amount shall be forgiven. The loan amount shall not be forgiven if the osteopathic physician fails to complete the required time period of practice in this state or fails to satisfactorily continue in the university's program of medical education.

Sec. 92. Section 257B.1B, subsection 1, Code 2003, is amended to read as follows:

1. Fifty-five percent of the moneys deposited in the fund to the department of education for allocation to the reading recovery center to assist school districts in developing reading recovery programs. ~~From the moneys allocated in this subsection, one hundred thousand dollars shall be distributed to the reading recovery center, and the remaining balance shall be distributed to the area education agencies in the proportion that the number of children who are eligible for free or reduced-price meals under the federal National School Lunch Act and the federal Child Nutrition Act of 1966, 42 U.S.C. § 1751-1785, in the basic enrollment of grades one through six in the area served by an agency, bears to the sum of the number of children who are eligible for free or reduced price meals under the federal National School Lunch Act and the federal Child Nutrition Act of 1966, 42 U.S.C. §~~

~~1751--1785, in the basic enrollments of grades one through six in all of the areas served by area education agencies in the state for the budget year.~~

Sec. 93. Section 261.25, subsections 1, 2, and 3, Code Supplement 2003, are amended to read as follows:

1. There is appropriated from the general fund of the state to the commission for each fiscal year the sum of ~~forty-six~~ forty-seven million ~~four one~~ four hundred ~~seventeen~~ seventeen ~~fifty-seven~~ fifty-seven thousand ~~nine~~ nine hundred ~~sixty-four~~ sixty-four ~~fifteen~~ fifteen dollars for tuition grants. From the funds appropriated in this subsection, not more than three million four hundred thousand dollars may be distributed to private institutions whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant moneys in the fiscal year beginning July 1, 2003.

2. There is appropriated from the general fund of the state to the commission for each fiscal year the sum of four hundred ~~seventy-seven~~ seventy-seven ~~sixty-five~~ sixty-five thousand one hundred ~~three~~ three ~~seventy-five~~ seventy-five dollars for scholarships.

3. There is appropriated from the general fund of the state to the commission for each fiscal year the sum of two million ~~three~~ three hundred ~~seventy-five~~ seventy-five ~~thirty-three~~ thirty-three thousand ~~six~~ six hundred ~~fifty-seven~~ fifty-seven ~~fifteen~~ fifteen dollars for vocational-technical tuition grants.

Sec. 94. Section 279.20, Code 2003, is amended to read as follows:

279.20 SUPERINTENDENT -- TERM.

1. The board of directors of a school district may employ a superintendent of schools for a term of not to exceed three years. However, the board's initial contract with a superintendent shall not exceed one year if the board is obligated to pay a former superintendent under an unexpired contract. The superintendent shall be the executive officer of the board and have such powers and duties as may be prescribed by rules adopted by the board or by law. Boards of directors may jointly exercise the powers conferred by this section.

2. The board of directors of a school district may delegate the authority to hire support personnel and sign the support personnel employment contracts, if applicable, if the board adopts a policy authorizing the superintendent to perform such duties and specifying the positions the superintendent is authorized to fill. For purposes of this subsection, the term "support personnel" includes, but is not limited to, bus drivers, custodians, educational associates, and clerical and food service employees.

Sec. 95. Section 284.10, subsection 3, Code Supplement 2003, is amended by striking the subsection.

Sec. 96. Section 284.10, subsection 6, Code Supplement 2003, is amended to read as follows:

6. By July 1, ~~2005~~ 2006, the director shall develop and implement an evaluator training certification renewal program for administrators and other practitioners who need to renew a certificate issued pursuant to this section.

Sec. 97. Section 284.13, subsection 1, paragraphs b, c, d, and e, Code Supplement 2003, are amended to read as follows:

b. For the fiscal year beginning July 1, ~~2003~~ 2004, and ending June 30, ~~2004~~ 2005, to the department of education, the amount of ~~seven~~ seven ~~one million one~~ one million one hundred thousand dollars for the issuance of national board certification awards in accordance with section 256.44.

c. For the fiscal year beginning July 1, ~~2003~~ 2004, and succeeding fiscal years, an amount up to ~~four~~ four ~~three~~ three million ~~two~~ two ~~five~~ five hundred thousand dollars for first-year and second-year beginning teachers, to the department of education for distribution to school districts for purposes of the beginning teacher mentoring and induction programs. A school district shall receive one thousand three hundred dollars per beginning teacher participating in the program. If the funds appropriated for the program are insufficient to pay mentors and school districts as provided in this paragraph, the department shall prorate the amount distributed to school districts based upon the amount appropriated. Moneys received by a school district pursuant to this paragraph shall be

expended to provide each mentor with an award of five hundred dollars per semester, at a minimum, for participation in the school district's beginning teacher mentoring and induction program; to implement the plan; and to pay any applicable costs of the employer's share of contributions to federal social security and the Iowa public employees' retirement system or a pension and annuity retirement system established under chapter 294, for such amounts paid by the district.

d. For the fiscal year beginning July 1, 2003, and ending June 30, 2004, up to one million dollars to the department of education for purposes of ~~establishing~~ maintaining the evaluator training program, ~~including but not limited to an evaluation process, the training of providers, development of a provider approval process, training materials and costs, for payment to practitioners under section 284.107, subsection 3, and to pay any applicable costs of the employer's share of contributions to federal social security and the Iowa public employees' retirement system or a pension and annuity retirement system established under chapter 294, for such amounts paid by the district, and for subsidies to school districts for training costs.~~ A portion of the funds allocated to the department for purposes of this paragraph may be used by the department for administrative purposes. Notwithstanding section 8.33, from the moneys allocated under this paragraph for the fiscal year beginning July 1, 2003, that remain unobligated or unexpended at the end of the fiscal year, three hundred thousand dollars shall not revert but shall remain available for expenditure to maintain the evaluator training program, and up to five hundred thousand dollars shall remain available to supplement moneys allocated pursuant to paragraph "f" of this subsection.

e. For the fiscal year beginning July 1, 2003 ~~2004~~, and ending June 30, 2004 ~~2005~~, up to three ~~two~~ hundred ~~seventy-five~~ ~~fifty~~ thousand dollars to the department of education for purposes of implementing the career development program requirements of section 284.6, and the review panel requirements of section 284.9. From the moneys allocated to

the department pursuant to this paragraph, not less than seventy-five thousand dollars shall be used to administer the ambassador to education position in accordance with section 256.45. A portion of the funds allocated to the department for purposes of this paragraph may be used by the department for administrative purposes. Notwithstanding section 8.33, moneys allocated for purposes of this paragraph prior to July 1, 2004, which remain unobligated or unexpended at the end of the fiscal year for which the moneys were appropriated, shall remain available for expenditure for the purposes for which they were allocated, for the fiscal year beginning July 1, 2004, and ending June 30, 2005.

Sec. 98. Section 284.13, subsection 1, Code Supplement 2003, is amended by adding the following new paragraph:

NEW PARAGRAPH. i. For the fiscal year beginning July 1, 2004, and ending June 30, 2005, moneys made available for the purposes of implementing paragraphs "d" and "e" may be allocated in the amounts, as determined by the department, needed to implement the purposes of paragraphs "d" and "e".

Sec. 99. Section 294A.22, Code Supplement 2003, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. If funds appropriated are insufficient to pay phase II allocations in full, the department of administrative services shall prorate payments to school districts and area education agencies.

Sec. 100. EFFECTIVE DATES.

1. The provisions of this division of this Act providing for supplemental aid for the Iowa public broadcasting division and amending section 284.13, subsection 1, paragraphs "d" and "e", relating to moneys carried over to the 2004-2005 fiscal year, being deemed of immediate importance, take effect upon enactment.

2. The section of this division of this Act, relating to a waiver for whole-grade sharing agreement deadlines, being deemed of immediate importance, takes effect upon enactment and applies from the date of enactment to June 30, 2004.

DIVISION V

HEALTH AND HUMAN SERVICES

ELDER AFFAIRS

Sec. 101. DEPARTMENT OF ELDER AFFAIRS. There is appropriated from the general fund of the state to the department of elder affairs for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 2,625,146
..... FTEs 26.75

1. Funds appropriated in this section may be used to supplement federal funds under federal regulations. To receive funds appropriated in this section, a local area agency on aging shall match the funds with moneys from other sources according to rules adopted by the department. Funds appropriated in this section may be used for elderly services not specifically enumerated in this section only if approved by an area agency on aging for provision of the service within the area.

2. Of the funds allocated in this section and any other state funds allocated for aging programs of the area agencies on aging not more than 7.5 percent of the total amount allocated shall be used for area agencies on aging administrative purposes.

3. Of the funds appropriated in this section, \$49,000 shall be used, in addition to any other funds appropriated in this Act, for provision of training to resident advocate committees for elder group homes, as defined in section 231B.1, and licensed health care facilities as defined in section 135C.1.

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

5. The department shall maintain policies and procedures regarding Alzheimer's support and the retired and senior volunteer program.

HEALTH

Sec. 102. DEPARTMENT OF PUBLIC HEALTH. There is appropriated from the general fund of the state to the Iowa department of public health for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADDICTIVE DISORDERS

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

..... \$ 1,267,111
..... FTEs 15.75

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

b. The commission on substance abuse, in conjunction with the department, shall continue to coordinate the delivery of substance abuse services involving prevention, social and medical detoxification, and other treatment by medical and

nonmedical providers to uninsured and court-ordered substance abuse patients in all counties of the state.

c. The department and any grantee or subgrantee of the department shall not discriminate against a nongovernmental organization that provides substance abuse treatment and prevention services or applies for funding to provide those services on the basis that the organization has a religious character. The department shall report to the governor and the general assembly on or before February 1, 2005, regarding the number of religious or other nongovernmental organizations that applied for funds in the preceding fiscal year, the amounts awarded to those organizations, and the basis for any refusal by the department or grantee or subgrantee of the department to award funds to any of those organizations that applied.

2. ADULT WELLNESS

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

.....	\$	304,067
.....	FTEs	20.85

3. CHILD AND ADOLESCENT WELLNESS

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

.....	\$	915,803
.....	FTEs	44.10

4. CHRONIC CONDITIONS

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

.....	\$	845,863
.....	FTEs	10.00

5. COMMUNITY CAPACITY

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

.....	\$	1,267,359
.....	FTEs	21.60

Of the funds appropriated in this subsection, \$100,000 is allocated for a child vision screening program implemented through the university of Iowa hospitals and clinics in collaboration with community empowerment areas.

6. ELDERLY WELLNESS

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

.....	\$	9,233,985
.....	FTEs	4.95

The department shall implement elderly wellness services in a manner that ensures that the services provided are not payable by a third-party source. The department shall submit a report by December 1, 2004, to the persons in this division of this Act designated to receive reports regarding the provision of services and expenditures for the services.

7. ENVIRONMENTAL HAZARDS

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

.....	\$	251,808
.....	FTEs	8.30

8. INFECTIOUS DISEASES

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

.....	\$	1,079,703
.....	FTEs	38.25

9. INJURIES

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

.....	\$	1,379,358
.....	FTEs	9.10

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

10. PUBLIC PROTECTION

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

.....	\$ 6,598,873
.....	FTEs 158.05

a. The department may expend funds received from licensing fees in addition to amounts appropriated in this subsection, if those additional expenditures are directly the result of any unanticipated litigation or scope of practice review committee expense. Before the department expends or encumbers funds for a scope of practice review committee or for an amount in excess of the funds budgeted for an examining board, the director of the department of management shall approve the expenditure or encumbrance. The amounts necessary to fund any unanticipated litigation or scope of practice review committee expense in the fiscal year beginning July 1, 2004, shall not exceed 5 percent of the average annual fees generated by the boards for the previous two fiscal years. The funds authorized for expenditure pursuant to this lettered paragraph are appropriated to the department for the purposes described in this paragraph.

b. For the fiscal year beginning July 1, 2004, the department shall retain fees collected from the certification of lead inspectors and lead abaters pursuant to section 135.105A to support the certification program; and shall retain fees collected from the licensing, registration, authorization, accreditation, and inspection of x-ray machines used for mammographically guided breast biopsy, screening, and diagnostic mammography, pursuant to section 136C.10 to support the administration of the chapter. The department may also retain fees collected pursuant to section 136C.10 on all shippers of radioactive material waste containers transported across Iowa if the department does not obtain funding to

support the oversight and regulation of this activity, and for x-ray radiology examination fees collected by the department and reimbursed to a private organization conducting the examination. Fees retained by the department pursuant to this lettered paragraph are appropriated to the department for the purposes described in this lettered paragraph.

c. The department may retain and expend not more than \$297,961 for lease and maintenance expenses from fees collected pursuant to section 147.80 by the board of dental examiners, the board of pharmacy examiners, the board of medical examiners, and the board of nursing in the fiscal year beginning July 1, 2004, and ending June 30, 2005. Fees retained by the department pursuant to this lettered paragraph are appropriated to the department for the purposes described in this lettered paragraph.

d. The department may retain and expend not more than \$100,000 for reduction of the number of days necessary to process medical license requests and for reduction of the number of days needed for consideration of malpractice cases from fees collected pursuant to section 147.80 by the board of medical examiners in the fiscal year beginning July 1, 2004, and ending June 30, 2005. Fees retained by the department pursuant to this lettered paragraph are appropriated to the department for the purposes described in this lettered paragraph.

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

f. The board of medical examiners, the board of pharmacy examiners, the board of dental examiners, and the board of nursing shall prepare estimates of projected receipts to be generated by the licensing, certification, and examination fees of each board as well as a projection of the fairly apportioned administrative costs and rental expenses attributable to each board. Each board shall annually review

and adjust its schedule of fees so that, as nearly as possible, projected receipts equal projected costs.

g. The board of medical examiners, the board of pharmacy examiners, the board of dental examiners, and the board of nursing shall retain their individual executive officers, but are strongly encouraged to share administrative, clerical, and investigative staffs to the greatest extent possible. The department shall submit a status report regarding the sharing of staff under this paragraph to the persons designated in this division of this Act to receive reports by December 1, 2004.

h. For the fiscal year beginning July 1, 2004, the board of nursing may retain and expend 90 percent of the revenues generated from any increase in licensing fees pursuant to section 147.80 for purposes related to the state board's duties, including but not limited to the addition of full-time equivalent positions for program services and investigations. Fees retained by the board pursuant to this lettered paragraph are appropriated to the board of nursing for the purposes described in this paragraph.

i. For the fiscal year beginning July 1, 2004, and ending June 30, 2005, the board of pharmacy examiners may retain and expend 90 percent of the revenues generated from any increase after July 1, 2004, in licensing fees pursuant to sections 124.301 and 147.80, and chapter 155A, for purposes related to the state board's duties, including but not limited to the addition of full-time equivalent positions. Fees retained by the board pursuant to this lettered paragraph are appropriated to the board of pharmacy examiners for the purposes described in this lettered paragraph.

11. RESOURCE MANAGEMENT

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

.....	\$	680,707
.....	FTEs	47.30

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

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

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

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

c. Any sexual abstinence education program awarded moneys under the grant program shall meet the definition of abstinence education in the federal law. Grantees shall be evaluated based upon the extent to which the abstinence program successfully communicates the goals set forth in the federal law.

d. It is the intent of the general assembly that the Iowa department of public health and the department of human services shall coordinate programs regarding pregnancy prevention to the greatest extent possible.

Sec. 103. GAMBLING TREATMENT FUND -- APPROPRIATION.

1. There is appropriated from funds available in the gambling treatment fund established in the office of the treasurer of state to the Iowa department of public health 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:

a. Addictive disorders

To be utilized for the benefit of persons with addictions:	\$	1,690,000
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The appropriation made in this paragraph shall be made from proceeds credited to the gambling treatment fund due to an

increase in the percentage of gambling proceeds credited to the gambling treatment fund if any enactment of legislation by the 2004 Eightieth General Assembly in the Regular or Extraordinary Legislative Session increases the percentage of gambling proceeds credited to the gambling treatment fund.

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

b. Gambling treatment program

The funds in the gambling treatment fund after the appropriation in paragraph "a" is made are appropriated and shall be used for funding of administrative costs and to provide programs which may include, but are not limited to, outpatient and follow-up treatment for persons affected by problem gambling, rehabilitation and residential treatment programs, information and referral services, education and preventive services, and financial management services.

2. Unless legislation enacted by the Eightieth General Assembly in 2004 otherwise provides for the deposit of tax revenue received by the state racing and gaming commission pursuant to section 99D.15 in the gambling treatment fund, for the fiscal year beginning July 1, 2004, and ending June 30, 2005, from the tax revenue received by the state racing and gaming commission pursuant to section 99D.15, subsections 1, 3, and 4, an amount equal to three-tenths of one percent of the gross sum wagered by the pari-mutuel method is to be deposited into the gambling treatment fund.

Sec. 104. VITAL RECORDS. The vital records modernization project as enacted in 1993 Iowa Acts, chapter 55, section 1, as amended by 1994 Iowa Acts, chapter 1068, section 8, as amended by 1997 Iowa Acts, chapter 203, section 9, 1998 Iowa Acts, chapter 1221, section 9, and 1999 Iowa Acts, chapter 201, section 17, and as continued by 2000 Iowa Acts, chapter 1222, section 10, 2001 Iowa Acts, chapter 182, section 13, 2002 Iowa Acts, Second Extraordinary Session, chapter 1003, section 104, and 2003 Iowa Acts, chapter 175, section 4, shall

be extended until June 30, 2005, and the increased fees to be collected pursuant to that project shall continue to be collected and are appropriated to the Iowa department of public health until June 30, 2005. The department shall submit a report to the persons designated by this Act to receive reports no later than September 1, 2004, concerning the status of the modernization project, the fees collected, and a target date for the project's completion.

Sec. 105. SCOPE OF PRACTICE REVIEW PROJECT. The scope of practice review committee pilot project as enacted in 1997 Iowa Acts, chapter 203, section 6, as continued by 2002 Iowa Acts, Second Extraordinary Session, chapter 1003, section 107, and 2003 Iowa Acts, chapter 175, section 5, shall be extended until June 30, 2005. The Iowa department of public health shall submit an annual progress report to the governor and the general assembly by January 15 and shall include any recommendations for legislative action as a result of review committee activities. The department may contract with a school or college of public health in Iowa to assist in implementing the project.

Sec. 106. AIDS DRUG ASSISTANCE PROGRAM. The Iowa department of public health and the department of human services shall collaborate to identify funding within the funds available for the fiscal year beginning July 1, 2004, to use in leveraging the maximum amount of federal funding through the federal Ryan White Care Act, Title II, AIDS drug assistance program for AIDS drug assistance program supplemental drug treatment grants. The Iowa department of public health shall submit a report regarding the results of this directive to the persons specified in this Act to receive reports.

Sec. 107. TOBACCO USE PREVENTION AND CONTROL -- ADMINISTRATOR. The director of the Iowa department of public health shall employ a division administrator for the division of tobacco use prevention and control as a full-time equivalent position with a salary commensurate with the full-time position.

Sec. 108. LEGISLATIVE INTENT -- THE STATE OF IOWA, A HEALTHY COMMUNITY.

1. It is the intent of the general assembly that state agencies, local communities, and individuals begin exploring strategies and partnerships to create a statewide community network that supports health promotion, prevention, and chronic disease management.

2. It is the expectation of the general assembly that such strategies and partnerships will energize local communities to transform their cultures into those which promote healthy lifestyles and which, collectively, transform the state of Iowa into one healthy community.

COMMISSION OF VETERANS AFFAIRS

Sec. 109. COMMISSION OF VETERANS AFFAIRS. There is appropriated from the general fund of the state to the commission of veterans affairs for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. COMMISSION OF VETERANS AFFAIRS ADMINISTRATION

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

..... \$ 293,971
..... FTEs 4.00

Of the funds appropriated in this subsection, \$100,000 shall be used by the commission to contract with the department of elder affairs to utilize local veterans affairs commissions and the retired senior volunteers program to increase the utilization by eligible individuals of benefits available through the federal department of veterans affairs.

The commission of veterans affairs may use the gifts accepted by the chairperson of the commission of veterans affairs, or designee, and other resources available to the commission for use at its Camp Dodge office. The commission shall report annually to the governor and the general assembly

on monetary gifts received by the commission for the Camp Dodge office.

2. IOWA VETERANS HOME

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

..... \$ 16,189,139
..... FTEs 843.50

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

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

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

d. The Iowa veterans home shall operate with a net state general fund appropriation. The amount appropriated in this subsection is the net amount of state moneys projected to be needed for the Iowa veterans home. The purposes of operating with a net state general fund appropriation are to encourage the Iowa veterans home to operate with increased self-sufficiency, to improve quality and efficiency, and to support collaborative efforts among all funders of services available from the Iowa veterans home. Moneys appropriated in this subsection may be used throughout the fiscal year in the manner necessary for purposes of cash flow management, and for purposes of cash flow management the Iowa veterans home may temporarily draw more than the amount appropriated, provided the amount appropriated is not exceeded at the close of the fiscal year.

e. Revenues attributable to the Iowa veterans home for the fiscal year beginning July 1, 2004, shall be deposited into the Iowa veterans home account and shall be treated as repayment receipts, including but not limited to all of the following:

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

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

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

HUMAN SERVICES

Sec. 110. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT. There is appropriated from the fund created in section 8.41 to the department of human services for the fiscal year beginning July 1, 2004, and ending June 30, 2005, from moneys received under the federal temporary assistance for needy families (TANF) block grant pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and successor legislation, which are federally appropriated for the federal fiscal years beginning October 1, 2003, and ending September 30, 2004, and beginning October 1, 2004, and ending September 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

If the total amount of federal government appropriations received for Iowa's portion of the TANF block grant amounts for the federal fiscal years beginning October 1, 2003, and ending September 30, 2004, and beginning October 1, 2004, and ending September 30, 2005, is less than \$131,524,959, it is the intent of the general assembly to act expeditiously during the 2005 legislative session to adjust appropriations or take other actions to address the reduced amount. Moneys appropriated in this section shall be used in accordance with the federal law making the funds available, applicable Iowa law, appropriations made from the general fund of the state in this Act for the purpose designated, and administrative rules adopted to implement the federal and Iowa law:

- 1. To be credited to the family investment program account and used for assistance under the family investment program under chapter 239B:
 - \$ 45,277,569
- 2. To be credited to the family investment program account and used for the job opportunities and basic skills (JOBS) program, and implementing family investment agreements, in accordance with chapter 239B:
 - \$ 13,412,794
- 3. For field operations:
 - \$ 16,280,254
- 4. For general administration:
 - \$ 3,660,030
- 5. For local administrative costs:
 - \$ 2,136,565
- 6. For state child care assistance:
 - \$ 18,073,746
- a. Of the funds appropriated in this subsection, \$200,000 shall be used for provision of educational opportunities to registered child care home providers in order to improve services and programs offered by this category of providers and to increase the number of providers. The department may contract with institutions of higher education or child care resource and referral centers to provide the educational

opportunities. Allowable administrative costs under the contracts shall not exceed 5 percent. The application for a grant shall not exceed two pages in length.

b. Of the funds appropriated in this subsection, the maximum amount allowed under Pub. L. No. 104-193 and successor legislation shall be transferred to the child care and development block grant appropriation. Funds appropriated in this subsection that remain following the transfer shall be used to provide direct spending for the child care needs of working parents in families eligible for the family investment program.

7. For mental health and developmental disabilities community services:

..... \$ 4,500,610

8. For child and family services:

..... \$ 33,475,728

9. For child abuse prevention grants:

..... \$ 250,000

10. For pregnancy prevention grants on the condition that family planning services are funded:

..... \$ 2,514,413

a. If the department receives approval of a waiver from the centers for Medicare and Medicaid services of the United States department of health and human services to provide family planning services, of the amount appropriated in this subsection, \$533,580 shall be transferred to the appropriation in this Act for child and family services.

b. Pregnancy prevention grants shall be awarded to programs in existence on or before July 1, 2004, if the programs are comprehensive in scope and have demonstrated positive outcomes. Grants shall be awarded to pregnancy prevention programs which are developed after July 1, 2004, if the programs are comprehensive in scope and are based on existing models that have demonstrated positive outcomes. Grants shall comply with the requirements provided in 1997 Iowa Acts, chapter 208, section 14, subsections 1 and 2, including the requirement that grant programs must emphasize

sexual abstinence. Priority in the awarding of grants shall be given to programs that serve areas of the state which demonstrate the highest percentage of unplanned pregnancies of females age 13 or older but younger than age 18 within the geographic area to be served by the grant.

c. In addition to the full-time equivalent positions funded in this Act, the department may use a portion of the funds appropriated in this subsection to employ up to an additional 1.00 FTE for the administration of programs specified in this subsection.

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

..... \$ 1,037,186

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

..... \$ 200,000

13. To be credited to the state child care assistance appropriation made in this section to be used for funding of community-based early childhood programs targeted to children from birth through five years of age, developed by community empowerment areas as provided in this subsection:

..... \$ 7,350,000

a. The department may transfer TANF block grant funding appropriated and allocated in this subsection to the child care and development block grant appropriation in accordance with federal law as necessary to comply with the provisions of this subsection. The funding shall then be provided to community empowerment areas for the fiscal year beginning July 1, 2004, in accordance with all of the following:

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

(2) The maximum funding amount a community empowerment area is eligible to receive shall be determined by applying the area's percentage of the state's average monthly family investment program population in the preceding fiscal year to

the total amount appropriated for fiscal year 2004-2005 from the TANF block grant to fund community-based programs targeted to children from birth through five years of age developed by community empowerment areas.

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

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

b. The moneys distributed in accordance with this subsection shall be used by communities for the purposes of enhancing quality child care capacity in support of parent capability to obtain or retain employment. The moneys shall be used with a primary emphasis on low-income families and children from birth to five years of age. Moneys shall be provided in a flexible manner to communities, and shall be used to implement strategies identified by the communities to achieve such purposes. In addition to the full-time equivalent positions authorized in this division of this Act, 1.00 FTE position is authorized and the department may use funding appropriated in this subsection for provision of technical assistance and other support to communities developing and implementing strategies with moneys distributed in accordance with this subsection.

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

14. For a pilot program to be established in a judicial district, selected by the department and the judicial council, to provide employment and support services to delinquent child

support obligors as an alternative to commitment to jail as punishment for contempt of court:

..... \$ 200,000

Of the amounts appropriated in this section, \$11,904,734 for the fiscal year beginning July 1, 2004, shall be transferred to the appropriation of the federal social services block grant for that fiscal year. If the federal government revises requirements to reduce the amount that may be transferred to the federal social services block grant, it is the intent of the general assembly to act expeditiously during the 2005 legislative session to adjust appropriations or the transfer amount or take other actions to address the reduced amount.

Eligible funding available under the TANF block grant that is not appropriated or not otherwise expended shall be considered reserved for economic downturns and welfare reform purposes and is subject to further state appropriation to support families in their movement toward self-sufficiency.

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

Sec. 111. IOWA MARRIAGE INITIATIVE GRANT FUND.

1. Moneys credited to the Iowa marriage initiative grant fund under 2003 Iowa Acts, chapter 175, section 7, subsection 15, and any other moneys credited to the fund are appropriated to the department for the fiscal year beginning July 1, 2004, and ending June 30, 2005, to be used in accordance with this section.

2. The department shall establish an Iowa fatherhood and family initiative grant program utilizing funds credited to the Iowa marriage initiative grant fund created in section 234.45 to fund services to support fatherhood and to encourage the formation and maintenance of two-parent families that are secure and nurturing. The department of human services shall adopt rules pursuant to chapter 17A to administer the grant fund and to establish procedures for awarding of grants.

3. The program shall require that a grantee be a nonprofit organization incorporated in this state with demonstrated successful experience in facilitating fatherhood promotion activities, marriage and family promotion activities, in using media resources to promote fatherhood and marriage and family formation, in making presentations to service or faith-based organizations, and in raising private funding for activities that support fatherhood, marriage, and families.

4. Preference in awarding grants may be given to those nonprofit organizations working with faith-based groups and those groups targeting young fathers.

5. The program activities funded by a grant shall include but are not limited to all of the following:

a. Working with individuals who have a demonstrated ability in working with at-risk fathers or working with those who may solemnize marriages pursuant to section 595.10 to utilize premarital diagnostic tools, to implement marriage agreements developed by the individuals who may solemnize marriages pursuant to section 595.10 that provide for an appropriate engagement period and premarital and post marital counseling, and to use volunteer mentors in program activities.

b. Provision of a series of meetings sharing best practices that encourage young fathers to fulfill their responsibilities to the expectant mother of the child during the pregnancy, and to the mother of the child following the birth of the child, that promote happy and healthy marriages, and that offer counseling to determine the father's level of commitment to the child and the child's mother.

6. The program activities funded by a grant shall be privately funded at no less than fifty percent of the grant amount.

7. Grants shall be awarded in a manner that results in provision of services throughout the state in an equal number of urban and rural geographic areas.

8. The department shall implement the grant program so that the initial request for proposals is issued on or before

October 1, 2004, and so that any grants are awarded on or before January 1, 2005.

9. A grantee shall submit a quarterly financial report to the department and to the legislative services agency and shall be subject to an annual independent evaluation to assess accomplishment of the purposes of the program.

10. The department shall provide a copy of the request for proposals and shall submit a report concerning the proposals received and grants awarded to those persons designated by this division of this Act to receive reports.

11. The department may adopt emergency rules to implement the provisions of this section.

Sec. 112. FAMILY INVESTMENT PROGRAM ACCOUNT.

1. Moneys credited to the family investment program (FIP) account for the fiscal year beginning July 1, 2004, and ending June 30, 2005, shall be used in accordance with the following requirements:

- a. The department of human services shall provide assistance in accordance with chapter 239B.
- b. The department shall continue the special needs program under FIP.
- c. The department shall continue to comply with federal welfare reform data requirements pursuant to the appropriations made for that purpose.

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

..... FTEs 9.98

3. The department may transfer funds in accordance with section 8.39, either federal or state, to or from the child care appropriations made for the fiscal year beginning July 1, 2004, if the department deems this would be a more effective method of paying for JOBS program child care, to maximize federal funding, or to meet federal maintenance of effort requirements.

4. Moneys appropriated in this division of this Act and credited to the FIP account for the fiscal year beginning July 1, 2004, and ending June 30, 2005, are allocated as follows:

a. For the family development and self-sufficiency grant program as provided under section 217.12:
..... \$ 5,133,042

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

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

(3) The department may continue to implement the family development and self-sufficiency grant program statewide during FY 2004-2005.

b. For the diversion subaccount of the FIP account:
..... \$ 2,814,000

(1) Moneys allocated to the diversion subaccount shall be used to implement FIP diversion statewide while continuing the local flexibility in program design. A family that meets income eligibility requirements for FIP may receive a one-time payment to remedy an immediate need in order to permit the family to maintain self-sufficiency without providing ongoing cash assistance. A FIP participant family may receive diversion assistance to overcome barriers to obtaining employment and to assist in stabilizing employment in order to increase the likelihood of the family leaving FIP more quickly. The department shall assess and screen individuals

who would most likely benefit from the assistance. In addition to the full-time equivalent positions authorized in this division of this Act, 1.00 FTE is authorized for purposes of diversion. The department may adopt additional eligibility criteria as necessary for compliance with federal law and for screening those families who would be most likely to become eligible for FIP if diversion incentives would not be provided.

(2) A portion of the moneys allocated for the subaccount may be used for field operations salaries, data management system development, and implementation costs and support deemed necessary by the director of human services in order to administer the FIP diversion program.

(3) Of the funds allocated in this lettered paragraph, not more than \$250,000 shall be used to develop or continue community-level parental obligation pilot projects. The requirements established under 2001 Iowa Acts, chapter 191, section 3, subsection 5, paragraph "c", subparagraph (3), shall remain applicable to the parental obligation pilot projects for fiscal year 2004-2005.

c. For the food stamp employment and training program:
..... \$ 64,278

5. Of the child support collections assigned under FIP, an amount equal to the federal share of support collections shall be credited to the child support recovery appropriation. Of the remainder of the assigned child support collections received by the child support recovery unit, a portion shall be credited to the FIP account and a portion may be used to increase recoveries.

6. The department may adopt emergency administrative rules for the family investment, food stamp, and medical assistance programs, if necessary, to comply with federal requirements.

7. The department may continue the initiative to streamline and simplify the employer verification process for applicants, participants, and employers in the administration of the department's programs. The department may contract with companies collecting data from employers when the

information is needed in the administration of these programs. The department may limit the availability of the initiative on the basis of geographic area or number of individuals.

Sec. 113. FAMILY INVESTMENT PROGRAM GENERAL FUND. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

To be credited to the family investment program (FIP) account and used for family investment program assistance under chapter 239B:

..... \$ 39,045,438

1. The department of workforce development, in consultation with the department of human services, shall continue to utilize recruitment and employment practices to include former and current FIP recipients.
2. The department of human services shall continue to work with the department of workforce development and local community collaborative efforts to provide support services for FIP participants. The support services shall be directed to those participant families who would benefit from the support services and are likely to have success in achieving economic independence.

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

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

Sec. 114. FOOD STAMP HEALTHY CHOICES. The department of human services, in cooperation with the Iowa department of public health, shall identify means by which the food stamp program may be utilized to promote good nutrition and healthy choices among recipients of food stamps. The departments shall submit a report of their findings to the general assembly by December 15, 2004.

Sec. 115. CHILD SUPPORT RECOVERY. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 5,715,656
..... FTEs 407.00

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

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

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

4. a. The director of human services may establish new positions and add state employees to the child support recovery unit or contract for delivery of services if the director determines the employees are necessary to replace county-funded positions eliminated due to termination, reduction, or nonrenewal of a chapter 28E contract. However, the director must also determine that the resulting increase in the state share of child support recovery incentives exceeds the cost of the positions or contract, the positions or contract are necessary to ensure continued federal funding of the program, or the new positions or contract can reasonably be expected to recover at least twice the amount of money necessary to pay the salaries and support for the new positions or the contract will generate at least 200 percent of the cost of the contract.

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

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

6. The department shall expend up to \$31,000, including federal financial participation, for the fiscal year beginning July 1, 2004, for a child support public awareness campaign. The department and the office of the attorney general shall cooperate in continuation of the campaign. The public awareness campaign shall emphasize, through a variety of media activities, the importance of maximum involvement of both parents in the lives of their children as well as the importance of payment of child support obligations.

7. Federal access and visitation grant moneys shall be issued directly to private not-for-profit agencies that

provide services designed to increase compliance with the child access provisions of court orders, including but not limited to neutral visitation site and mediation services.

Sec. 116. MEDICAL ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical assistance reimbursement and associated costs as specifically provided in the reimbursement methodologies in effect on June 30, 2004, except as otherwise expressly authorized by law, including reimbursement for abortion services, which shall be available under the medical assistance program only for those abortions which are medically necessary:

..... \$352,794,101

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

- a. The attending physician certifies that continuing the pregnancy would endanger the life of the pregnant woman.
- b. The attending physician certifies that the fetus is mentally deficient or afflicted with a congenital illness.
- c. The pregnancy is the result of a rape which is reported within 45 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.
- d. The pregnancy is the result of incest which is reported within 150 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.
- e. Any spontaneous abortion, commonly known as a miscarriage, if not all of the products of conception are expelled.

2. Notwithstanding section 8.39, the department may transfer funds appropriated in this section to a separate account established in the department's case management unit for expenditures required to provide case management services

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

3. a. The county of legal settlement shall be billed for 50 percent of the nonfederal share of the cost of case management provided for adults, day treatment, and partial hospitalization in accordance with sections 249A.26 and 249A.27, and 100 percent of the nonfederal share of the cost of care for adults which is reimbursed under a federally approved home and community-based services waiver that would otherwise be approved for provision in an intermediate care facility for persons with mental retardation (ICFMR), provided under the medical assistance program. The state shall have responsibility for the remaining 50 percent of the nonfederal share of the cost of case management provided for adults, day treatment, and partial hospitalization. For persons without a county of legal settlement, the state shall have responsibility for 100 percent of the nonfederal share of the costs of case management provided for adults, day treatment, partial hospitalization, and the home and community-based services waiver. The case management services specified in this subsection shall be billed to a county only if the services are provided outside of a managed care contract.

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

c. Medical assistance funding for case management services for eligible persons 17 years of age and younger shall also be provided to persons residing in counties with child welfare decategorization projects implemented in accordance with

section 232.188, provided these projects have included these persons in their service plan and the decategorization project county is willing to provide the nonfederal share of costs.

d. When paying the necessary and legal expenses of ICFMR services, the cost payment requirements of section 222.60 shall be considered fulfilled when payment is made in accordance with the medical assistance payment rates established for ICFMRs by the department and the state or a county of legal settlement is not obligated for any amount in excess of the rates.

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

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

5. Of the funds appropriated to the Iowa department of public health for addictive disorders, \$950,000 for the fiscal year beginning July 1, 2004, shall be transferred to the department of human services for an integrated substance abuse managed care system.

6. In administering the medical assistance home and community-based services waivers, the total number of openings at any one time shall be limited to the number approved for a waiver by the secretary of the United States department of

health and human services. The openings shall be available on a first-come, first-served basis.

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

8. If the federal centers for Medicare and Medicaid services approves a waiver request from the department, the department shall provide a period of 12 months of guaranteed eligibility for medical assistance family planning services only, regardless of the change in circumstances of a woman who was a medical assistance recipient when a pregnancy ended. The department shall also provide this guaranteed eligibility to women who are at least 13 years of age but less than 45 years of age with countable income at or below 200 percent of the federal poverty level.

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

b. Of the funds appropriated in this section, \$100,000 shall be used for participation in one or more pilot projects operated by a private provider to allow the individual or individuals to receive service in the community in accordance with principles established in the *Olmstead v. L.C.* 527 U.S.

581 (1999) for the purpose of providing medical assistance or other assistance to individuals with special needs who become ineligible to continue receiving services under the early and periodic screening, diagnosis, and treatment program under the medical assistance program due to becoming twenty-one years of age, who have been approved for additional assistance through the department's exception to policy provisions, but who have health care needs in excess of the funding available through the exception to the policy provisions.

10. The Iowa medical assistance drug utilization review commission shall submit copies of the board's annual review, including facts and findings, of the drugs on the department's prior authorization list to the department and to the members of the joint appropriations subcommittee on health and human services.

11. The department of human services shall submit a Medicaid state plan amendment to the centers for Medicare and Medicaid services of the United States department of health and human services to provide that for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the department of human services shall adjust hospital payments to state-owned acute-care hospitals with over 500 beds to offset the high cost incurred by such facilities for providing services to medical assistance patients. The amendment shall provide that adjustments shall be made to the payments for inpatient hospital services to which the hospital would otherwise be entitled under the medical assistance program. Additionally, the amendment shall provide that the adjustments shall be established at the level intended to increase the medical assistance payments to qualifying hospitals up to the lesser of the categorical Medicare upper payment limit for inpatient services, or the hospital-specific limit, as defined under 42 C.F.R. 447.272, 42 C.F.R. 447.321, and 42 U.S.C. § 1396r-4(g), as applicable.

12. The department shall assist school districts in applying for direct claiming under the medical assistance program for funding of school district nursing services for students.

Sec. 117. HEALTH INSURANCE PREMIUM PAYMENT PROGRAM. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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

.....	\$	606,429
.....	FTEs	20.95

Sec. 118. MEDICAL CONTRACTS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical contracts, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	9,725,035
.....	FTEs	1.00

1. In any managed care contract for mental health or substance abuse services entered into or extended by the department on or after July 1, 2004, the request for proposals shall provide for coverage of dual diagnosis mental health and substance abuse treatment provided at the state mental health institute at Mount Pleasant. To the extent possible, the department shall also amend any such contract existing on July 1, 2004, to provide for such coverage.

2. Up to \$665,000 of the moneys deposited in the pharmaceutical settlement account created pursuant to section 249A.33 is appropriated to the department for the fiscal year beginning July 1, 2004, and ending June 30, 2005, to be used for the procurement of and transition to the new medical assistance program fiscal agent vendors.

Sec. 119. MEDICAL ASSISTANCE PROGRAM -- REQUIREMENTS.

1. The department of human services shall do all of the following:

a. Consistent with applicable state and federal law, issue one or more requests for proposals to purchase certain durable medical equipment or supplies if such a procurement strategy will reduce the costs of these items to the medical assistance program while maintaining appropriate access and quality standards.

b. Expand the recipient lock-in program, surveillance and utilization review activities, and program audit activities to the greatest extent possible. Any savings realized from the expansion may be used to the extent necessary to pay the costs associated with implementation of this subsection. The department shall report the amount of any savings realized and the amount of any costs paid to the persons designated in this Act to receive reports.

c. Implement a health insurance data match program with insurance carriers to be used to match insureds against a listing of medical assistance recipients. The information submitted shall be used solely to identify third-party payors for medical assistance recipients and shall be kept confidential. The department, in consultation with insurance carriers, shall adopt rules to implement this paragraph. The rules shall be published as emergency rules to take effect no later than June 30, 2004. Insurance carriers shall begin providing the information required upon the adoption of the rules.

d. Notwithstanding any provision of law to the contrary, institute a process whereby home health agencies are required to bill the Medicare program for appropriate home health services. The process shall require that as a condition of receiving payment under the medical assistance program, the home health agency must attach a Medicare denial of benefits form to the Medicaid program claim form.

e. Identify and initiate a process for reducing reliance on intermediate care facilities for persons with mental retardation level of care and substituting community-based care.

f. Provide that under the Iowa preferred drug list requirements, any newly released generic drug product shall only be considered to be a preferred drug and therefore not subject to prior authorization if the generic product's cost to the medical assistance program is less than the brand name product's cost to the medical assistance program. In determining the medical assistance program cost of each drug product, the drug product cost shall be the net amount derived following inclusion of all medical assistance program drug rebates and after the impact of all Iowa-specific supplemental rebates are taken into account.

g. Determine or enter a contract to identify the incidence of chronic disease within the Iowa medical assistance program population in order to most effectively utilize disease management programs under the medical assistance program. The department may procure a sole source contract to implement this subsection.

2. The department may adopt emergency rules and shall apply for any federal waivers or plan amendments necessary to implement the provisions of this section.

Sec. 120. STATE SUPPLEMENTARY ASSISTANCE.

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 purposes designated:

For state supplementary assistance and the medical assistance home and community-based services waiver rent subsidy program:
 \$ 19,273,135

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

3. If during the fiscal year beginning July 1, 2004, the department projects that state supplementary assistance expenditures for a calendar year will not meet the federal pass-along requirement specified in Title XVI of the federal Social Security Act, section 1618, as codified in 42 U.S.C. § 1382g, the department may take actions including but not limited to increasing the personal needs allowance for residential care facility residents and making programmatic adjustments or upward adjustments of the residential care facility or in-home health-related care reimbursement rates prescribed in this division of this Act to ensure that federal requirements are met. In addition, the department may make other programmatic and rate adjustments necessary to remain within the amount appropriated in this section while ensuring compliance with federal requirements. The department may adopt emergency rules to implement the provisions of this subsection.

Sec. 121. CHILDREN'S HEALTH INSURANCE PROGRAM. 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 maintenance of the healthy and well kids in Iowa (hawk-i) program pursuant to chapter 514I for receipt of federal financial participation under Title XXI of the federal Social Security Act, which creates the state children's health insurance program:
 \$ 12,118,275

1. The department may transfer funds appropriated in this section to be used for the purpose of expanding health care coverage to children under the medical assistance program. The department shall provide periodic updates to the general assembly of expenditures of funds appropriated in this section.

2. Moneys in the hawk-i trust fund are appropriated to the department of human services and shall be used to offset any

program costs for the fiscal year beginning July 1, 2004, and ending June 30, 2005.

Sec. 122. CHILD CARE ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child care programs:

..... \$ 5,050,752

1. a. Of the funds appropriated in this section, \$4,525,228 shall be used for state child care assistance in accordance with section 237A.13.

b. During the 2004-2005 fiscal year, the moneys deposited in the child care credit fund created in section 237A.28 are appropriated to the department to be used for state child care assistance in accordance with section 237A.13, in addition to the moneys allocated for that purpose in paragraph "a".

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

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

4. The department may use any of the funds appropriated in this section as a match to obtain federal funds for use in expanding child care assistance and related programs. For the purpose of expenditures of state and federal child care funding, funds shall be considered obligated at the time expenditures are projected or are allocated to the department's service areas. Projections shall be based on current and projected caseload growth, current and projected provider rates, staffing requirements for eligibility determination and management of program requirements including

data systems management, staffing requirements for administration of the program, contractual and grant obligations and any transfers to other state agencies, and obligations for decategorization or innovation projects.

5. A portion of the state match for the federal child care and development block grant shall be provided through the state general fund appropriation for child development grants and other programs for at-risk children in section 279.51.

6. If the department receives additional funding from the federal government designated for purposes of improving child care quality, the funding shall be used for additional child care consultant positions within the department's field operations.

Sec. 123. CHILD CARE QUALITY RATING SYSTEM.

1. By December 15, 2004, the department of human services shall submit to the governor and general assembly a plan for implementation of a voluntary child care provider quality rating system. In developing the implementation plan for the quality rating system, the department of human services shall partner with the community empowerment office in the department of management and the state child care advisory council. The department shall also coordinate with the state agencies represented on the Iowa empowerment board, child care resource and referral service grantees under section 237A.26, and other agencies and organizations that focus on community-based early childhood services.

2. The implementation plan shall detail the rating system structure, including the number of quality levels, outline the manner in which the system will be administered, identify the statutory and rule changes needed, identify implementation costs and funding strategies, include a communication plan targeted to both providers and parents, and propose an implementation timeline.

3. Each quality rating level in the proposed system may address one or more of the following quality variables: staff education, training, and credentials; director education and training; an environmental rating scale or other means to

assess or evaluate the physical, health, and safety aspects of a child care facility; parental involvement; staff-to-child ratios; national accreditation; compliance history; curriculum; business practices; staff retention; staff compensation and benefits; provider membership in early childhood professional organizations; and other appropriate quality variables.

4. In providing support and recognition for providers who seek to attain higher quality rating levels, the plan may propose payment of a reimbursement differential under the state child care assistance program. In addition, the plan may provide for supplying provider quality ratings on the department's internet site and in other consumer information distributed pursuant to section 237A.25 and in information supplied to parents by child care resource and referral services.

Sec. 124. JUVENILE INSTITUTIONS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For operation of the Iowa juvenile home at Toledo and for salaries, support, maintenance, and for not more than the following full-time equivalent positions:

..... \$ 6,061,266
..... FTEs 130.54

The department is requested to convene a group to review the programs and services of the Iowa juvenile home and to present the governor and general assembly with suggestions for improvements. The group should review previous studies and reports on the institution. The membership of the group should include but is not limited to representatives of departmental field staff, juvenile judges, juvenile court officers, alumni of the institution, other departmental institutions, community-based providers, and other interested parties.

2. For operation of the state training school at Eldora and for salaries, support, maintenance, and for not more than the following full-time equivalent positions:

..... \$ 9,570,563
..... FTEs 218.53

3. During the fiscal year beginning July 1, 2004, the population levels at the state juvenile institutions shall not exceed the population guidelines established under 1990 Iowa Acts, chapter 1239, section 21, as adjusted for subsequent changes in capacity at the institutions.

4. A portion of the moneys appropriated in this section shall be used by the state training school and by the Iowa juvenile home for grants for adolescent pregnancy prevention activities at the institutions in the fiscal year beginning July 1, 2004.

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

Sec. 125. CHILD AND FAMILY SERVICES.

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 child and family services:

..... \$ 96,935,253

In order to address a reduction of \$6,200,000 from the amount allocated under this appropriation in prior years for purposes of juvenile delinquent graduated sanction services, up to \$6,200,000 of the amount of federal temporary assistance for needy families block grant funding appropriated in this division of this Act for child and family services, shall be made available for purposes of juvenile delinquent graduated sanction services.

2. The department may transfer funds appropriated in this section as necessary to pay the nonfederal costs of services reimbursed under medical assistance or the family investment

program which are provided to children who would otherwise receive services paid under the appropriation in this section. The department may transfer funds appropriated in this section to the appropriations in this division of this Act for general administration and for field operations for resources necessary to implement and operate the services funded in this section.

3. a. Of the funds appropriated in this section, up to \$34,653,383 is allocated as the statewide expenditure target under section 232.143 for group foster care maintenance and services.

b. If at any time after September 30, 2004, annualization of a service area's current expenditures indicates a service area is at risk of exceeding its group foster care expenditure target under section 232.143 by more than 5 percent, the department and juvenile court services shall examine all group foster care placements in that service area in order to identify those which might be appropriate for termination. In addition, any aftercare services believed to be needed for the children whose placements may be terminated shall be identified. The department and juvenile court services shall initiate action to set dispositional review hearings for the placements identified. In such a dispositional review hearing, the juvenile court shall determine whether needed aftercare services are available and whether termination of the placement is in the best interest of the child and the community.

c. Of the funds allocated in this subsection, \$1,398,403 is allocated as the state match funding for 50 highly structured juvenile program beds. If the number of beds provided for in this lettered paragraph is not utilized, the remaining funds allocated may be used for group foster care.

d. For the fiscal year beginning July 1, 2004, the requirements of section 232.143 applicable to the juvenile court and to representatives of the juvenile court shall be applicable instead to juvenile court services and to representatives of juvenile court services. The

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

4. In accordance with the provisions of section 232.188, the department shall continue the program to decategorize child welfare services funding. Of the funds appropriated in this section, \$1,000,000 is allocated specifically for expenditure through the decategorization of child welfare funding pools and governance boards established pursuant to section 232.188. In addition, up to \$2,000,000 of the amount of federal temporary assistance for needy families block grant funding appropriated in this division of this Act for child and family services shall be made available for purposes of decategorization of child welfare services as provided in this subsection. Notwithstanding section 8.33, moneys allocated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year. It is the intent of the general assembly that the department continue its practice of providing strong support for Iowa's nationally recognized initiative of decategorization of child welfare funding.

5. Of the funds appropriated in this section, up to \$915,892 is allocated for additional funding of the family preservation program.

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

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

8. Notwithstanding section 234.35, subsection 1, for the fiscal year beginning July 1, 2004, state funding for shelter care paid pursuant to section 234.35, subsection 1, paragraph "h", shall be limited to \$6,926,718.

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

10. Federal funds received by the state during the fiscal year beginning July 1, 2004, as the result of the expenditure of state funds appropriated during a previous state fiscal year for a service or activity funded under this section, are appropriated to the department to be used as additional funding for services and purposes provided for under this section. Notwithstanding section 8.33, moneys received in accordance with this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert to any fund but shall remain available for the purposes designated until the close of the succeeding fiscal year.

11. Of the moneys appropriated in this section, not more than \$442,100 is allocated to provide clinical assessment services as necessary to continue funding of children's rehabilitation services under medical assistance in accordance with federal law and requirements. The funding allocated is the amount projected to be necessary for providing the clinical assessment services.

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

13. Of the moneys appropriated in this section, up to \$2,859,851 is allocated for the payment of the expenses of court-ordered services provided to juveniles which are a charge upon the state pursuant to section 232.141, subsection

4. Of the amount allocated in this subsection, up to

\$1,431,597 shall be made available to provide school-based supervision of children adjudicated under chapter 232, of which not more than \$15,000 may be used for the purpose of training. A portion of the cost of each school-based liaison officer shall be paid by the school district or other funding source as approved by the chief juvenile court officer.

a. Notwithstanding section 232.141 or any other provision of law to the contrary, the amount allocated in this subsection shall be distributed to the judicial districts as determined by the state court administrator. The state court administrator shall make the determination of the distribution amounts on or before June 15, 2004.

b. Notwithstanding chapter 232 or any other provision of law to the contrary, a district or juvenile court shall not order any service which is a charge upon the state pursuant to section 232.141 if there are insufficient court-ordered services funds available in the district court distribution amount to pay for the service. The chief juvenile court officer shall encourage use of the funds allocated in this subsection such that there are sufficient funds to pay for all court-related services during the entire year. The chief juvenile court officers shall attempt to anticipate potential surpluses and shortfalls in the distribution amounts and shall cooperatively request the state court administrator to transfer funds between the districts' distribution amounts as prudent.

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

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

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

15. Notwithstanding section 234.39, subsection 5, and 2000 Iowa Acts, chapter 1228, section 43, the department may operate a subsidized guardianship program if the United States department of health and human services approves a waiver under Title IV-E of the federal Social Security Act or the federal Social Security Act is amended to allow Title IV-E funding to be used for subsidized guardianship, and the subsidized guardianship program can be operated without loss of Title IV-E funds.

16. The department shall work with foster and adoptive families, private child welfare agencies, and advocates to identify savings alternatives in the adoption subsidy program. The department may adopt emergency rules to implement this subsection.

17. The department shall develop a plan for privatizing the administration of the foster care and adoption programs. The plan shall be submitted to the governor and the general assembly on or before December 15, 2004.

18. Of the amount appropriated in this section, \$100,000 shall be transferred to the Iowa department of public health to be used for the child protection center grant program in accordance with section 135.118.

19. Of the amount appropriated in this section, \$148,000 shall be used for funding of one or more child welfare diversion and mediation pilot projects as provided in House File 2462.

Sec. 126. JUVENILE DETENTION HOME FUND. Moneys deposited in the juvenile detention home fund created in section 232.142 during the fiscal year beginning July 1, 2004, and ending June 30, 2005, are appropriated to the department of human services for the fiscal year beginning July 1, 2004, and ending June 30, 2005, for distribution as follows:

1. An amount equal to ten percent of the costs of the establishment, improvement, operation, and maintenance of

county or multicounty juvenile detention homes in the fiscal year beginning July 1, 2003. Moneys appropriated for distribution in accordance with this subsection shall be allocated among eligible detention homes, prorated on the basis of an eligible detention home's proportion of the costs of all eligible detention homes in the fiscal year beginning July 1, 2003. Notwithstanding section 232.142, subsection 3, the financial aid payable by the state under that provision for the fiscal year beginning July 1, 2004, shall be limited to the amount appropriated for the purposes of this subsection.

2. For renewal of a grant to a county with a population between 189,000 and 196,000 for implementation of the county's runaway treatment plan under section 232.195:

..... \$ 80,000

3. For continuation and expansion of the community partnership for child protection sites:

..... \$ 318,000

4. For grants to counties implementing a runaway treatment plan under section 232.195.

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

Sec. 127. FAMILY SUPPORT SUBSIDY PROGRAM, There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the family support subsidy program:

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

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

2. Notwithstanding section 225C.38, subsection 1, the monthly family support payment amount for the fiscal year

beginning July 1, 2004, shall remain the same as the payment amount in effect on June 30, 2004.

Sec. 128. CONNER DECREE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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

..... \$ 42,623

Sec. 129. MENTAL HEALTH INSTITUTES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 12,927,556
..... FTEs 227.65

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

..... \$ 7,410,346
..... FTEs 113.15

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

..... \$ 17,239,768
..... FTEs 317.80

The state mental health institute at Independence shall continue the 30 psychiatric medical institution for children (PMIC) beds authorized in section 135H.6, in a manner which results in no net state expenditure amount in excess of the amount appropriated in this subsection. Counties are not responsible for the costs of PMIC services described in this subsection. Subject to the approval of the department, with the exception of revenues required under section 249A.11 to be credited to the appropriation in this division of this Act for medical assistance, revenues attributable to the PMIC beds described in this subsection for the fiscal year beginning July 1, 2004, and ending June 30, 2005, shall be deposited in the institute's account, including but not limited to any of the following revenues:

- a. The federal share of medical assistance revenue received under chapter 249A.
- b. Moneys received through client participation.
- c. Any other revenues directly attributable to the PMIC beds.

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

..... \$ 6,109,205
..... FTEs 100.44

a. Funding is provided in this subsection for the state mental health institute at Mount Pleasant to continue the dual diagnosis mental health and substance abuse program on a net budgeting basis in which 50 percent of the actual per diem and ancillary services costs are chargeable to the patient's county of legal settlement or as a state case, as appropriate. Subject to the approval of the department, revenues attributable to the dual diagnosis program for the fiscal year beginning July 1, 2004, and ending June 30, 2005, shall be deposited in the institute's account, including but not limited to all of the following revenues:

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

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

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

(4) Moneys received through client participation.

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

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

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

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

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

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

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

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

6. As part of the discharge planning process at the state mental health institutes, the department shall provide assistance in obtaining eligibility for federal supplemental security income (SSI) to those individuals whose care at a state mental health institute is the financial responsibility of the state or a county.

Sec. 130. STATE RESOURCE CENTERS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the state resource center at Glenwood for salaries, support, maintenance, and miscellaneous purposes:
..... \$ 8,550,280

2. For the state resource center at Woodward for salaries, support, maintenance, and miscellaneous purposes:
..... \$ 4,520,459

3. a. The department shall continue operating the state resource centers at Glenwood and Woodward with a net general fund appropriation. The amounts allocated in this section are the net amounts of state moneys projected to be needed for the state resource centers. The purposes of operating with a net general fund appropriation are to encourage the state resource centers to operate with increased self-sufficiency, to improve quality and efficiency, and to support collaborative efforts between the state resource centers and counties and other funders of services available from the state resource centers. The state resource centers shall not be operated under the net appropriation in a manner which results in a cost increase to the state or cost shifting between the state, the medical assistance program, counties, or other sources of funding for the state resource centers. Moneys appropriated in this section may be used throughout the fiscal year in the manner necessary for purposes of cash flow management, and for purposes of cash flow management the state resource centers may temporarily draw more than the amounts appropriated,

provided the amounts appropriated are not exceeded at the close of the fiscal year.

b. Subject to the approval of the department, except for revenues under section 249A.11, revenues attributable to the state resource centers for the fiscal year beginning July 1, 2004, shall be deposited into each state resource center's account, including but not limited to all of the following:

- (1) Moneys received by the state from billings to counties under section 222.73.
- (2) The federal share of medical assistance revenue received under chapter 249A.
- (3) Federal Medicare program payments.
- (4) Moneys received from client financial participation.
- (5) Other revenues generated from current, new, or expanded services which the state resource center is authorized to provide.

c. For the purposes of allocating the salary adjustment fund moneys appropriated in another division of this Act or another Act, the state resource centers shall be considered to be funded entirely with state moneys.

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

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

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

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

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

8. If existing capacity limitations are reached in operating units, a waiting list is in effect for a service or a special need for which a payment source or other funding is available for the service or to address the special need, and facilities for the service or to address the special need can be provided within the available payment source or other funding, the superintendent of a state resource center may authorize opening not more than two units or other facilities and to begin implementing the service or addressing the special need during fiscal year 2004-2005.

Sec. 131. MI/MR/DD STATE CASES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For purchase of local services for persons with mental illness, mental retardation, and developmental disabilities where the client has no established county of legal settlement:
..... \$ 11,014,619

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

Sec. 132. MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES -- COMMUNITY SERVICES FUND. There is appropriated from the general fund of the state to the mental health and developmental disabilities community services fund created in section 225C.7 for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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

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

1. Of the funds appropriated in this section, \$17,727,890 shall be allocated to counties for funding of community-based mental health and developmental disabilities services. The moneys shall be allocated to a county as follows:

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

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

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

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

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

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

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

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

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

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

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

Sec. 133. PERSONAL ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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

..... \$ 205,748

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

2. In accordance with 2001 Iowa Acts, chapter 191, section 25, subsection 2, new applicants shall not be accepted into the pilot project. An individual receiving services under the pilot project as of June 30, 2004, shall continue receiving services until the individual voluntarily leaves the project or until another program with similar services exists.

Sec. 134. SEXUALLY VIOLENT PREDATORS.

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 costs associated with the commitment and treatment of sexually violent predators in the unit located at the state mental health institute at Cherokee, including costs of legal services and other associated costs, including salaries, support, maintenance, and miscellaneous purposes:

..... \$ 2,833,646

2. Unless specifically prohibited by law, if the amount charged provides for recoupment of at least the entire amount of direct and indirect costs, the department of human services may contract with other states to provide care and treatment of persons placed by the other states at the unit for sexually violent predators at Cherokee. The moneys received under such a contract shall be considered to be repayment receipts and used for the purposes of the appropriation made in this section.

Sec. 135. FIELD OPERATIONS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 53,097,364
..... FTEs 1,844.49

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

2. In operating the service area system established pursuant to 2001 Iowa Acts, Second Extraordinary Session, chapter 4, for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the department shall utilize the service areas and service area administrators in lieu of regions and regional administrators, notwithstanding the references to department regions or regional administrators in sections 232.2, 232.52, 232.68, 232.72, 232.102, 232.117, 232.127, 232.143, 232.188, and 234.35, or other provision in law. The department shall submit proposed legislation under section 2.16 for consideration by the Eighty-first General Assembly, 2005 Session, to correct the references in the necessary Code sections.

Sec. 136. GENERAL ADMINISTRATION. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For general administration, including salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:
..... \$ 11,089,434
..... FTEs 292.00

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

Sec. 137. VOLUNTEERS. 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 development and coordination of volunteer services:
..... \$ 109,568

Sec. 138. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE DEPARTMENT OF HUMAN SERVICES.

1. a. (1) For the fiscal year beginning July 1, 2004, nursing facilities shall be reimbursed at 100 percent of the modified price-based case-mix reimbursement rate. Nursing facilities reimbursed under the medical assistance program shall submit annual cost reports and additional documentation as required by rules adopted by the department.

(2) For the fiscal year beginning July 1, 2004, the total state funding amount for the nursing facility budget shall not exceed \$156,013,248. For the fiscal year beginning July 1, 2004, and ending June 30, 2005, nursing facilities reimbursed under the case-mix reimbursement system shall have their allowable cost calculations adjusted by applying the most recently published HCFA/SNF index. For the purpose of this subparagraph, the HCFA/SNF index means the HCFA total skilled nursing facility market basket index published by data resources, inc. The department, in cooperation with nursing facility representatives, shall review projections for state funding expenditures for reimbursement of nursing facilities on a quarterly basis and the department shall determine if an adjustment to the medical assistance reimbursement rate is necessary in order to provide reimbursement within the state funding amount. Any temporary enhanced federal financial participation that may become available to the Iowa medical assistance program during the fiscal year shall not be used in projecting the nursing facility budget. Notwithstanding 2001 Iowa Acts, chapter 192, section 4, subsection 2, paragraph "c", and subsection 3, paragraph "a", subparagraph (2), if the state funding expenditures for the nursing facility budget for the fiscal year beginning July 1, 2004, is projected to exceed the amount specified in this subparagraph, the department shall adjust the inflation factor of the reimbursement rate calculation for only the nursing facilities reimbursed under the case-mix reimbursement system to maintain expenditures of the nursing facility budget within the specified amount.

b. For the fiscal year beginning July 1, 2004, the department shall reimburse pharmacy dispensing fees using a single rate of \$4.26 per prescription, or the pharmacy's usual and customary fee, whichever is lower.

c. For the fiscal year beginning July 1, 2004, reimbursement rates for inpatient and outpatient hospital services shall remain at the rates in effect on June 30, 2004. The department shall continue the outpatient hospital reimbursement system based upon ambulatory patient groups implemented pursuant to 1994 Iowa Acts, chapter 1186, section 25, subsection 1, paragraph "f". In addition, the department shall continue the revised medical assistance payment policy implemented pursuant to that paragraph to provide reimbursement for costs of screening and treatment provided in the hospital emergency room if made pursuant to the prospective payment methodology developed by the department for the payment of outpatient services provided under the medical assistance program. Any rebasing of hospital inpatient or outpatient rates shall not increase total payments for inpatient and outpatient services.

d. For the fiscal year beginning July 1, 2004, reimbursement rates for rural health clinics, hospices, independent laboratories, and acute mental hospitals shall be increased in accordance with increases under the federal Medicare program or as supported by their Medicare audited costs.

e. (1) For the fiscal year beginning July 1, 2004, reimbursement rates for home health agencies shall remain at the rates in effect on June 30, 2004.

(2) Notwithstanding 2003 Iowa Acts, chapter 112, section 7, subsection 7, the department shall establish a fixed-fee reimbursement schedule for home health agencies under the medical assistance program beginning July 1, 2005. The department shall submit a status report regarding the development of the fixed-fee schedule to the fiscal committee of the legislative council no later than September 1, 2004.

f. For the fiscal year beginning July 1, 2004, federally qualified health centers shall receive cost-based reimbursement for 100 percent of the reasonable costs for the provision of services to recipients of medical assistance.

g. Beginning July 1, 2004, the reimbursement rates for dental services shall remain at the rates in effect on June 30, 2004.

h. Beginning July 1, 2004, the reimbursement rates for community mental health centers shall remain at the rates in effect on June 30, 2004.

i. For the fiscal year beginning July 1, 2004, the maximum reimbursement rate for psychiatric medical institutions for children shall remain at the rate in effect on June 30, 2004, based on per day rates for actual costs.

j. For the fiscal year beginning July 1, 2004, unless otherwise specified in this Act, all noninstitutional medical assistance provider reimbursement rates shall remain at the rates in effect on June 30, 2004, except for area education agencies, local education agencies, infant and toddler services providers, and those providers whose rates are required to be determined pursuant to section 249A.20.

k. Notwithstanding section 249A.20, the average reimbursement rates for health care providers eligible for use of the federal Medicare resource-based relative value scale reimbursement methodology under that section shall remain at the rate in effect on June 30, 2004; however, this rate shall not exceed the maximum level authorized by the federal government.

2. For the fiscal year beginning July 1, 2004, the reimbursement rate for residential care facilities shall not be less than the minimum payment level as established by the federal government to meet the federally mandated maintenance of effort requirement. The flat reimbursement rate for facilities electing not to file semiannual cost reports shall not be less than the minimum payment level as established by the federal government to meet the federally mandated maintenance of effort requirement.

3. For the fiscal year beginning July 1, 2004, the reimbursement rate for providers reimbursed under the in-home-related care program shall not be less than the minimum payment level as established by the federal government to meet the federally mandated maintenance of effort requirement.

4. Unless otherwise directed in this section, when the department's reimbursement methodology for any provider reimbursed in accordance with this section includes an inflation factor, this factor shall not exceed the amount by which the consumer price index for all urban consumers increased during the calendar year ending December 31, 2002.

5. Notwithstanding section 234.38, in the fiscal year beginning July 1, 2004, the foster family basic daily maintenance rate and the maximum adoption subsidy rate for children ages 0 through 5 years shall be \$14.28, the rate for children ages 6 through 11 years shall be \$15.07, the rate for children ages 12 through 15 years shall be \$16.83, and the rate for children ages 16 and older shall be \$16.83.

6. For the fiscal year beginning July 1, 2004, the maximum reimbursement rates for social service providers shall remain at the rates in effect on June 30, 2004. However, the rates may be adjusted under any of the following circumstances:

a. If a new service was added after June 30, 2004, the initial reimbursement rate for the service shall be based upon actual and allowable costs.

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

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

8. For the fiscal year beginning July 1, 2004, the reimbursement rates for rehabilitative treatment and support services providers shall remain at the rates in effect on June 30, 2004.

9. For the fiscal year beginning July 1, 2004, the combined service and maintenance components of the reimbursement rate paid for shelter care services purchased under a contract shall be based on the financial and statistical report submitted to the department. The maximum reimbursement rate shall be \$83.69 per day. The department shall reimburse a shelter care provider at the provider's actual and allowable unit cost, plus inflation, not to exceed the maximum reimbursement rate. Notwithstanding section 232.141, subsection 8, for the fiscal year beginning July 1, 2004, the amount of the statewide average of the actual and allowable rates for reimbursement of juvenile shelter care homes that is utilized for the limitation on recovery of unpaid costs shall remain at the same amount in effect for this purpose in the preceding fiscal year.

10. For the fiscal year beginning July 1, 2004, the department shall calculate reimbursement rates for intermediate care facilities for persons with mental retardation at the 80th percentile.

11. For the fiscal year beginning July 1, 2004, for child care providers, the department shall set provider reimbursement rates based on the rate reimbursement survey completed in December 1998. The department shall set rates in a manner so as to provide incentives for a nonregistered provider to become registered.

12. For the fiscal year beginning July 1, 2004, reimbursements for providers reimbursed by the department of human services may be modified if appropriated funding is allocated for that purpose from the senior living trust fund created in section 249H.4, or as specified in appropriations from the healthy Iowans tobacco trust created in section 12.65.

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

Sec. 139. ADOPTION SUBSIDY PROGRAM.

1. a. It is the intent of the general assembly that the department of human services maximize receipt of the federal

funding available for the adoption subsidy program. The department may renegotiate existing adoption agreements solely for the purpose of maximizing federal funding. However, any revision of the existing adoption monthly maintenance payment agreement shall not result in the reduction of benefits to these adoptive families.

b. The limitation on attorney fees under the program shall be \$500 per recipient.

c. The department of human services shall attempt to develop a method to obtain federal matching funds for adoption subsidy program recipients' out-of-pocket payments to attorneys for the portion of attorney fees that exceed the limitation on attorney fees under the program.

d. The department of human services shall attempt to obtain federal matching funds for adoption subsidy program recipients' out-of-pocket payments for child care fees that exceed the applicable reimbursement rate established under the child care assistance program.

e. If cost-effective and in compliance with federal law and regulation, the department of human services may implement a sliding benefit scale based upon income, for all or a portion of the adoption presubsidy or preadoptive subsidy agreements entered into on or after July 1, 2004.

2. It is the intent of the general assembly that beginning July 1, 2004, adoption subsidy agreements entered into on or after that date shall be administered uniformly throughout the state.

3. a. Beginning July 1, 2004, the child care subsidy payments for individuals who enter into presubsidy or preadoptive subsidy agreements shall be governed by the provisions of the department of human services' child care assistance programs.

b. (1) Individuals who entered into presubsidy or preadoptive subsidy agreements on or before June 30, 2004, shall continue to receive a child care subsidy, notwithstanding any income guidelines specified under the child care assistance program, and shall not be required to

meet the specifications of a specialized program as specified in the administrative rules, but beginning July 1, 2004, the child care subsidy rate shall be governed by the rate ceilings under the department of human services' child care assistance program.

(2) The department shall notify these individuals within thirty days of the effective date of this section of this Act of the potential change in the determination of the child care subsidy rate described under this subsection, and the process for requesting an exception to policy.

(3) If an individual requests an exception to policy and the exception is approved, the individual shall continue to receive the child care subsidy rate in effect for the individual prior to July 1, 2004, and shall be reimbursed the difference between the prior rate and the new rate for the period of time that the new rate was applied.

4. It is the intent of the general assembly that any rules relating to the adoption subsidy program for which the effective date of the rules is delayed pursuant to section 17A.8, subsection 9, shall take effect unless legislation enacted by the general assembly conflicts with such rules.

5. The legislative council is requested to establish an interim study committee to review the adoption subsidy program, which includes a review of current practices regarding the determination of subsidy levels, disparities in subsidy levels among regions of the state, program cost and benefits, the fiscal and programmatic impact of projected future program growth, a thorough analysis of the demographic factors of the adoptive families as well as the adoptive children's special needs, and quantification of savings in other programs and services resulting from the utilization of the adoption subsidy program. The interim study committee shall seek input from the department of human services, adoptive parents, and others with experience or expertise relating to the adoption subsidy program and related services and supports. The interim study committee shall submit a report of findings and recommendations to the general assembly not later than December 1, 2004.

Sec. 140. TRANSFER AUTHORITY. Subject to the provisions of section 8.39, for the fiscal year beginning July 1, 2004, if necessary to meet federal maintenance of effort requirements or to transfer federal temporary assistance for needy families block grant funding to be used for purposes of the federal social services block grant or to meet cash flow needs resulting from delays in receiving federal funding or to implement, in accordance with this division of this Act, targeted case management for child protection and for activities currently funded with juvenile court services, county, or community moneys and state moneys used in combination with such moneys, the department of human services may transfer within or between any of the appropriations made in this division of this Act and appropriations in law for the federal social services block grant to the department for the following purposes, provided that the combined amount of state and federal temporary assistance for needy families block grant funding for each appropriation remains the same before and after the transfer:

1. For the family investment program.
2. For child care assistance.
3. For child and family services.
4. For field operations.
5. For general administration.
6. MH/MR/DD/BI community services (local purchase).

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

Sec. 141. FRAUD AND RECOUPMENT ACTIVITIES. During the fiscal year beginning July 1, 2004, notwithstanding the restrictions in section 239B.14, recovered moneys generated through fraud and recoupment activities are appropriated to the department of human services to be used for additional fraud and recoupment activities performed by the department of human services or the department of inspections and appeals, and the department of human services may add not more than five full-time equivalent positions, in addition to those funded in this division of this Act, subject to both of the following conditions:

1. The director of human services determines that the investment can reasonably be expected to increase recovery of assistance paid in error, due to fraudulent or nonfraudulent actions, in excess of the amount recovered in the fiscal year beginning July 1, 1997.

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

Sec. 142. MEDICAL ASSISTANCE PROGRAM -- NONREVERSION FOR FY 2003-2004. Notwithstanding section 8.33, if moneys appropriated in 2003 Iowa Acts, chapter 175, for the medical assistance program from the general fund of the state, the senior living trust fund, or the hospital trust fund, or in 2003 Iowa Acts, chapter 183, from the healthy Iowans tobacco trust are in excess of actual expenditures for the medical assistance program and remain unencumbered or unobligated at the close of the fiscal year, the excess moneys shall not revert, and notwithstanding any provision of law to the contrary, shall not be transferred to any other appropriation but shall remain available for expenditure for the purpose designated until the close of the succeeding fiscal year. Of the amount remaining available, the department of human services may use up to \$2,300,000 to draw down the maximum amount of disproportionate share hospital reimbursement under the medical assistance program as provided in the federal Prescription Drug and Medicare Improvement Act of 2003. Any amounts received shall be distributed in accordance with the regular disproportionate share hospital program paid out of the graduate medical education and disproportionate share fund. To the extent allowed under Title XIX of the federal Social Security Act, any hospital qualifying for disproportionate share hospital reimbursement shall provide evidence to the department that the hospital provides or participates in a disease management program.

Sec. 143. EMERGENCY RULES. If specifically authorized by a provision of this division of this Act, the department of human services or the mental health and developmental

disabilities commission may adopt administrative rules under section 17A.4, subsection 2, and section 17A.5, subsection 2, paragraph "b", to implement the provisions and the rules shall become effective immediately upon filing or on a later effective date specified in the rules, unless the effective date is delayed by the administrative rules review committee. Any rules adopted in accordance with this section shall not take effect before the rules are reviewed by the administrative rules review committee. The delay authority provided to the administrative rules review committee under section 17A.4, subsection 5, and section 17A.8, subsection 9, shall be applicable to a delay imposed under this section, notwithstanding a provision in those sections making them inapplicable to section 17A.5, subsection 2, paragraph "b". Any rules adopted in accordance with the provisions of this section shall also be published as notice of intended action as provided in section 17A.4.

Sec. 144. REPORTS.

1. Any reports or information required to be compiled and submitted under this division of this Act shall be submitted to the chairpersons and ranking members of the joint appropriations subcommittee on health and human services, the legislative services agency, and the legislative caucus staffs on or before the dates specified for submission of the reports or information.

2. In order to reduce mailing and paper processing costs, the department shall provide, to the extent feasible, reports, notices, minutes, and other documents by electronic means to those persons who have the capacity to access the documents in that manner.

Sec. 145. LAW INAPPLICABLE FOR FISCAL YEAR 2004-2005.

1. The following provisions in Code or rule shall be suspended for the period beginning July 1, 2004, and ending June 30, 2005:

a. The requirements of section 239B.2A, relating to school attendance by children participating in the family investment program.

b. For a case permanency plan, as defined in section 232.2, the requirement for a six-month case permanency plan review for an intact family.

2. The department may adopt emergency rules to implement the provisions of this section.

Sec. 146. NEW SECTION. 217.14 REFUGEE SERVICES FOUNDATION.

1. The department of human services shall cause a refugee services foundation to be created for the sole purpose of engaging in refugee resettlement activities to promote the welfare and self-sufficiency of refugees who live in Iowa and who are not citizens of the United States. The foundation may establish an endowment fund to assist in the financing of its activities. The foundation shall be incorporated under chapter 504A.

2. The foundation shall be created in a manner so that donations and bequests to the foundation qualify as tax deductible under federal and state income tax laws. The foundation is not a state agency and shall not exercise sovereign power of the state. The state is not liable for any debts of the foundation.

3. The refugee services foundation shall have a board of directors of five members. One member shall be appointed by the governor and four members shall be appointed by the director of human services. Members of the board shall serve three-year terms beginning on July 1, and ending on June 30. A vacancy on the board shall be filled in the same manner as the original appointment for the remainder of the term. Not more than two members appointed by the director of human services shall be of the same gender or of the same political party.

4. The refugee services foundation may accept and administer trusts deemed by the board to be beneficial. Notwithstanding section 633.63, the foundation may act as trustee of such a trust.

Sec. 147. NEW SECTION. 217.45 FAITH-BASED AND COMMUNITY-BASED ORGANIZATIONS NETWORK.

1. A statewide, nonprofit agency that receives a subgrant to assist faith-based and community-based organizations to develop coalitions and partnerships shall be designated as the central office for faith-based and community-based initiatives.

2. The department shall designate one department employee in each of the service areas to act as a liaison to faith-based and community-based organizations in the service area.

3. The primary functions of a liaison for a service area under this section are as follows:

a. To communicate with faith-based and community-based organizations regarding the need for private community services to benefit persons in need of assistance who would otherwise require financial or other assistance under public programs administered by state or local government.

b. To promote the involvement of faith-based and community-based organizations in working to meet community needs for assistance.

c. To coordinate efforts to promote involvement of faith-based and community-based organizations in providing community services with efforts similar to those of state agencies.

d. To promote cooperation and coordination among public agencies and faith-based and community-based organizations.

e. To provide technical assistance to faith-based and community-based organizations in writing grant applications, training, mentoring, financial management, and obtaining not-for-profit designations.

4. The department shall submit a report annually by January 15 to the governor and the general assembly regarding the activities of the faith-based and community-based organizations network provided for in this section.

Sec. 148. Section 232.141, subsection 1, Code 2003, is amended to read as follows:

1. Except as otherwise provided by law, the court shall inquire into the ability of the child or the child's parent to pay expenses incurred pursuant to subsection 2, and-subsection 4, and-after 8. After giving the parent a

reasonable opportunity to be heard, the court may order the parent to pay all or part of the costs of the child's care, examination, treatment, legal expenses, or other expenses. An order entered under this section does not obligate a parent paying child support under a custody decree, except that part of the monthly support payment may be used to satisfy the obligations imposed by the order entered pursuant to this section. If a parent fails to pay as ordered, without good reason, the court may proceed against the parent for contempt and may inform the county attorney who shall proceed against the parent to collect the unpaid amount. Any payment ordered by the court shall be a judgment against each of the child's parents and a lien as provided in section 624.23. If all or part of the amount that the parents are ordered to pay is subsequently paid by the county or state, the judgment and lien shall thereafter be against each of the parents in favor of the county to the extent of the county's payments and in favor of the state to the extent of the state's payments.

Sec. 149. Section 234.39, Code 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 6. A support obligation for a shelter care placement shall be determined under section 232.141.

Sec. 150. NEW SECTION. 249A.34 MEDICAL ASSISTANCE MENTAL HEALTH QUALITY OF CARE IMPROVEMENT COMMITTEE.

1. The department shall establish a medical assistance mental health quality of care improvement committee. The committee membership shall include members of the public representing mental health advocates, mental health care consumers, and mental health care providers, including providers in private psychiatric practice, as well as geriatric psychiatry, institutional psychiatry, and child psychiatry disciplines. The membership shall also include a designee of each of the following: the medical assistance pharmaceutical and therapeutics committee created pursuant to section 249A.20A, the university of Iowa hospitals and clinics department of psychiatry, the Iowa medical assistance drug utilization review commission created in section 249A.24, the

contractor for the medical assistance program managed care mental health contract, the director of public health, and the director of human services.

2. The medical assistance mental health quality of care improvement committee shall advise the department in the implementation of all of the following:

a. Clinical treatment algorithms for schizophrenia, major depressive disorder, and bipolar disorder. The algorithms shall be utilized in lieu of policies restricting access to care and medication and shall not be subject to prior authorization requirements or medication preferences. This paragraph shall not apply to any prior authorization provision in force on June 30, 2004, imposed under the existing managed care mental health care contract or any extension of that contract.

b. A mental health polypharmacy review process, including but not limited to data collection and analysis and medical service provider education.

3. The medical assistance mental health quality of care improvement committee shall, on an ongoing basis, review and after a cost-benefit analysis may recommend other mechanisms to promote medical assistance patient access to improved quality of care and the use of other cost saving mechanisms, including but not limited to implementing disease management programs for mental health disorders, expanding assertive community treatment programs, improving methods for gathering and analyzing data regarding the delivery of mental health care, and implementing other effective treatment programs.

4. This section is repealed July 1, 2007.

Sec. 151. NEW SECTION. 249A.35 MEDICAL ASSISTANCE CRISIS INTERVENTION TEAM.

1. A medical assistance crisis intervention team is created. The team shall consist of the following members:

- a. The president of the university of Iowa.
- b. A representative of the Iowa hospital association.
- c. A representative of the Iowa medical society.
- d. A representative of the Iowa pharmacy association.

- e. A representative of the Iowa health care association.
- f. A representative of the federation of Iowa insurers.
- g. A representative of the Iowa association of community providers.
- h. A representative of the medical assistance advisory council established pursuant to section 249A.4, subsection 8.
- i. Two members selected by the president of the university of Iowa.
 - 2. The president of the university of Iowa shall act as the chairperson of the team. Members of the team are entitled to receive reimbursement of actual expenses incurred in the discharge of their duties.
 - 3. The department of human services shall provide staff to the team as determined by the division administrator of the division of medical services.
 - 4. The team shall do all of the following:
 - a. Provide a projection of medical assistance program and administrative costs through June 30, 2008, based on services provided as of June 30, 2004.
 - b. Hold at least four monthly public meetings, beginning in July 2004, in at least four geographically balanced venues around the state. The team shall submit a report of its findings from these meetings to the general assembly on or before December 1, 2004.
 - 5. The team may provide any additional recommendations to the general assembly at any time regarding the medical assistance program including but not limited to recommendations regarding services, eligibility, rates, care management, and program administration.
 - 6. The department of human services shall assist the team as follows:
 - a. On or before July 1, 2004, the department shall submit to the team and make available to the public an initial analysis which includes all of the following data:
 - (1) The number of medical assistance program enrolled eligibles by cohort grouped on the basis of factors such as age, income, disability, and optional eligibility, for the period beginning July 1, 1999, and ending June 30, 2004.

(2) A projection of the number of medical assistance program enrolled eligibles in each of the cohorts identified in subparagraph (1), for the period beginning July 1, 2005, and ending June 30, 2008. The projection shall be accompanied by a statement of the underlying assumptions.

(3) The actual cost of all services and of each service for each cohort described in subparagraph (1), for the period beginning July 1, 1999, and ending June 30, 2004. The analysis of the data shall identify the total cost for each cohort, the cost per member per month for each cohort, and the twenty most utilized medical procedures or services and the ten most prevalent diagnoses associated within each cohort. The analysis of the data shall identify, to the greatest extent possible, the reason for changes in total costs and the costs per member, per month during the period, including but not limited to rate adjustments, service utilization, and eligibility growth.

(4) To the extent practical, a comparison of the rates paid by commercial insurers to their Iowa provider network and the rates paid by Medicare, with the rates paid by the medical assistance program for the same services, for the fiscal year beginning July 1, 2003, and ending June 30, 2004.

(5) An estimate of the program costs for the medical assistance program for the period beginning July 1, 2005, and ending June 30, 2008, based on all of the following assumptions:

(a) The enrollment projections described in subparagraph (2) and assuming reasonable change in service utilization patterns, but no change in provider rates in effect on June 30, 2004. The projection shall include total and total program costs per member, per month for each cohort and total cost and the program cost per member per month for each cohort for the period beginning July 1, 2005, and ending June 30, 2008. The assumptions used in developing the projections shall be clearly stated.

(b) The enrollment projections described in subparagraph (2) and assuming reasonable change in service utilization

patterns, and additionally assuming that all medical assistance program fee for service rates are equal to ninety-eight percent of the usual and customary charges for such service in the fiscal year beginning July 1, 2003, and ending June 30, 2004, and grow at an annual rate of two percent annually through June 30, 2008, and assuming that commensurate changes are made in rates paid to medical assistance program managed care organizations.

(6) If the projections for later years exceed the spending standard established in subparagraph (5), subparagraph subdivision (b), a base rate and the annual inflation adjustments that would result in spending being limited to the spending standard established in that paragraph.

(7) A description of the cost, member, provider, and service quality impact of all of the following:

(a) Application of medical assistance program allowable limits on optional services.

(b) Service utilization control strategies including managed care and prior authorization in the pharmacy, medical and behavioral, and long-term care areas that have been utilized in other states or jurisdictions that could potentially be utilized in Iowa. The department shall identify the administrative costs associated with each strategy.

(c) Accessible disease management and enhanced primary care case management strategies with particular attention to the timing of costs and benefits.

(d) Accessible health promotion strategies and disease prevention activities with particular attention to the timing of costs and benefits.

(e) Enhanced surveillance and utilization review, revenue collection, estate recovery, and cost avoidance activities in future years.

(f) The federal Prescription Drug and Medicare Improvement Act of 2003.

(g) The program options and cost savings potentially associated with reducing the populations of intermediate care

facilities for the mentally retarded and nursing facilities due to the availability of home and community-based services, including consumer-directed home care.

b. The department shall present the analysis described in paragraph "a" at the initial meeting of the team in July 2004. The department shall adjust, expand, or otherwise modify its analysis based on the requests of the team at its subsequent monthly meetings and shall assist the team in compiling the team's final report to the general assembly.

Sec. 152. REPORT -- MEDICAID PROGRAM FINANCING. On or before August 1, 2004, the department of human services shall submit a report to the chairpersons and ranking members of the joint appropriations subcommittee on health and human services, the legislative services agency, the legislative caucus staffs, and the medical assistance crisis intervention team created in section 249A.35, providing recommendations to reduce costs or provide revenue enhancements to reduce the projected program and administrative costs of the medical assistance program by \$130,000,000 for the fiscal year beginning July 1, 2005, and ending June 30, 2006.

Sec. 153. NEW SECTION. 505.25 INFORMATION PROVIDED TO MEDICAL ASSISTANCE PROGRAM.

A carrier, as defined in section 514C.13, shall enter into a health insurance data match program with the department of human services for the sole purpose of comparing the names of the carrier's insureds with the names of recipients of the medical assistance program.

Sec. 154. 2001 Iowa Acts, chapter 192, section 4, subsection 3, paragraphs e and f, are amended to read as follows:

e. The department shall calculate the rate ceiling for the direct-care cost component at 120 percent of the median of case-mix adjusted costs. Nursing facilities with case-mix adjusted costs at 95 percent of the median or greater, shall receive an amount equal to their costs not to exceed 120 percent of the median. Nursing facilities with case-mix adjusted costs below 95 percent of the median shall receive an

excess payment allowance by having their payment rate for the direct-care cost component calculated as their case-mix adjusted cost plus 100 percent of the difference between 95 percent of the median and their case-mix adjusted cost, not to exceed 10 percent of the median of case-mix adjusted costs.

Beginning July 1, 2004, nursing facilities with case-mix adjusted costs below 95 percent of the median shall receive an excess payment allowance by having their payment rate for the direct-care cost component calculated as their case-mix adjusted cost plus 50 percent of the difference between 95 percent of the median and their case-mix adjusted cost, not to exceed 10 percent of the median of case-mix adjusted costs.

Any excess payment allowance realized from the direct care cost component of the modified price-based case-mix reimbursement shall be expended to increase the compensation of direct care workers or to increase the ratio of direct care workers to residents. The department of human services shall implement a new monitoring and reporting system to assess compliance with the provisions of this paragraph.

f. The department shall calculate the rate ceiling for the nondirect care cost component at 110 percent of the median of non-case-mix adjusted costs. Nursing facilities with non-case-mix adjusted costs at 96 percent of the median or greater shall receive an amount equal to their costs not to exceed 110 percent of the median. Nursing facilities with non-case-mix adjusted costs below 96 percent of the median shall receive an excess payment allowance that is their costs plus 65 percent of the difference between 96 percent of the median and their non-case-mix adjusted costs, not to exceed 8 percent of the median of non-case-mix adjusted costs. Beginning July 1, 2004, nursing facilities with non-case-mix adjusted costs below 96 percent of the median shall receive an excess payment allowance that is their costs plus 32.5 percent of the difference between 96 percent of the median and their non-case-mix adjusted costs, not to exceed 8 percent of the median of non-case-mix adjusted costs. Any excess payment allowance realized from the nondirect care cost component of the

modified price-based case-mix reimbursement shall be used to fund quality of life improvements. The department of human services shall implement a new monitoring and reporting system to assess compliance with the provisions of this paragraph.

Sec. 155. 2002 Iowa Acts, chapter 1174, section 4, unnumbered paragraph 3, as amended by 2002 Iowa Acts, Second Extraordinary Session, chapter 1003, section 244, is amended to read as follows:

Notwithstanding section 8.33, moneys appropriated under this section that are unobligated or unencumbered at the end of the fiscal year beginning July 1, 2002, and ending June 30, 2003, shall not revert, but shall remain available for the specific purposes designated in this section until June 30, ~~2004~~ 2005.

Sec. 156. 2003 Iowa Acts, chapter 175, section 13, subsection 2, as amended by 2003 Iowa Acts, First Extraordinary Session, chapter 2, section 6, is amended to read as follows:

2. The department may either continue or reprocur the contract existing on June 30, 2003, with the department's fiscal agent. If the department initiates reprocurement of the contract, of the amount appropriated in this Act for the medical assistance program, up to \$500,000 may be used to begin the implementation process.

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

Sec. 157. 2003 Iowa Acts, chapter 175, section 9, is amended by adding the following new subsection:

NEW SUBSECTION. 5. Notwithstanding section 8.33, moneys appropriated in this section that were allocated by the department for the purpose of meeting federal food stamp electronic benefit transfer requirements that remain unencumbered or unobligated at the close of the fiscal year

shall not revert but shall remain available for expenditure for the purpose designated until the close of the succeeding fiscal year.

Sec. 158. 2003 Iowa Acts, chapter 175, section 18, subsection 9, is amended to read as follows:

9. Notwithstanding section 234.35, subsection 1, for the fiscal year beginning July 1, 2003, state funding for shelter care paid pursuant to section 234.35, subsection 1, paragraph "h", shall be limited to ~~\$6,922,509~~ \$10,122,509.

Sec. 159. 2003 Iowa Acts, chapter 175, section 56, subsection 2, paragraph g, is amended to read as follows:

g. Notwithstanding section 8.33, up to ~~\$500,000~~ \$1,000,000 of the Iowa veterans home revenues that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available to be used in the succeeding fiscal year.

Sec. 160. 2003 Iowa Acts, chapter 178, section 45, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the child and family services until the close of the succeeding fiscal year.

Sec. 161. 2003 Iowa Acts, chapter 179, section 2, subsection 2, paragraph b, is amended to read as follows:

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~~ For medical assistance reimbursement, in addition to other appropriations made for purposes of the medical assistance program for the fiscal year beginning July 1, 2004, and ending June 30, 2005:

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

Sec. 162. EFFECTIVE DATES. The following provisions of this division of this Act, being deemed of immediate importance, take effect upon enactment:

1. The provision under the appropriation for child and family services, relating to requirements of section 232.143 for representatives of the department of human services and juvenile court services to establish a plan for continuing group foster care expenditures for the 2004-2005 fiscal year.

2. The provision under the appropriation for child and family services, relating to the state court administrator determining allocation of court-ordered services funding by June 15, 2004.

3. The provision relating to nonreversion and prohibited transfer of the appropriations for the medical assistance program for the fiscal year beginning July 1, 2003, and ending June 30, 2004.

4. The section of this division of this Act creating section 249A.35, relating to the medical assistance crisis intervention team, takes effect upon enactment.

5. The provisions in this division of this Act relating to insurance carriers providing listings of insureds to the department of human services including the provision creating section 505.25.

6. The section of this division of this Act relating to the adoption subsidy program.

7. The provision amending 2002 Iowa Acts, chapter 1174, section 4, unnumbered paragraph 3, as amended by 2002 Iowa Acts, Second Extraordinary Session, chapter 1003, section 244.

8. The provision amending 2003 Iowa Acts, chapter 175, section 13, subsection 2, as amended by 2003 Iowa Acts, First Extraordinary Session, chapter 2, section 6.

9. The provisions amending 2003 Iowa Acts, chapter 175, section 9, section 18, subsection 9, and section 56.

10. The provision amending 2003 Iowa Acts, chapter 178, section 45.

11. The provision amending 2003 Iowa Acts, chapter 179, section 2, subsection 2, paragraph "b".

DIVISION VI
SENIOR LIVING AND HOSPITAL TRUST FUNDS

Sec. 163. DEPARTMENT OF ELDER AFFAIRS. There is appropriated from the senior living trust fund created in section 249H.4 to the department of elder affairs 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 the development and implementation of a comprehensive senior living program, including program administration and costs associated with implementation, salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:
..... \$ 8,222,118
..... FTEs 2.00

1. It is the intent of the general assembly that the department not transfer moneys appropriated to the department for purposes of the assisted living program and adult day care for the fiscal year beginning July 1, 2004.

2. Notwithstanding section 249H.7, the department of elder affairs shall distribute up to \$300,000 of the funds appropriated in this section in a manner that will supplement and maximize federal funds under the federal Older Americans Act and shall not use the amount distributed for any administrative purposes of either the department of elder affairs or the area agencies on aging.

3. Of the moneys appropriated in this section, \$60,000 shall be used for the provision of training to resident advocate committees for elder group homes, as defined in section 231B.1, and licensed health care facilities as defined in section 135C.1.

4. Of the moneys appropriated in this section, \$140,000 shall be used to provide two additional state long-term care resident advocates.

5. Of the moneys appropriated in this section, \$500,000 shall be used to provide case management services to elders who are not eligible for the medical assistance program.

Sec. 164. DEPARTMENT OF INSPECTIONS AND APPEALS. There is appropriated from the senior living trust fund created in

section 249H.4 to the department of inspections and appeals 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 the inspection and certification of assisted living facilities and adult day care services, including program administration and costs associated with implementation, salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

..... \$ 800,000
..... FTEs 6.00

Sec. 165. DEPARTMENT OF HUMAN SERVICES. There is appropriated from the senior living trust fund created in section 249H.4 to the department of human services for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. To provide grants to nursing facilities for conversion to assisted living programs or to provide long-term care alternatives, to provide grants to intermediate care facilities for persons with mental retardation for conversion to assisted living programs or home and community-based services, to provide grants to long-term care providers for development of long-term care alternatives, to develop less restrictive community-based services for placement of persons currently residing in state resource centers, and for other purposes specified in this subsection:

..... \$ 20,000,000

a. Up to 25 percent of the amount appropriated in this subsection may be used for development of less restrictive community-based services, including community residential living alternatives, with a significant focus on reducing the numbers of persons served in state resource centers and other intermediate care facilities for persons with mental retardation as well as for activities designed to facilitate the planning for or placement of such services and persons.

Services provided under this paragraph are not intended to require the closure of nursing facilities.

b. Five million dollars of the moneys appropriated in this subsection shall be transferred to the senior living revolving loan program fund created in section 16.182 for the purposes of that section.

c. Two million dollars of the moneys appropriated in this subsection shall be transferred to the home and community-based services revolving loan program fund created in section 16.183 for the purposes of that section.

d. Two million dollars of the moneys appropriated in this subsection shall be transferred to the appropriation in this Act from the general fund of the state for the medical assistance program to be used to implement nursing facility provider reimbursements as provided in 2001 Iowa Acts, chapter 192, section 4, subsection 2, paragraph "c".

2. To supplement the medical assistance appropriation, including program administration and costs associated with implementation, salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$101,600,000
..... FTEs	5.00

3. To provide reimbursement for health care services and rent expenses to eligible persons through the home and community-based services waiver and the state supplementary assistance program, including program administration and data system costs associated with implementation, salaries, support, maintenance, and miscellaneous purposes:

.....	\$ 1,733,406
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Participation in the rent subsidy program shall be limited to only those persons who are at risk for nursing facility care.

4. To implement nursing facility provider reimbursements as provided in 2001 Iowa Acts, chapter 192, section 4, subsection 2, paragraph "c":

.....	\$ 29,950,000
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In order to carry out the purposes of this section, the department shall transfer funds appropriated in this section to supplement other appropriations made to the department of human services.

5. Notwithstanding sections 249H.4 and 249H.5, the department of human services may use moneys from the senior living trust fund for cash flow purposes to make payments under the nursing facility or hospital upper payment limit methodology. The amount of any moneys so used shall be refunded to the senior living trust fund within the same fiscal year and in a prompt manner.

6. Notwithstanding section 8.33, moneys committed to grantees under contract to provide for conversion to assisted living programs or for development of long-term care alternatives that remain unexpended at the close of the fiscal year shall not revert to any fund but shall remain available for expenditure for purposes of the contract.

Sec. 166. INSURANCE DIVISION OF THE DEPARTMENT OF COMMERCE. There is appropriated from the senior living trust fund created in section 249H.4 to the insurance division of the department of commerce 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 administration of the long-term care insurance partnership program including program administration and costs associated with implementation, salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:	
.....	\$ 265,000
..... FTEs	4.00

Sec. 167. CONVERSION GRANT PROJECTS -- RULES.

1. For the fiscal year beginning July 1, 2004, and ending June 30, 2005, the department of human services shall continue to give greater weight in the scoring methodology to nursing facility conversion projects that are primarily for the renovation and remodeling of the existing nursing facility

structure and give less weight to conversion projects that are primarily for new construction. The department of human services shall encourage cooperative efforts between the department of inspections and appeals, the state fire marshal, and the grant applicant to promote the acceptance of nursing facility conversion projects that are primarily renovation and remodeling of the existing nursing facility structure.

2. For the fiscal year beginning July 1, 2004, and ending June 30, 2005, the department of inspections and appeals shall certify all assisted living programs established through nursing facility conversion grants. The department of inspections and appeals shall consult with conversion grant applicants and recipients to establish and monitor occupancy agreements and assisted living program residents shall be allowed access to third-party payors.

Sec. 168. HOSPITAL TRUST FUND. There is appropriated from the hospital trust fund created in section 249I.4 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:

To supplement the appropriations made for the medical assistance program for that fiscal year:

..... \$ 37,500,000

Sec. 169. MEDICAL ASSISTANCE PROGRAM -- REVERSION TO SENIOR LIVING TRUST FUND FOR FY 2004-2005. Notwithstanding section 8.33, if moneys appropriated in this Act for purposes of the medical assistance program for the fiscal year beginning July 1, 2004, and ending June 30, 2005, from the general fund of the state, the senior living trust fund, the hospital trust fund, or the healthy Iowans tobacco trust fund are in excess of actual expenditures for the medical assistance program and remain unencumbered or unobligated at the close of the fiscal year, the excess moneys shall not revert but shall be transferred to the senior living trust fund created in section 249H.4.

Sec. 170. NEW SECTION. 16.182 SENIOR LIVING REVOLVING LOAN PROGRAM FUND.

1. A senior living revolving loan program fund is created within the authority to further the goal of the senior living program as specified in section 249H.2. The moneys in the senior living revolving loan program fund shall be used by the authority for the development and operation of a revolving loan program to provide financing to construct affordable assisted living and service-enriched affordable housing for seniors and persons with disabilities, including through new construction or acquisition and rehabilitation.

2. Moneys received by the authority from the senior living trust fund, transferred by the authority for deposit in the senior living revolving loan program fund, moneys appropriated to the senior living revolving loan program, and any other moneys available to and obtained or accepted by the authority for placement in the senior living revolving loan program fund shall be deposited in the fund. Additionally, payment of interest, recaptures of awards, and other repayments to the senior living revolving loan program fund shall be deposited in the fund. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the senior living revolving loan program fund shall be credited to the fund. Notwithstanding section 8.33, moneys that remain unencumbered or unobligated at the end of the fiscal year shall not revert but shall remain available for the same purpose in the succeeding fiscal year.

3. The authority shall annually allocate moneys available in the senior living revolving loan program fund for the development of affordable assisted living and service-enriched affordable housing for seniors and persons with disabilities. The authority shall develop a joint application process for the allocation of federal low-income housing tax credits and funds available under this section. Moneys allocated to such developments may be in the form of loans, grants, or a combination of loans and grants.

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

Sec. 171. NEW SECTION. 16.183 HOME AND COMMUNITY-BASED SERVICES REVOLVING LOAN PROGRAM FUND.

1. A home and community-based services revolving loan program fund is created within the authority to further the goals specified in section 231.3, adult day services, respite services, and congregate meals. The moneys in the home and community-based services revolving loan program fund shall be used by the authority for the development and operation of a revolving loan program to develop and expand facilities and infrastructure that provide adult day services, respite services, and congregate meals that address the needs of persons with low incomes.

2. Moneys received by the authority from the senior living trust fund, transferred by the authority for deposit in the home and community-based services revolving loan program fund, moneys appropriated to the home and community-based services revolving loan program, and any other moneys available to and obtained or accepted by the authority for placement in the home and community-based services revolving loan program fund shall be deposited in the fund. Additionally, payment of interest, recaptures of awards, and other repayments to the senior living revolving loan program fund shall be deposited in the fund. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the home and community-based services revolving loan program fund shall be credited to the fund. Notwithstanding section 8.33, moneys that remain unencumbered or unobligated at the end of the fiscal year shall not revert but shall remain available for the same purpose in the succeeding fiscal year.

3. The authority, in cooperation with the department of elder affairs, shall annually allocate moneys available in the home and community-based services revolving loan program fund to develop and expand facilities and infrastructure that provide adult day services, respite services, and congregate meals that address the needs of persons with low incomes.

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

DIVISION VII
MENTAL HEALTH, MENTAL RETARDATION,
DEVELOPMENTAL DISABILITIES,
AND BRAIN INJURY SERVICES

Sec. 172. COUNTY HOSPITALS. 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, for the purpose designated:

For support of mental health care services provided to persons who are elderly or poor by county hospitals in counties having a population of two hundred twenty-five thousand or more:

..... \$ 200,000

Sec. 173. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR ALLOCATIONS -- FISCAL YEAR 2005-2006.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, 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:

..... \$ 28,507,362

2. The funding appropriated in this section is the allowed growth factor adjustment for fiscal year 2005-2006, and is allocated as follows:

a. For distribution to counties for fiscal year 2005-2006 in accordance with the formula in section 331.438, subsection 2, paragraph "b":

..... \$ 12,000,000

b. For deposit in the per capita expenditure target pool created in the property tax relief fund and for distribution in accordance with section 426B.5, subsection 1:

..... \$ 14,507,362

c. 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

Sec. 174. Section 331.438, subsection 4, paragraph b, Code 2003, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (16) Develop a procedure for each county to disclose to the department of human services information approved by the commission concerning the mental health, mental retardation, developmental disabilities, and brain injury services provided to the individuals served through the county central point of coordination process. The procedure shall incorporate protections to ensure that if individually identified information is disclosed, it is disclosed and maintained in compliance with applicable Iowa and federal confidentiality laws, including but not limited to federal Health Insurance Portability and Accountability Act requirements.

Sec. 175. 2003 Iowa Acts, chapter 179, section 2, is amended by adding the following new subsections:

NEW SUBSECTION. 3. The following formula amounts shall be utilized only to calculate preliminary distribution amounts for fiscal year 2004-2005 under this section by applying the indicated formula provisions to the formula amounts and producing a preliminary distribution total for each county:

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

..... \$ 12,000,000

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

..... \$ 19,157,111

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

..... \$ 17,727,890

NEW SUBSECTION. 4. After applying the applicable statutory distribution formulas to the amounts indicated in subsection 3 for purposes of producing preliminary distribution totals, the department of human services shall apply a withholding factor to adjust an eligible individual county's preliminary distribution total. An ending balance percentage for each county shall be determined by expressing the county's ending balance on a modified accrual basis under generally accepted accounting principles for the fiscal year beginning July 1, 2003, in the county's mental health, mental retardation, and developmental disabilities services fund created under section 331.424A, as a percentage of the county's gross expenditures from that fund for that fiscal year. The withholding factor for a county shall be the following applicable percent:

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

b. For an ending balance percentage of 10 through 24 percent, a withholding factor of 25 percent. However, the amount withheld shall be limited to the amount by which the county's ending balance was in excess of the ending balance percentage of 10 percent.

c. For an ending balance percentage of 25 percent or more, a withholding factor of 100 percent.

NEW SUBSECTION. 5. The total withholding amounts applied pursuant to subsection 4 shall be equal to a withholding

target amount of \$9,418,362. If the department of human services determines that the amount to be withheld in accordance with subsection 4 is not equal to the target withholding amount, the department shall adjust the withholding factors listed in subsection 4 as necessary to achieve the withholding target amount. However, in making such adjustments to the withholding factors, the department shall strive to minimize changes to the withholding factors for those ending balance percentage ranges that are lower than others and shall not adjust the zero withholding factor or the inflation adjustment percentage specified in subsection 4, paragraph "a".

NEW SUBSECTION. 6. Each county shall submit a report to the Iowa state association of counties to be shared with the legislative services agency on or before January 31, 2005, regarding the unaudited expenditures from the county's mental health, mental retardation, and developmental disabilities services fund.

**DIVISION VIII
JUDICIAL BRANCH**

Sec. 176. JUDICIAL BRANCH. There is appropriated from the general fund of the state to the judicial branch for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries of supreme court justices, appellate court judges, district court judges, district associate judges, judicial magistrates and staff, state court administrator, clerk of the supreme court, district court administrators, clerks of the district court, juvenile court officers, board of law examiners and board of examiners of shorthand reporters and judicial qualifications commission, receipt and disbursement of child support payments, reimbursement of the auditor of state for expenses incurred in completing audits of the offices of the clerks of the district court during the fiscal year beginning July 1, 2004, and maintenance, equipment, and miscellaneous purposes:

..... \$117,837,862

1. The judicial branch, except for purposes of internal processing, shall use the current state budget system, the state payroll system, and the Iowa finance and accounting system in administration of programs and payments for services, and shall not duplicate the state payroll, accounting, and budgeting systems.

2. The judicial branch shall submit monthly financial statements to the legislative services agency and the department of management containing all appropriated accounts in the same manner as provided in the monthly financial status reports and personal services usage reports of the department of administrative services. The monthly financial statements shall include a comparison of the dollars and percentage spent of budgeted versus actual revenues and expenditures on a cumulative basis for full-time equivalent positions and dollars.

3. The judicial branch shall focus efforts upon the collection of delinquent fines, penalties, court costs, fees, surcharges, or similar amounts.

4. It is the intent of the general assembly that the offices of the clerks of the district court operate in all ninety-nine counties and be accessible to the public as much as is reasonably possible in order to address the relative needs of the citizens of each county.

5. The judicial branch shall study the best practices and efficiencies of each judicial district. In identifying the most efficient judicial districts and the districts using best practices, the judicial branch shall consider the average cost to the judicial branch for processing each classification of criminal offense or civil action and the overall number of cases filed. The judicial branch shall file a report regarding the study made and actions taken pursuant to this subsection with the cochairpersons and ranking members of the joint appropriations subcommittee on the justice system and to the legislative services agency by December 15, 2004.

6. In addition to the requirements for transfers under section 8.39, the judicial branch shall not change the appropriations from the amounts appropriated to the judicial branch in this division of this Act, unless notice of the revisions is given prior to their effective date to the legislative services agency. The notice shall include information on the branch's rationale for making the changes and details concerning the workload and performance measures upon which the changes are based.

7. The judicial branch shall submit a semiannual update to the legislative services agency specifying the amounts of fines, surcharges, and court costs collected using the Iowa court information system since the last report. The judicial branch shall continue to facilitate the sharing of vital sentencing and other information with other state departments and governmental agencies involved in the criminal justice system through the Iowa court information system.

8. The judicial branch shall provide a report to the general assembly by January 1, 2005, concerning the amounts received and expended from the enhanced court collections fund created in section 602.1304 and the court technology and modernization fund created in section 602.8108, subsection 5, during the fiscal year beginning July 1, 2003, and ending June 30, 2004, and the plans for expenditures from each fund during the fiscal year beginning July 1, 2004, and ending June 30, 2005. A copy of the report shall be provided to the legislative services agency.

Sec. 177. JUDICIAL RETIREMENT FUND. There is appropriated from the general fund of the state to the judicial retirement fund for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

Notwithstanding section 602.9104, for the state's contribution to the judicial retirement fund in the amount of 9.71 percent of the basic salaries of the judges covered under chapter 602, article 9:

..... \$ 2,039,664

Sec. 178. APPOINTMENT OF CLERK OF COURT. The appointment of a clerk of the district court shall not occur unless the state court administrator approves the appointment.

Sec. 179. POSTING OF REPORTS IN ELECTRONIC FORMAT -- LEGISLATIVE SERVICES AGENCY. All reports or copies of reports required to be provided by the judicial branch for fiscal year 2004-2005 to the legislative services agency shall be provided in an electronic format. The legislative services agency shall post the reports on its internet site and shall notify by electronic means all the members of the joint appropriations subcommittee on the justice system when a report is posted. Upon request, copies of the reports may be mailed to members of the joint appropriations subcommittee on the justice system.

DIVISION IX
JUSTICE SYSTEM

Sec. 180. DEPARTMENT OF JUSTICE.

1. There is appropriated from the general fund of the state to the department of justice for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. For the general office of attorney general for salaries, support, maintenance, miscellaneous purposes including the prosecuting attorneys training program, victim assistance grants, office of drug control policy (ODCP) prosecuting attorney program, legal services for persons in poverty grants as provided in section 13.34, odometer fraud enforcement, and for not more than the following full-time equivalent positions:

..... \$ 7,565,245
..... FTEs 208.50

It is the intent of the general assembly that as a condition of receiving the appropriation provided in this lettered paragraph, the department of justice shall maintain a record of the estimated time incurred representing each agency or department.

b. For victim assistance grants:

..... \$ 5,000

The funds appropriated in this lettered paragraph shall be used to provide grants to care providers providing services to crime victims of domestic abuse or to crime victims of rape and sexual assault.

2. In addition to the funds appropriated in subsection 1, there is appropriated from the general fund of the state to the department of justice for the fiscal year beginning July 1, 2004, and ending June 30, 2005, an amount not exceeding \$200,000 to be used for the enforcement of the Iowa competition law. The funds appropriated in this subsection are contingent upon receipt by the general fund of the state of an amount at least equal to the expenditure amount from either damages awarded to the state or a political subdivision of the state by a civil judgment under chapter 553, if the judgment authorizes the use of the award for enforcement purposes or costs or attorneys fees awarded the state in state or federal antitrust actions. However, if the amounts received as a result of these judgments are in excess of \$200,000, the excess amounts shall not be appropriated to the department of justice pursuant to this subsection. The department of justice shall report the department's actual costs and an estimate of the time incurred enforcing the competition law, to the cochairpersons and ranking members of the joint appropriations subcommittee on the justice system, and to the legislative services agency by November 15, 2004.

3. In addition to the funds appropriated in subsection 1, there is appropriated from the general fund of the state to the department of justice for the fiscal year beginning July 1, 2004, and ending June 30, 2005, an amount not exceeding \$1,125,000 to be used for public education relating to consumer fraud and for enforcement of section 714.16, and an amount not exceeding \$75,000 for investigation, prosecution, and consumer education relating to consumer and criminal fraud against older Iowans. The funds appropriated in this subsection are contingent upon receipt by the general fund of the state of an amount at least equal to the expenditure

amount from damages awarded to the state or a political subdivision of the state by a civil consumer fraud judgment or settlement, if the judgment or settlement authorizes the use of the award for public education on consumer fraud. However, if the funds received as a result of these judgments and settlements are in excess of \$1,200,000, the excess funds shall not be appropriated to the department of justice pursuant to this subsection. The department of justice shall report to the cochairpersons and ranking members of the joint appropriations subcommittee on the justice system, and to the legislative services agency by November 15, 2004, the department's actual costs and an estimate of the time incurred in providing education pursuant to and enforcing this subsection.

4. The balance of the victim compensation fund established in section 915.94 may be used to provide salary and support of not more than 20.00 FTEs and to provide maintenance for the victim compensation functions of the department of justice.

5. a. The department of justice, in submitting budget estimates for the fiscal year commencing July 1, 2005, pursuant to section 8.23, shall include a report of funding from sources other than amounts appropriated directly from the general fund of the state to the department of justice or to the office of consumer advocate. These funding sources shall include, but are not limited to, reimbursements from other state agencies, commissions, boards, or similar entities, and reimbursements from special funds or internal accounts within the department of justice. The department of justice shall report actual reimbursements for the fiscal year commencing July 1, 2003, and actual and expected reimbursements for the fiscal year commencing July 1, 2004.

b. The department of justice shall include the report required under paragraph "a", as well as information regarding any revisions occurring as a result of reimbursements actually received or expected at a later date, in a report to the cochairpersons and ranking members of the joint appropriations subcommittee on the justice system and the legislative

services agency. The department of justice shall submit the report on or before January 15, 2005.

Sec. 181. DEPARTMENT OF JUSTICE -- ENVIRONMENTAL CRIMES INVESTIGATION AND PROSECUTION -- FUNDING. There is appropriated from the environmental crime fund of the department of justice, consisting of court-ordered fines and penalties awarded to the department arising out of the prosecution of environmental crimes, to the department of justice for the fiscal year beginning July 1, 2004, and ending June 30, 2005, an amount not exceeding \$20,000 to be used by the department, at the discretion of the attorney general, for the investigation and prosecution of environmental crimes, including the reimbursement of expenses incurred by county, municipal, and other local governmental agencies cooperating with the department in the investigation and prosecution of environmental crimes.

The funds appropriated in this section are contingent upon receipt by the environmental crime fund of the department of justice of an amount at least equal to the appropriations made in this section and received from contributions, court-ordered restitution as part of judgments in criminal cases, and consent decrees entered into as part of civil or regulatory enforcement actions. However, if the funds received during the fiscal year are in excess of \$20,000, the excess funds shall be deposited in the general fund of the state.

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

Sec. 182. OFFICE OF CONSUMER ADVOCATE. There is appropriated from the general fund of the state to the office of consumer advocate of the department of justice for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 2,803,862
 FTEs 27.00

Sec. 183. DEPARTMENT OF CORRECTIONS -- FACILITIES.

1. There is appropriated from the general fund of the state to the department of corrections for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

For the operation of adult correctional institutions, reimbursement of counties for certain confinement costs, and federal prison reimbursement, to be allocated as follows:

a. For the operation of the Fort Madison correctional facility, including salaries, support, maintenance, and miscellaneous purposes:

..... \$ 38,009,504

b. For the operation of the Anamosa correctional facility, including salaries, support, maintenance, and miscellaneous purposes:

..... \$ 26,913,551

Moneys are provided within this appropriation for one full-time substance abuse counselor for the Luster Heights facility, for the purpose of certification of a substance abuse program at that facility.

c. For the operation of the Oakdale correctional facility, including salaries, support, maintenance, and miscellaneous purposes:

..... \$ 23,536,936

d. For the operation of the Newton correctional facility, including salaries, support, maintenance, and miscellaneous purposes:

..... \$ 24,533,794

e. For the operation of the Mt. Pleasant correctional facility, including salaries, support, maintenance, and miscellaneous purposes:

..... \$ 22,464,361

f. For the operation of the Rockwell City correctional facility, including salaries, support, maintenance, and miscellaneous purposes:

..... \$ 7,772,369

g. For the operation of the Clarinda correctional facility, including salaries, support, maintenance, and miscellaneous purposes:

..... \$ 22,518,204

Moneys received by the department of corrections as reimbursement for services provided to the Clarinda youth corporation are appropriated to the department and shall be used for the purpose of operating the Clarinda correctional facility.

h. For the operation of the Mitchellville correctional facility, including salaries, support, maintenance, and miscellaneous purposes:

..... \$ 13,190,260

i. For the operation of the Fort Dodge correctional facility, including salaries, support, maintenance, and miscellaneous purposes:

..... \$ 25,880,530

j. For reimbursement of counties for temporary confinement of work release and parole violators, as provided in sections 901.7, 904.908, and 906.17 and for offenders confined pursuant to section 904.513:

..... \$ 674,954

k. For federal prison reimbursement, reimbursements for out-of-state placements, and miscellaneous contracts:

..... \$ 241,293

The department of corrections shall use funds appropriated in this subsection to continue to contract for the services of a Muslim imam.

Sec. 184. DEPARTMENT OF CORRECTIONS -- ADMINISTRATION.

1. There is appropriated from the general fund of the state to the department of corrections for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the

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

a. For general administration, including salaries, support, maintenance, employment of an education director to administer a centralized education program for the correctional system, and miscellaneous purposes:

..... \$ 2,784,393

(1) It is the intent of the general assembly that as a condition of receiving the appropriation provided in this lettered paragraph, the department of corrections shall not, except as otherwise provided in subparagraph (3), enter into a new contract, unless the contract is a renewal of an existing contract, for the expenditure of moneys in excess of \$100,000 during the fiscal year beginning July 1, 2004, for the privatization of services performed by the department using state employees as of July 1, 2004, or for the privatization of new services by the department, without prior consultation with any applicable state employee organization affected by the proposed new contract and prior notification of the cochairpersons and ranking members of the joint appropriations subcommittee on the justice system.

(2) It is the intent of the general assembly that each lease negotiated by the department of corrections with a private corporation for the purpose of providing private industry employment of inmates in a correctional institution shall prohibit the private corporation from utilizing inmate labor for partisan political purposes for any person seeking election to public office in this state and that a violation of this requirement shall result in a termination of the lease agreement.

(3) It is the intent of the general assembly that as a condition of receiving the appropriation provided in this lettered paragraph, the department of corrections shall not enter into a lease or contractual agreement pursuant to section 904.809 with a private corporation for the use of building space for the purpose of providing inmate employment without providing that the terms of the lease or contract

establish safeguards to restrict, to the greatest extent feasible, access by inmates working for the private corporation to personal identifying information of citizens.

b. For educational programs for inmates at state penal institutions:

..... \$ 1,008,358

It is the intent of the general assembly that moneys appropriated in this lettered paragraph shall be used solely for the purpose indicated and that the moneys shall not be transferred for any other purpose. In addition, it is the intent of the general assembly that the department shall consult with the community colleges in the areas in which the institutions are located to utilize moneys appropriated in this lettered paragraph to fund the high school completion, high school equivalency diploma, adult literacy, and adult basic education programs in a manner so as to maintain these programs at the institutions.

To maximize the funding for educational programs, the department shall establish guidelines and procedures to prioritize the availability of educational and vocational training for inmates based upon the goal of facilitating an inmate's successful release from the correctional institution.

The director of the department of corrections may transfer moneys from Iowa prison industries for use in educational programs for inmates.

Notwithstanding section 8.33, moneys appropriated in this lettered paragraph that remain unobligated or unexpended at the close of the fiscal year shall not revert but shall remain available for expenditure only for the purpose designated in this lettered paragraph until the close of the succeeding fiscal year.

c. For the development of the Iowa corrections offender network (ICON) data system:

..... \$ 427,700

2. It is the intent of the general assembly that the department of corrections shall continue to operate the correctional farms under the control of the department at the

same or greater level of participation and involvement as existed as of January 1, 2004, shall not enter into any rental agreement or contract concerning any farmland under the control of the department that is not subject to a rental agreement or contract as of January 1, 2004, without prior legislative approval, and shall further attempt to provide job opportunities at the farms for inmates. The department shall attempt to provide job opportunities at the farms for inmates by encouraging labor-intensive farming or gardening where appropriate, using inmates to grow produce and meat for institutional consumption, researching the possibility of instituting food canning and cook-and-chill operations, and exploring opportunities for organic farming and gardening, livestock ventures, horticulture, and specialized crops.

3. The department shall work to increase produce gardening by inmates under the control of the correctional institutions, and, if appropriate, may use the central distribution network at the Woodward state resource center. The department shall file a report with the cochairpersons and ranking members of the joint appropriations subcommittee on the justice system by December 1, 2004, regarding the feasibility of expanding the number of acres devoted to organic gardening and to the growing of organic produce for sale.

4. The department of corrections shall submit a report to the general assembly by January 1, 2005, concerning moneys recouped from inmate earnings for the reimbursement of operational expenses of the applicable facility during the fiscal year beginning July 1, 2003, for each correctional institution and judicial district department of correctional services. In addition, each correctional institution and judicial district department of correctional services shall continue to submit a report to the legislative services agency on a monthly basis concerning moneys recouped from inmate earnings pursuant to sections 904.702, 904.809, and 905.14.

5. The department of corrections, in consultation with the board of parole, shall study the feasibility of establishing a mentoring program using unpaid volunteers to mentor persons

who are on probation or parole. The department of corrections shall file a report regarding the study with the cochairpersons and ranking members of the joint appropriations subcommittee on the justice system, and the legislative services agency by December 15, 2004. The report shall detail the feasibility of establishing such a mentoring program.

Sec. 185. JUDICIAL DISTRICT DEPARTMENTS OF CORRECTIONAL SERVICES.

1. There is appropriated from the general fund of the state to the department of corrections for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be allocated as follows:

a. For the first judicial district department of correctional services, including the treatment and supervision of probation and parole violators who have been released from the department of corrections violator program, the following amount, or so much thereof as is necessary:
..... \$ 10,090,207

b. For the second judicial district department of correctional services, including the treatment and supervision of probation and parole violators who have been released from the department of corrections violator program, the following amount, or so much thereof as is necessary:
..... \$ 7,755,402

c. For the third judicial district department of correctional services, including the treatment and supervision of probation and parole violators who have been released from the department of corrections violator program, the following amount, or so much thereof as is necessary:
..... \$ 4,631,423

d. For the fourth judicial district department of correctional services, including the treatment and supervision of probation and parole violators who have been released from the department of corrections violator program, the following amount, or so much thereof as is necessary:
..... \$ 4,248,965

e. For the fifth judicial district department of correctional services, including the treatment and supervision of probation and parole violators who have been released from the department of corrections violator program, the following amount, or so much thereof as is necessary:
..... \$ 12,982,837

f. For the sixth judicial district department of correctional services, including the treatment and supervision of probation and parole violators who have been released from the department of corrections violator program, the following amount, or so much thereof as is necessary:
..... \$ 10,064,717

g. For the seventh judicial district department of correctional services, including the treatment and supervision of probation and parole violators who have been released from the department of corrections violator program, the following amount, or so much thereof as is necessary:
..... \$ 5,677,314

h. For the eighth judicial district department of correctional services, including the treatment and supervision of probation and parole violators who have been released from the department of corrections violator program, the following amount, or so much thereof as is necessary:
..... \$ 5,574,865

2. Each judicial district department of correctional services, within the funding available, shall continue programs and plans established within that district to provide for intensive supervision, sex offender treatment, diversion of low-risk offenders to the least restrictive sanction available, job development, and expanded use of intermediate criminal sanctions.

3. Each judicial district department of correctional services shall provide alternatives to prison consistent with chapter 901B. The alternatives to prison shall ensure public safety while providing maximum rehabilitation to the offender. A judicial district department may also establish a day program.

4. The governor's office of drug control policy shall consider federal grants made to the department of corrections for the benefit of each of the eight judicial district departments of correctional services as local government grants, as defined pursuant to federal regulations.

Sec. 186. INTENT -- REPORTS.

1. The department of corrections shall submit a report on inmate labor to the general assembly, to the cochairpersons and the ranking members of the joint appropriations subcommittee on the justice system, and to the legislative services agency by January 15, 2005. The report shall specifically address the progress the department has made in implementing the requirements of section 904.701, inmate labor on capital improvement projects, community work crews, inmate produce gardening, and private-sector employment.

2. The department in cooperation with townships, the Iowa cemetery associations, and other nonprofit or governmental entities may use inmate labor to restore or preserve rural cemeteries and historical landmarks. The department in cooperation with the counties may also use inmate labor to clean up roads, major water sources, and other water sources around the state. Any governmental entity or nonprofit agency using inmate labor pursuant to this subsection shall be immune from civil or employer liability.

3. The department shall provide a report that details the inmate capacity for each county jail, detention facility, or municipal jail. The report shall also include population data of the jails and detention facilities, and options for integrating jails and detention facilities into the department of corrections. The department shall file the report with the cochairpersons and ranking members of the joint appropriations subcommittee on the justice system and the legislative services agency by December 15 of each year. The department shall also coordinate and provide information to the counties regarding available inmate bed space in each county jail, detention facility, or municipal jail.

4. Each month the department shall provide a status report regarding private-sector employment to the legislative services agency beginning on July 1, 2004. The report shall include the number of offenders employed in the private sector, the combined number of hours worked by the offenders, and the total amount of allowances, and the distribution of allowances pursuant to section 904.702, including any moneys deposited in the general fund of the state.

Sec. 187. STATE AGENCY PURCHASES FROM PRISON INDUSTRIES.

1. As used in this section, unless the context otherwise requires, "state agency" means the government of the state of Iowa, including but not limited to all executive branch departments, agencies, boards, bureaus, and commissions, the judicial branch, the general assembly and all legislative agencies, institutions within the purview of the state board of regents, and any corporation whose primary function is to act as an instrumentality of the state.

2. State agencies are hereby encouraged to purchase products from Iowa state industries, as defined in section 904.802, when purchases are required and the products are available from Iowa state industries. State agencies shall obtain bids from Iowa state industries for purchases of office furniture exceeding \$5,000 or in accordance with applicable administrative rules related to purchases for the agency.

Sec. 188. STATE PUBLIC DEFENDER. There is appropriated from the general fund of the state to the office of the state public defender of the department of inspections and appeals for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be allocated as follows for the purposes designated:

- 1. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
- | | |
|------------|---------------|
| ..... | \$ 16,663,446 |
| FTES | 202.00 |

2. For the fees of court-appointed attorneys for indigent adults and juveniles, in accordance with section 232.141 and chapter 815:

..... \$ 19,355,297

Sec. 189. IOWA LAW ENFORCEMENT ACADEMY.

1. There is appropriated from the general fund of the state to the Iowa law enforcement academy for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 1,066,890
..... FTEs 30.05

It is the intent of the general assembly that the Iowa law enforcement academy may provide training of state and local law enforcement personnel concerning the recognition of and response to persons with Alzheimer's disease.

2. The Iowa law enforcement academy may select at least five automobiles of the department of public safety, division of the Iowa state patrol, prior to turning over the automobiles to the department of administrative services to be disposed of by public auction and the Iowa law enforcement academy may exchange any automobile owned by the academy for each automobile selected if the selected automobile is used in training law enforcement officers at the academy. However, any automobile exchanged by the academy shall be substituted for the selected vehicle of the department of public safety and sold by public auction with the receipts being deposited in the depreciation fund to the credit of the department of public safety, division of the Iowa state patrol.

Sec. 190. BOARD OF PAROLE. There is appropriated from the general fund of the state to the board of parole for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 1,067,910
..... FTEs 16.50

Sec. 191. DEPARTMENT OF PUBLIC DEFENSE. There is appropriated from the general fund of the state to the department of public defense for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. MILITARY DIVISION

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

..... \$ 5,084,143
..... FTEs 310.80

If there is a surplus in the general fund of the state for the fiscal year ending June 30, 2005, within 60 days after the close of the fiscal year, the military division may incur up to an additional \$500,000 in expenditures from the surplus prior to transfer of the surplus pursuant to section 8.57.

2. HOMELAND SECURITY AND EMERGENCY MANAGEMENT DIVISION

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

..... \$ 1,123,400
..... FTEs 25.25

Sec. 192. DEPARTMENT OF PUBLIC SAFETY. There is appropriated from the general fund of the state to the department of public safety for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the department's administrative functions, including the criminal justice information system, and for not more than the following full-time equivalent positions:

..... \$ 2,654,732
 FTEs 37.00

2. For the division of criminal investigation and bureau of identification, including the state's contribution to the peace officers' retirement, accident, and disability system provided in chapter 97A in the amount of 17 percent of the salaries for which the funds are appropriated, to meet federal fund matching requirements, and for not more than the following full-time equivalent positions:

..... \$ 14,058,510
 FTEs 221.50

The department of public safety, with the approval of the department of management, may employ no more than two special agents and four gaming enforcement officers for each additional riverboat regulated after July 1, 2004, and one special agent for each racing facility which becomes operational during the fiscal year which begins July 1, 2004. One additional gaming enforcement officer, up to a total of four per riverboat, may be employed for each riverboat that has extended operations to 24 hours and has not previously operated with a 24-hour schedule. Positions authorized in this paragraph are in addition to the full-time equivalent positions otherwise authorized in this subsection.

3. a. For the division of narcotics enforcement, including the state's contribution to the peace officers' retirement, accident, and disability system provided in chapter 97A in the amount of 17 percent of the salaries for which the funds are appropriated, to meet federal fund matching requirements, and for not more than the following full-time equivalent positions:

..... \$ 3,930,089
 FTEs 59.00

b. For the division of narcotics enforcement for undercover purchases:

..... \$ 123,343

4. a. For the state fire marshal's office, including the state's contribution to the peace officers' retirement,

accident, and disability system provided in chapter 97A in the amount of 17 percent of the salaries for which the funds are appropriated, and for not more than the following full-time equivalent positions:

..... \$ 2,181,998
 FTEs 39.00

b. For the state fire marshal's office, for fire protection services as provided through the state fire service and emergency response council as created in the department, and for not more than the following full-time equivalent positions:

..... \$ 638,021
 FTEs 12.00

5. For the division of the Iowa state patrol of the department of public safety, for salaries, support, maintenance, workers' compensation costs, and miscellaneous purposes, including the state's contribution to the peace officers' retirement, accident, and disability system provided in chapter 97A in the amount of 17 percent of the salaries for which the funds are appropriated, and for not more than the following full-time equivalent positions:

..... \$ 42,517,133
 FTEs 536.00

It is the intent of the general assembly that members of the Iowa state patrol be assigned to patrol the highways and roads in lieu of assignments for inspecting school buses for the school districts.

It is the intent of the general assembly that approximately one-half of the members of the Iowa state patrol assigned to District 16 be reassigned to patrol duties on the highways and roads, and that candidates from the department of public safety's training school fill vacant positions at District 16 due to the reassignment.

In addition to the amount appropriated in this subsection, there is transferred from the moneys credited during the fiscal year beginning July 1, 2004, to the depreciation fund maintained by the department of administrative services

pursuant to section 8A.365, for purposes of the motor pool, to the vehicle depreciation account maintained by the department of public safety for vehicles utilized by the division of the Iowa state patrol. During the fiscal year the department of administrative services shall credit to the depreciation fund at least \$475,000 for purposes of the motor pool. The moneys shall be transferred to the department of public safety on a monthly basis. Moneys transferred pursuant to this paragraph are appropriated to the department of public safety for purposes of vehicle replacement for the division of the Iowa state patrol. Notwithstanding section 8.33, moneys transferred in this paragraph that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure from the department of public safety's vehicle depreciation account for the purposes designated until the close of the fiscal year that begins July 1, 2005.

6. For deposit in the public safety law enforcement sick leave benefits fund established under section 80.42, for all departmental employees eligible to receive benefits for accrued sick leave under the collective bargaining agreement:
 \$ 316,179

An employee of the department of public safety who retires after July 1, 2004, but prior to June 30, 2005, is eligible for payment of life or health insurance premiums as provided for in the collective bargaining agreement covering the public safety bargaining unit at the time of retirement if that employee previously served in a position which would have been covered by the agreement. The employee shall be given credit for the service in that prior position as though it were covered by that agreement. The provisions of this subsection shall not operate to reduce any retirement benefits an employee may have earned under other collective bargaining agreements or retirement programs.

7. For costs associated with the training and equipment needs of volunteer fire fighters and for not more than the following full-time equivalent position:

..... \$ 559,587
 FTEs 1.00

Notwithstanding section 8.33, moneys appropriated in this subsection that remain unobligated or unexpended at the close of the fiscal year shall not revert but shall remain available for expenditure only for the purpose designated in this subsection until the close of the succeeding fiscal year.

Sec. 193. CIVIL RIGHTS COMMISSION. There is appropriated from the general fund of the state to the Iowa state civil rights commission for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:
 \$ 825,752
 FTEs 28.00

The Iowa state civil rights commission may enter into a contract with a nonprofit organization to provide legal assistance to resolve civil rights complaints.

Sec. 194. Section 8D.9, Code Supplement 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 4. A community college receiving federal funding to conduct first responder training and testing regarding homeland security first responder communication and technology-related research and development projects shall be authorized to utilize the network for testing purposes.

Sec. 195. Section 13B.4, subsection 2, Code Supplement 2003, as amended by 2004 Iowa Acts, House File 2138, section 1, if enacted, is amended to read as follows:

2. The state public defender shall file a notice with the clerk of the district court in each county served by a public defender designating which public defender office shall receive notice of appointment of cases. The state public defender may also designate a nonprofit organization which contracts has a contract with the state public defender to

provide legal services to eligible indigent persons prior to July 1, 2004. Except as otherwise provided, in each county in which the state public defender files a designation, the state public defender's designee shall be appointed by the court to represent all eligible indigents, in all of the cases and proceedings specified in the designation. The appointment shall not be made if the state public defender notifies the court that the public defender designee will not provide legal representation in certain cases as identified in the designation by the state public defender.

Sec. 196. Section 85.66, Code 2003, is amended to read as follows:

85.66 SECOND INJURY FUND -- CREATION -- CUSTODIAN.

The "Second Injury Fund" is hereby established under the custody of the treasurer of state and shall consist of payments to the fund as provided by this division and any accumulated interest and earnings on moneys in the second injury fund. The treasurer of state is charged with the conservation of the assets of the second injury fund. Moneys collected in the "Second Injury Fund" shall be disbursed only for the purposes stated in this division, and shall not at any time be appropriated or diverted to any other use or purpose. The treasurer of state shall invest any surplus moneys of the fund in securities which constitute legal investments for state funds under the laws of this state, and may sell any of the securities in which the fund is invested, if necessary, for the proper administration or in the best interests of the fund. Disbursements from the fund shall be paid by the treasurer of state only upon the written order of the workers' compensation commissioner. The attorney general shall be reimbursed up to fifty thousand dollars annually from the fund for services provided related to the fund. The treasurer of state shall quarterly prepare a statement of the fund, setting forth the balance of moneys in the fund, the income of the fund, specifying the source of all income, the payments out of the fund, specifying the various items of payments, and setting forth the balance of the fund remaining to its credit.

The statement shall be open to public inspection in the office of the treasurer of state.

Sec. 197. Section 85.67, Code 2003, is amended to read as follows:

85.67 ADMINISTRATION OF FUND -- SPECIAL COUNSEL -- PAYMENT OF AWARD.

The attorney general shall appoint a staff member to represent the treasurer of state and the fund in all proceedings and matters arising under this division. The attorney general shall be reimbursed up to fifty thousand dollars annually from the fund for services provided related to the fund. The commissioner of insurance shall consider the reimbursement to the attorney general as an outstanding liability when making a determination of funding availability under section 85.65A, subsection 2. In making an award under this division, the workers' compensation commissioner shall specifically find the amount the injured employee shall be paid weekly, the number of weeks of compensation which shall be paid by the employer, the date upon which payments out of the fund shall begin, and, if possible, the length of time the payments shall continue.

Sec. 198. NEW SECTION. 564.9 DEPARTMENT OF NATURAL RESOURCES -- ACCESS.

1. The department of natural resources shall grant the owner of a parcel of land access to a public road if any of the following applies:
 - a. It is otherwise impossible for the owner to access the public road because the parcel is surrounded by land held by the department.
 - b. The parcel is otherwise surrounded by land with a topography that makes access unreasonable.
 - c. Access by another way would cause degradation or destroy the integrity of the land.
2. The department may grant access to the owner by the sale, exchange, or other transfer of land or by the grant of an easement.

3. A person entitled to access as provided in this section may construct a road for automobile traffic from the parcel to the public road. The owner shall be responsible for constructing and maintaining any private road from the parcel to the public road which shall not be more than twenty feet in width unless otherwise agreed to by the parties.

Sec. 199. Section 602.8107, subsection 4, unnumbered paragraph 1, Code Supplement 2003, is amended to read as follows:

All fines, penalties, court costs, fees, surcharges, and restitution for court-appointed attorney fees or for expenses of a public defender which are deemed delinquent by the clerk pursuant to subsection 3 may be collected by the county attorney or the county attorney's designee. Thirty-five percent of the amounts collected by the county attorney or the person procured or designated by the county attorney shall be deposited in the general fund of the county if the county attorney has filed the notice required in section 331.756, subsection 5, unless the county attorney has discontinued collection efforts on a particular delinquent amount. The Up to one million two hundred thousand dollars of the remainder shall be paid each fiscal year to the clerk clerks for distribution under section 602.8108. If the threshold amount of one million two hundred thousand dollars has been distributed under section 602.8108, the remainder shall be distributed as provided in subsection 4A. The state court administrator shall notify the clerks that the threshold amount has been distributed under section 602.8108, and that the distribution of any additional moneys collected by the county attorney shall be as provided in subsection 4A.

Sec. 200. Section 602.8107, Code Supplement 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 4A. After the threshold amount has been distributed under section 602.8108 as provided in subsection 4, thirty-five percent of any additional moneys collected by the county attorney or the person procured or designated by the county attorney shall be deposited in the general fund of

the county, and thirty-three percent of any additional moneys collected by the county attorney or the person procured or designated by the county attorney shall be deposited with the office of the county attorney. The remainder shall be paid to the clerk for distribution under section 602.8108.

Sec. 201. Section 815.9, subsection 1, paragraphs a and b, Code 2003, are amended to read as follows:

a. A person is entitled to an attorney appointed by the court to represent the person if the person has an income level at or below one hundred ~~twenty-five~~ percent of the United States poverty level as defined by the most recently revised poverty income guidelines published by the United States department of health and human services, unless the court determines that the person is able to pay for the cost of an attorney to represent the person on the pending case. In making the determination of a person's ability to pay for the cost of an attorney, the court shall consider not only the person's income, but also the availability of any assets subject to execution, including but not limited to cash, stocks, bonds, and any other property which may be applied to the satisfaction of judgments, and the seriousness of the charge or nature of the case.

b. A person with an income level greater than one hundred ~~twenty-five-percent, but at or below two-hundred~~ percent of the most recently revised poverty income guidelines published by the United States department of health and human services shall not be entitled to an attorney appointed by the court, unless the court makes a written finding that not appointing counsel on the pending case would cause the person substantial hardship. In determining whether substantial hardship would result, the court shall consider not only the person's income, but also the availability of any assets subject to execution, including but not limited to cash, stocks, bonds, and any other property which may be applied to the satisfaction of judgments, and the seriousness of the charge or nature of the case.

Sec. 202. NEW SECTION. 904.118 IOWA CORRECTIONS OFFENDER NETWORK -- FUND.

An Iowa corrections offender network fund is established under the control of the department. All sales, gifts, and donations related to the Iowa offender network data system shall be credited to the fund and the moneys in the fund are appropriated to the department to be used for further development and general maintenance of the Iowa corrections offender network data system. Notwithstanding section 8.33, moneys credited to the fund shall not revert to any other fund. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the fund shall be credited to the fund.

Sec. 203. Section 904.809, subsection 5, paragraph c, Code 2003, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (2A) The department may retain up to fifty percent of any remaining balance after deductions made under subparagraphs (1) and (2) if the remaining balance is from an inmate employed in a new job created on or after July 1, 2004. The funds shall be used to staff supervision costs of private sector employment of inmates at correctional institutions. Funds retained pursuant to this subparagraph shall not be used for administrative costs of the Iowa state industries.

Sec. 204. Section 904.809, subsection 5, paragraph c, subparagraph (3), Code 2003, is amended to read as follows:

(3) Any balance remaining after the deductions made under subparagraphs (1), and (2), and (2A) shall represent the costs of the inmate's incarceration and shall be deposited, ~~effective July 1, 2000,~~ in the general fund of the state.

Sec. 205. Section 907.9, subsections 1, 2, and 4, Code Supplement 2003, are amended to read as follows:

1. At any time that the court determines that the purposes of probation have been fulfilled and the any fees imposed under section sections 815.9 and 905.14 have been paid ~~or on condition that unpaid supervision fees be paid~~, the court may order the discharge of a person from probation.

2. At any time that a probation officer determines that the purposes of probation have been fulfilled and the any fees imposed under section sections 815.9 and 905.14 have been paid ~~or on condition that unpaid supervision fees be paid~~, the officer may order the discharge of a person from probation after approval of the district director and notification of the sentencing court and the county attorney who prosecuted the case.

4. At the expiration of the period of probation and if the fees imposed under section sections 815.9 and 905.14 have been paid or on condition that unpaid supervision fees be paid, the court shall order the discharge of the person from probation, and the court shall forward to the governor a recommendation for or against restoration of citizenship rights to that person. A person who has been discharged from probation shall no longer be held to answer for the person's offense. Upon discharge from probation, if judgment has been deferred under section 907.3, the court's criminal record with reference to the deferred judgment shall be expunged. The record maintained by the state court administrator as required by section 907.4 shall not be expunged. The court's record shall not be expunged in any other circumstances.

Sec. 206. 1998 Iowa Acts, chapter 1101, section 15, subsection 2, as amended by 1999 Iowa Acts, chapter 202, section 25, as amended by 2000 Iowa Acts, chapter 1229, section 25, as amended by 2001 Iowa Acts, chapter 186, section 21, as amended by 2002 Iowa Acts, Second Extraordinary Session, chapter 1003, section 170, and as amended by 2003 Iowa Acts, chapter 174, section 17, is amended to read as follows:

2. a. There is appropriated from surcharge moneys received by the E911 administrator and deposited into the wireless E911 emergency communications fund, for each fiscal year in the fiscal period beginning July 1, 1998, and ending June 30, ~~2004~~ 2005, an amount not to exceed two hundred thousand dollars to be used for the implementation, support, and maintenance of the functions of the E911 administrator.

The amount appropriated in this paragraph includes any amounts necessary to reimburse the division of emergency management of the department of public defense pursuant to paragraph "b".

b. Notwithstanding the distribution formula in section 34A.7A, as enacted in this Act, and prior to any such distribution, of the initial surcharge moneys received by the E911 administrator and deposited into the wireless E911 emergency communications fund, for each fiscal year in the fiscal period beginning July 1, 1998, and ending June 30, 2004 2005, an amount is appropriated to the division of emergency management of the department of public defense as necessary to reimburse the division for amounts expended for the implementation, support, and maintenance of the E911 administrator, including the E911 administrator's salary.

Sec. 207. IOWA LAW ENFORCEMENT ACADEMY -- FEES. Notwithstanding section 80B.11B, the Iowa law enforcement academy may charge more than one-half the cost of providing the basic training course if a majority of the Iowa law enforcement academy council authorizes charging more than one-half of the cost of providing basic training. This section is repealed on June 30, 2005.

Sec. 208. STATE PUBLIC DEFENDER STUDY. The state public defender in consultation with the indigent defense advisory commission, the supreme court, the Iowa state bar association, the Iowa association of criminal defense lawyers, and other interested organizations, shall study cost saving methods that can be implemented to deliver legal representation to indigent defendants in a more efficient manner. The state public defender, in cooperation with the entities consulted with, shall file a report with the general assembly by December 15, 2004. The report shall include recommendations for achieving efficiencies in the delivery of indigent defense services including but not limited to the advisability of the state public defender entering into indigent defense contracts for a predetermined fee in specific types of cases.

Sec. 209. EFFECTIVE DATE. The provisions of this division of this Act amending sections 85.66, 85.67, and 904.118, and

1998 Iowa Acts, chapter 1101, being deemed of immediate importance, take effect upon enactment.

DIVISION X
STANDING APPROPRIATIONS, SALARIES,
AND MISCELLANEOUS PROVISIONS.

Sec. 210. 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, 2004, and ending June 30, 2005, are reduced by the following amount:

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

Sec. 211. Notwithstanding the standing appropriations in the following designated sections for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the amounts appropriated from the general fund of the state pursuant to those sections for the following designated purposes shall not exceed the following amounts:

1. For compensation of officers and enlisted persons and their expenses while on state active duty as authorized in section 29A.27:
..... \$ 421,639

2. For payment for nonpublic school transportation under section 285.2:
..... \$ 7,955,541

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

3. For printing cigarette tax stamps under section 453A.7:
..... \$ 107,304

4. For the state's share of the cost of the peace officers' retirement benefits under section 411.20:
..... \$ 2,745,784

5. For payment of livestock production credit refunds under section 422.121:
..... \$ 1,770,342

- 6. For instructional support state aid under section 257.20:
..... \$ 14,428,271
- 7. For at-risk children programs under section 279.51, subsection 1:
..... \$ 11,271,000
The amount of any reduction in this subsection shall be prorated among the programs specified in section 279.51, subsection 1, paragraphs "a", "b", and "c".
- 8. For paying claims against the state under section 25.2:
..... \$ 4,387,500
- 9. For administration expenses of the state unemployment compensation law under chapter 96:
..... \$ 538,750
- 10. For payment of certain interest costs due the federal government under the federal Cash Management and Improvement Act under section 421.31:
..... \$ 436,250
- 11. For funding the state's deferred compensation program established for state employees under section 509A.12:
..... \$ 55,088
- 12. For the educational excellence program under section 294A.25, subsection 1:
..... \$ 55,469,053

Sec. 212. HELP US STOP HUNGER. There is appropriated from the general fund of the state of the department of natural resources 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 as follows:

To expand the help us stop hunger pilot project:
..... \$ 17,000

Sec. 213. STATE APPEAL BOARD STREAMLINING. For the fiscal year beginning July 1, 2004, the state appeal board may pay out of any moneys in the state treasury not otherwise appropriated for costs associated with streamlining and improving the state appeal board process.

Sec. 214. Section 8.22A, subsection 3, Code Supplement 2003, is amended to read as follows:

3. By December 15 of each fiscal year the conference shall agree to a revenue estimate for the fiscal year beginning the following July 1. That estimate shall be used by the governor in the preparation of the budget message under section 8.22 and by the general assembly in the budget process. If the conference agrees to a different estimate at a later meeting which projects a greater amount of revenue than the initial estimate amount agreed to by December 15, the governor and the general assembly shall continue to use the initial estimate amount in the budget process for that fiscal year. However, if the conference agrees to a different estimate at a later meeting which projects a lesser amount of revenue than the initial estimate amount, the governor and the general assembly shall use the lesser amount in the budget process for that fiscal year. As used in this subsection, "later meeting" means only those later meetings which are held prior to the conclusion of the regular session of the general assembly and, if the general assembly holds an extraordinary session prior to the commencement of the fiscal year to which the estimate applies, those later meetings which are held before or during the extraordinary session.

Sec. 215. Section 8.54, subsection 2, Code 2003, is amended to read as follows:

2. There is created a state general fund expenditure limitation for each fiscal year ~~beginning on or after July 1, 1993,~~ calculated as provided in this section. An expenditure limitation shall be used for the portion of the budget process commencing on the date the revenue estimating conference agrees to a revenue estimate for the following fiscal year in accordance with section 8.22A, subsection 3, and ending with the governor's final approval or disapproval of the appropriations bills applicable to that fiscal year that were passed prior to July 1 of that fiscal year in a regular or extraordinary legislative session.

Sec. 216. Section 8.55, subsection 2, paragraph d, Code Supplement 2003, is amended to read as follows:

d. Notwithstanding paragraph "a", any moneys in excess of the maximum balance in the economic emergency fund after the distribution of the surplus in the general fund of the state at the conclusion of each fiscal year and after the appropriate amounts have been transferred pursuant to paragraphs "b" and "c" shall not be transferred to the general fund of the state but shall be transferred to the endowment for Iowa's health account of the tobacco settlement trust fund. The total amount transferred, in the aggregate, under this paragraph for all fiscal years shall not exceed the difference between one hundred ~~one~~ thirty-one million ~~seven~~ five hundred fifty-one ~~thirty-six~~ thousand dollars and the amounts transferred to the endowment for Iowa's health account to repay the amounts transferred or appropriated from the endowment for Iowa's health account in 2002 Iowa Acts, chapter 1165, 2002 Iowa Acts, chapter 1166, 2002 Iowa Acts, chapter 1167, 2002 Iowa Acts, Second Extraordinary Session, chapter 1003, and 2003 Iowa Acts, chapter 183, and 2004 Iowa Acts, Senate File 2298.

Sec. 217. Section 8.62, Code Supplement 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 4. Notwithstanding any provision of this section and sections 8.33 and 8.39 to the contrary, if a full-time equivalent position budgeted for within an appropriation from the general fund of the state to a department or establishment other than the state board of regents is vacant for all or a portion of the fiscal year, an amount equal to the salary and benefits associated with the time of vacancy of the position shall be considered to be encumbered for the period of the vacancy, shall not be used for any other purpose, and the encumbered amount shall revert to the general fund of the state at the close of the fiscal year.

Sec. 218. Section 10C.5, Code 2003, is amended to read as follows:

10C.5 REPEAL.

Sections 10C.1 through 10C.4 and this section are repealed July 1, ~~2004~~ 2008.

Sec. 219. Section 10C.6, subsection 1, paragraph a, unnumbered paragraph 1, Code 2003, is amended to read as follows:

A life science enterprise may acquire or hold agricultural land, notwithstanding section 10C.5 as that section exists in the ~~2003~~ 2005 Code ~~or-2003-Code-Supplement~~, if all of the following apply:

Sec. 220. Section 10C.6, subsection 1, paragraph a, subparagraphs (1) and (2), Code 2003, are amended to read as follows:

(1) The life science enterprise acquires the agricultural land on or before June 30, ~~2004~~ 2008.

(2) The enterprise acquires or holds the agricultural land pursuant to chapter 10C as that chapter exists in the ~~2003~~ 2005 Code ~~or-2003-Code-Supplement~~.

Sec. 221. Section 28.3, subsection 2, Code 2003, is amended to read as follows:

2. The Iowa board shall consist of ~~seventeen~~ eighteen voting members with thirteen citizen members and ~~four~~ five state agency members. The ~~four~~ five state agency members shall be the directors of the following departments: economic development, education, human rights, human services, and public health. The thirteen citizen members shall be appointed by the governor, subject to confirmation by the senate. The governor's appointments of citizen members shall be made in a manner so that each of the state's congressional districts is represented by two citizen members and so that all the appointments as a whole reflect the ethnic, cultural, social, and economic diversity of the state. The governor's appointees shall be selected from individuals nominated by community empowerment area boards. The nominations shall reflect the range of interests represented on the community boards so that the governor is able to appoint one or more members each for education, health, human services, business, faith, and public interests. At least one of the citizen

members shall be a service consumer or the parent of a service consumer. Terms of office of all citizen members are three years. A vacancy on the board shall be filled in the same manner as the original appointment for the balance of the unexpired term.

Sec. 222. Section 35A.2, Code 2003, is amended to read as follows:

35A.2 COMMISSION OF VETERANS AFFAIRS.

1. A commission of veterans affairs is created consisting of ~~seven~~ nine persons who shall be appointed by the governor, subject to confirmation by the senate. Members shall be appointed to staggered terms of four years beginning and ending as provided in section 69.19. The governor shall fill a vacancy for the unexpired portion of the term.

2. ~~Six~~ Eight commissioners shall be honorably discharged members of the armed forces of the United States. The American legion of Iowa, disabled American veterans department of Iowa, veterans of foreign wars department of Iowa, American veterans of World War II, Korea, and Vietnam, the Vietnam veterans of America, and the military order of the purple heart, through their department commanders, shall submit two names respectively from their organizations to the governor. The adjutant general and the Iowa affiliate of the reserve officers association shall submit names to the governor of persons to represent the Iowa national guard and the association. The governor shall appoint from the group of names submitted by the adjutant general and reserve officers association two representatives and from each of the other organizations one representative to serve as a member of the commission, unless the appointments would conflict with the bipartisan and gender balance provisions of sections 69.16 and 69.16A. In addition, the governor shall appoint one member of the public, knowledgeable in the general field of veterans affairs, to serve on the commission.

Sec. 223. Section 35A.3, Code 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 14. To establish and operate a state veterans cemetery and to make application to the government of the United States or any subdivision, agency, or instrumentality thereof, for funds for the purpose of establishing such a cemetery. The state may enter into agreements with any subdivision of the state for assistance in operating the cemetery. The state shall own the land on which the cemetery is located. The commission shall have the authority to accept federal grant funds, funding from state subdivisions, donations from private sources, and federal "plot allowance" payments. All such funds shall be deposited into an account dedicated to the establishment, operation, and maintenance of a veterans cemetery and these funds shall be expended only for those purposes. The commission through the executive director shall have the authority to accept suitable cemetery land, in accordance with federal veterans cemetery grant guidelines, from the federal government, state government, state subdivisions, private sources, and any other source wishing to transfer land for use as a veterans cemetery.

Sec. 224. Section 35D.13, subsection 2, Code 2003, is amended by striking the subsection and inserting in lieu thereof the following:

2. The commandant shall be a resident of the state of Iowa who served in the armed forces of the United States and was honorably discharged, and is a licensed nursing home administrator.

Sec. 225. Section 85.36, Code 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 5A. In the case of a school district employee who is employed pursuant to a contract for a specific period of time, and whose earnings are paid pursuant to a contract for a different period of time than the period of time during which the services are performed, the employee's weekly earnings shall be based on the period of time for which the earnings are paid rather than on the period of time during which the services are performed.

Sec. 226. Section 135C.31A, Code Supplement 2003, is amended to read as follows:

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

Beginning July 1, 2003, a health care facility receiving reimbursement through the medical assistance program under chapter 249A shall assist the Iowa commission of veterans affairs in identifying, upon admission of a resident, the resident's eligibility for benefits through the federal department of veterans affairs. The health care facility shall also assist the Iowa commission of veterans affairs in determining such eligibility for residents residing in the facility on July 1, 2003. The department of inspections and appeals, in cooperation with the department of human services, shall adopt rules to administer this section, including a provision that ensures that if a resident is eligible for benefits through the federal department of veterans affairs or other third-party payor, the payor of last resort for reimbursement to the health care facility is the medical assistance program. This section shall not apply to the admission of an individual to a state mental health institute for acute psychiatric care or to the admission of an individual to the Iowa veterans home.

Sec. 227. NEW SECTION. 153.40 MOBILE DENTAL DELIVERY SYSTEM.

The Iowa department of public health shall establish and implement a mobile dental delivery system to make available dental supplies, portable dental equipment, and vans to be used in transporting the equipment to provide oral health services to and improve the oral health of low-income persons who live in federal or state-designated health professional shortage areas and have the least access to oral health services. The department shall coordinate the program. Funds available for improving oral health may also be used for loan forgiveness for dental providers or to develop oral health training modules for nursing home staff or other suitable staff who provide oral health services to persons described in this section.

Sec. 228. Section 208.16, subsection 2, Code 2003, is amended to read as follows:

2. The division may establish procedures for transferring the responsibility for reclamation of a mine site to a state agency or political subdivision, or to a private entity, which intends to use the site for other purposes. The division, with agreement from the receiving agency or subdivision, or from a private entity, to complete adequate reclamation, may approve the transfer of responsibility, release the bond or security, and terminate or amend the operator's authorization to conduct mining on the site.

Sec. 229. Section 256.7, Code Supplement 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 26. Adopt rules directing the school districts and area education agencies to submit annually data regarding the salaries and benefits of administrators and from the most recent contract settlement increases for salaries and group health insurance plans provided under collective bargaining agreements negotiated pursuant to chapter 20. The department shall compile the data in a report to be submitted by January 15 of each year to the chairpersons and ranking members of the house and senate standing committees on education and appropriations and of the joint appropriations subcommittee on education.

Sec. 230. Section 256D.3, subsection 3, Code 2003, is amended to read as follows:

3. Beginning January 15, ~~2001~~ 2005, the department shall submit an annual report to the chairpersons and ranking members of the senate and house education committees that includes the statewide average school district class size in basic skills instruction in kindergarten through grade three, by grade level and by district size, and describes school district progress toward achieving early intervention block grant program goals and the ways in which school districts are using moneys received pursuant to section-256B-4 this chapter and expended as provided in section 256D.2.

Sec. 231. Section 256D.4, subsection 2, Code Supplement 2003, is amended to read as follows:

2. Moneys appropriated pursuant to section 256D.5, subsection 3 4, shall be allocated to school districts as follows:

a. Allocation of the sum of twenty nineteen million five hundred thousand dollars shall be based upon the proportion that the kindergarten through grade three enrollment of a district bears to the sum of the kindergarten through grade three enrollments of all school districts in the state as reported for the base year.

b. Allocation of the sum of ten nine million seven hundred fifty thousand dollars shall be based upon the proportion that the number of children who are eligible for free or reduced price meals under the federal National School Lunch Act and the federal Child Nutrition Act of 1966, 42 U.S.C. § 1751-1785, in grades one through three of a school district bears to the sum of the number of children who are eligible for free or reduced price meals under the federal National School Lunch Act and the federal Child Nutrition Act of 1966, 42 U.S.C. § 1751-1785, in grades one through three in all school districts in the state for the base year.

Sec. 232. Section 256D.5, Code Supplement 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 4. For the fiscal year beginning July 1, 2004, and ending June 30, 2005, the sum of twenty-nine million two hundred fifty thousand dollars.

Sec. 233. Section 256D.9, Code Supplement 2003, is amended to read as follows:

256D.9 FUTURE REPEAL.

This chapter is repealed effective July 1, ~~2004~~ 2005.

Sec. 234. Section 257.8, subsection 1, Code Supplement 2003, is amended to read as follows:

1. STATE PERCENT OF GROWTH. ~~The state percent of growth for the budget year beginning July 1, 2003, is two percent.~~ The state percent of growth for the budget year beginning July 1, 2004, is two percent. The state percent of growth for the

budget year beginning July 1, 2005, is four percent. The state percent of growth for each subsequent budget year shall be established by statute which shall be enacted within thirty days of the submission in the year preceding the base year of the governor's budget under section 8.21. The establishment of the state percent of growth for a budget year shall be the only subject matter of the bill which enacts the state percent of growth for a budget year.

Sec. 235. Section 257.14, subsection 3, unnumbered paragraph 1, Code 2003, is amended to read as follows:

For the budget year commencing July 1, 2004, and succeeding budget years, ~~if the department of management determines that the regular program district cost of a school district for a budget year is less than one hundred one percent of the regular program district cost for the base year for that school district,~~ a district shall be eligible for a budget adjustment corresponding to the following schedule:

Sec. 236. Section 257.35, Code Supplement 2003, is amended by adding the following new subsections:

NEW SUBSECTION. 4. Notwithstanding subsection 1, and in addition to the reduction applicable pursuant to subsection 2, the state aid for area education agencies and the portion of the combined district cost calculated for these agencies for the fiscal year beginning July 1, 2004, shall be reduced by the department of management by eleven million seven hundred ninety-eight thousand seven hundred three dollars. The reduction for each area education agency shall be equal to the reduction that the agency received in the fiscal year beginning July 1, 2003.

NEW SUBSECTION. 5. Notwithstanding section 257.37, an area education agency may use the funds determined to be available under this section in a manner which the area education agency determines is appropriate to best maintain the level of required area education agency special education services. An area education agency may also use unreserved fund balances for media services or education services in a manner which the area education agency determines is

appropriate to best maintain the level of required area education agency special education services.

Sec. 237. Section 261.9, subsection 1, unnumbered paragraph 1, Code Supplement 2003, is amended to read as follows:

"Accredited private institution" means an institution of higher learning located in Iowa which is operated privately and not controlled or administered by any state agency or any subdivision of the state, ~~except for county hospitals as provided in paragraph "c" of this subsection,~~ and which meets ~~at least one of the criteria in paragraphs "a" through "c" and "b" and all of the criteria in paragraphs "d" through "g",~~ except that institutions defined in paragraph "c" of this subsection are exempt from the requirements of paragraphs "a" and "b":

Sec. 238. Section 261.9, subsection 1, paragraphs b and c, Code Supplement 2003, are amended by striking the paragraphs and inserting in lieu thereof the following:

b. Is accredited by the north central association of colleges and secondary schools accrediting agency based on their requirements, are exempt from taxation under section 501(c)(3) of the Internal Revenue Code, and annually provide a matching aggregate amount of institutional financial aid equal to at least seventy-five percent of the amount received in a fiscal year by the institution's students for Iowa tuition grant assistance under this chapter. Commencing with the fiscal year beginning July 1, 2005, the matching aggregate amount of institutional financial aid shall increase by the percentage of increase each fiscal year of funds appropriated for Iowa tuition grants under section 261.25, subsection 1, to a maximum match of one hundred percent. The institution shall file annual reports with the commission prior to receipt of tuition grant moneys under this chapter. An institution whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant money in the fiscal year beginning July 1, 2003, shall meet the match requirements of this paragraph no later than June 30, 2005.

c. Is a specialized college that is accredited by the north central association of colleges and secondary schools accrediting agency, and which offers health professional programs that are affiliated with health care systems located in Iowa.

Sec. 239. Section 273.3, Code 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 23. Submit annually to the department of education data regarding the salaries and benefits of administrators and from the most recent contract settlement increases for salaries and group health insurance plans provided under collective bargaining agreements negotiated pursuant to chapter 20.

Sec. 240. Section 279.12, unnumbered paragraph 1, Code Supplement 2003, is amended to read as follows:

The board shall carry into effect any instruction from the regular election upon matters within the control of the voters, and shall elect all teachers and make all contracts necessary or proper for exercising the powers granted and performing the duties required by law, and may establish and pay all or any part thereof from school district funds the cost of group health insurance plans, nonprofit group hospital service plans, nonprofit group medical service plans and group life insurance plans adopted by the board for the benefit of employees of the school district, but the board may authorize any subdirector to employ teachers for the school in the subdirector's subdistrict; but no such employment by a subdirector shall authorize a contract, the entire period of which is wholly beyond the subdirector's term of office. The board shall submit annually to the department of education data regarding the salaries and benefits of administrators and from the most recent contract settlement increases for salaries and group health insurance plans provided under collective bargaining agreements negotiated pursuant to chapter 20.

Sec. 241. Section 280.14, Code Supplement 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 3. The board of directors of each school district shall annually review school district expenditures and identify and examine potential cost savings that can be achieved in the delivery of administrative services and other costs involved in the operation of the school district, including but not limited to health insurance, maintenance of facilities and buses, the acquisition of and distribution of materials and supplies used by the school district, and the delivery of transportation, human resource and financial services, computer support services, and data management. The school district shall consider cost saving partnership opportunities with other school districts, area education agencies, community colleges, libraries, cities, counties, or other public or private entities. The results of the study shall be presented to the public at a regularly scheduled board meeting. The school district shall annually report the cost savings to the department of education in a manner prescribed by the department. The department shall annually compile the information submitted by the school districts in a report which the department shall submit to the general assembly by December 31.

Sec. 242. NEW SECTION. 280A.1 IOWA LEARNING TECHNOLOGY INITIATIVE.

1. INITIATIVE. The Iowa learning technology initiative is created to provide training and learning opportunities to public and accredited nonpublic school students in grade seven and their administrators and teachers.

2. PILOT PROGRAM. The Iowa learning technology commission created in section 280A.2 shall develop and administer the Iowa learning technology initiative, which shall include a pilot program. Upon the receipt or pledge of sufficient moneys, as determined by the commission, for deposit in the Iowa learning technology fund created in section 280A.4, the pilot program shall be implemented. A school district or accredited nonpublic school may submit an application to participate in the pilot program to the commission no later than sixty days following receipt or pledge of moneys into the

Iowa learning technology fund. The application shall include a written statement that indicates a dedicated willingness to participate. School districts or accredited nonpublic schools chosen to participate in the pilot program shall have demonstrated to the commission administrative leadership, teacher willingness to participate, and community support, and shall represent geographically distinct rural, urban, and suburban areas of the state. The commission shall notify applicants of approval or disapproval of applications no later than seventy-five days after the application deadline.

3. PUBLIC-PRIVATE PARTNERSHIP.

a. The Iowa learning technology commission shall, in consultation with the department of education and the department of administrative services, develop and issue no later than forty-five days after the receipt or pledge of moneys into the Iowa learning technology fund, a request for proposals for one or more private providers who shall partner with the state to implement the pilot program phase of the initiative. No later than forty-five days after the issuance of the request for proposals, the commission shall select finalists from among the proposals submitted. No later than forty-five days after the selection of finalists, the commission shall select one or more private providers.

b. One or more private providers shall be selected by the commission through a request for proposals process for a total solutions learning technology package that includes, but is not limited to, hardware, software, professional development, and service and support, which shall be managed by a single point of contact responsible for the overall implementation. The proposal selected by the commission shall achieve significant efficiencies and economies of scale, be interoperable with existing technologies, and be consistent with the state's economic development and education policies. In selecting a private provider, the commission shall consider all of the following with respect to the private provider:

(1) Experience in the development and successful implementation of large-scale, school-based wireless and other

learning technology projects, and the technical ability to deliver a total solutions package of learning technology for elementary and secondary students and teachers.

(2) Demonstrated financial capability and long-term stability to partner with the state over the term of the private provider contract.

(3) Expertise, experience, and capabilities in education practice and evaluation methods.

c. The commission shall conduct, in cooperation with the attorney general, contract negotiations to establish a public-private partnership on behalf of the commission and enter into a contract negotiated with one or more private providers to establish a four-year learning technology pilot program to provide a wireless laptop computer to each student, teacher, and relevant administrator in a participating school and implement the use of software, on-line courses, and other appropriate learning technologies that have been shown to improve academic achievement and specified progress measures. The term of the contract shall include the deployment of computers to students and teachers in participating school districts and accredited nonpublic schools in accordance with subsection 2.

4. EVALUATION. To measure the effectiveness of the pilot program established pursuant to subsection 2, the Iowa learning technology commission shall, at a minimum, establish standards and methods of measuring progress in the areas of increased student engagement, decreased disciplinary problems, increased use of computers for writing, analysis, and research, movement toward student-centered classrooms, increased parental involvement, and increases in standardized test scores. The commission shall work cooperatively with the department of education and the state board of regents in establishing an evaluation process pursuant to this subsection.

Sec. 243. NEW SECTION. 280A.2 COMMISSION -- MEMBERS.

1. COMMISSION CREATED. An Iowa learning technology commission is created to establish the policies and determine

the necessary budget for implementation of the Iowa learning technology initiative.

2. MEMBERS. The commission shall initially be appointed no later than July 1, 2004, and shall consist of eighteen members appointed as follows:

a. Nine voting members who shall be members of the general public and shall be appointed as follows:

(1) Two members shall be appointed by the governor.

(2) Two members shall be appointed by the president of the senate.

(3) One member shall be appointed by the minority leader of the senate.

(4) Two members shall be appointed by the speaker of the house of representatives.

(5) One member shall be appointed by the minority leader of the house of representatives.

(6) One member who is a member of the state board of education shall be appointed by the chairperson of the state board.

b. Nine ex officio, nonvoting members who shall be appointed as follows:

(1) One member representing public postsecondary education institutions who is employed by a public postsecondary education institution shall be appointed by the governor.

(2) Three members representing three different school districts shall be appointed by the governor as follows:

(a) One member shall be a teacher employed by a school district or area education agency who is appointed from a list of three names submitted by a certified employee organization representing teachers licensed under chapter 272.

(b) One member shall be an administrator employed by a school district who is appointed from a list of three names submitted by a statewide organization representing administrators licensed under chapter 272.

(c) One member shall be a member of a board of directors of a school district who is appointed by a statewide organization representing school boards.

(3) One member representing area education agencies shall be appointed by the governor from a list of three names submitted by area education agency administrators.

(4) One member who is a member of the senate shall be appointed by the president of the senate.

(5) One member who is a member of the senate shall be appointed by the minority leader of the senate.

(6) One member who is a member of the house of representatives shall be appointed by the speaker of the house of representatives.

(7) One member who is a member of the house of representatives shall be appointed by the minority leader of the house.

3. EXPERIENCE AND SPECIAL KNOWLEDGE. In appointing members to the commission, proper consideration shall be given to persons with experience or special knowledge in one or more of the following areas: education, business, economic development, technology, and finance.

4. BALANCE. Commission members shall be appointed in compliance with sections 69.16 and 69.16A. Appointments of public members shall be made to provide broad representation of the various geographical areas of the state insofar as possible.

5. CHAIRPERSONS. The commission shall elect a chairperson and a vice chairperson annually from among the voting members of the commission. A member shall not serve as a chairperson or vice chairperson for more than three consecutive years.

6. MEETINGS. The commission shall meet at least three times each year.

7. QUORUM. A majority of the voting members constitutes a quorum for the transaction of any official business.

8. TERMS OF MEMBERS. The members shall be appointed to three-year staggered terms and the terms shall commence and end as provided by section 69.19. If a vacancy occurs, a successor shall be appointed to serve the unexpired term. A successor shall be appointed in the same manner and subject to the same qualifications as the original appointment to serve the unexpired term.

9. EXPENSES. Members of the commission are entitled to receive reimbursement for actual expenses incurred while engaged in the performance of official duties from the Iowa learning technology fund created in section 280A.4, except that legislators' expenses shall be paid from funds appropriated by section 2.12.

Sec. 244. NEW SECTION. 280A.3 COMMISSION PLAN -- GUIDING PRINCIPLES.

1. The Iowa learning technology commission created in section 280A.2 shall develop a learning technology plan to achieve the goal of preparing students for an economy that is increasingly dependent on technology and innovation. The commission shall examine the use of technology in Iowa's and the nation's elementary and secondary classrooms.

2. The plan developed by the commission shall include, but not be limited to, the following:

a. The costs and benefits of each component of the plan.

b. The professional development needed to integrate learning technology into classroom technology.

c. Strategies for implementation of the plan, including, at a minimum, phasing in the plan over a term of years.

d. Strategies that coordinate the learning technology in kindergarten through grade twelve with the initiatives and resources of the department of education, Iowa communications network, area education agencies, higher education institutions providing approved practitioner preparation programs, and other accredited postsecondary institutions in the state.

e. Procedures for data tracking and assessment of the progress in implementing the goals of the initiative and the plan.

f. Strategies to establish a public-private partnership between state government and a private sector business having relevant knowledge and experience.

3. The plan shall be consistent with the following guiding principles:

a. The plan shall promote equal opportunity for and provide meaningful access to wireless and other learning technology resources for all Iowa students regardless of geographic location or economic means.

b. The plan shall support student achievement through the integration of learning technologies that are content-focused and that add value to existing instructional methods.

c. The plan shall provide for the future sustainability of learning technology resources by adapting to future educational needs and technological changes.

d. The plan shall provide professional development and training programs for administrators, teachers and other educators in the use and integration of learning technology tools in curriculum development, instructional methods, and student assessment systems.

e. The plan shall foster economic development across all regions of the state and the preparation of students for an economy that embraces technology and innovation.

4. The plan shall be submitted to the general assembly on or before December 15, 2004.

Sec. 245. NEW SECTION. 280A.4 FUND.

1. An Iowa learning technology fund is created in the state treasury. The fund shall consist of moneys including, but not limited to, moneys in the form of a devise, gift, bequest, donation, federal or other grant, reimbursement, repayment, judgment, transfer, payment, or appropriation from any source intended to be used for the purposes of the fund.

2. Moneys in the fund are appropriated to the Iowa learning technology commission created in section 280A.2 for purposes of an Iowa learning technology initiative created pursuant to section 280A.1. Moneys in the fund shall not be subject to appropriation for any other purpose by the general assembly. However, moneys in the fund may be used for necessary audit services, legal expenses, investment management fees and services, and general administrative expenses related to the management and administration of the Iowa learning technology initiative.

3. Moneys in the fund are not subject to section 8.33. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the fund shall be credited to the fund.

4. The fund shall be administered by the commission, which shall make expenditures from the fund consistent with the purposes of the initiative without further appropriation. The fund shall be administered in a manner that provides for the financially sustainable support, use, and integration of learning technology in Iowa schools through a public-private partnership. Expenditures from the fund shall be made consistent with the purposes of the Iowa learning technology initiative to ensure one-to-one access to and ubiquitous use of fully configured laptop computers in grade seven in public and accredited nonpublic school classrooms located initially in a number of school districts and accredited nonpublic schools in Iowa as determined by the Iowa learning technology commission.

Sec. 246. NEW SECTION. 280A.5 REPEAL.

This chapter is repealed effective July 1, 2009.

Sec. 247. Section 346.27, subsection 10, unnumbered paragraph 1, Code Supplement 2003, is amended to read as follows:

After the incorporation of an authority, and before the sale of any issue of revenue bonds, except refunding bonds, the authority shall call an election to decide the question of whether the authority shall issue and sell revenue bonds. The ballot shall state the amount of the bonds and the purposes for which the authority is incorporated. ~~Registered-voters-of-the-city-and-the-unincorporated-area~~ All registered voters of the county shall be entitled to vote on the question. The question may be submitted at a general election or at a special election. An affirmative vote of a majority of the votes cast on the question is required to authorize the issuance and sale of revenue bonds.

Sec. 248. Section 346.27, subsection 25, unnumbered paragraph 2, Code Supplement 2003, is amended to read as follows:

The question of whether a conveyance shall be made shall be submitted to the registered voters of the city and the unincorporated area of the county. An affirmative vote equal to at least a majority of the total votes cast on the question shall be required to authorize the conveyance. If the question does not carry, the authority shall continue to operate, maintain, and manage the building under a lease arrangement with the incorporating units.

Sec. 249. Section 372.13, subsection 10, Code 2003, is amended to read as follows:

10. A council member, during the term for which that member is elected, is not precluded from holding the office of chief of the volunteer fire department if the fire department serves an area with a population of not more than two thousand, ~~and if no other candidate who is not a city council member is available to hold the office of chief of the volunteer fire department.~~ A person holding the office of chief of such a volunteer fire department at the time of the person's election to the city council may continue to hold the office of chief of the fire department during the city council term for which that person was elected.

Sec. 250. Section 404A.2, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The amount of the credit equals twenty-five percent of the qualified rehabilitation costs made to eligible property. In the case of commercial property, rehabilitation costs must equal at least fifty percent of the assessed value of the property, excluding the land, prior to the rehabilitation. In the case of residential property or barns, the rehabilitation costs must equal at least twenty-five thousand dollars or twenty-five percent of the fair market value, excluding the land, prior to the rehabilitation, whichever is less. In computing the tax credit for eligible property that is classified as residential or as commercial with multifamily residential units, the rehabilitation costs used shall not exceed one hundred thousand dollars per residential unit. In computing the tax credit, the only costs which may be included

are the rehabilitation costs incurred between the period ending on the project completion date and beginning on the ~~later of either the date of issuance of the approval of the project as provided in section 404A.3 or date~~ two years prior to the project completion date, provided that any qualified rehabilitation costs incurred prior to the date of approval of the project as provided in section 404A.3 must be qualified rehabilitation expenditures under the federal rehabilitation credit in section 47 of the Internal Revenue Code.

Sec. 251. Section 422E.1, subsection 2, Code Supplement 2003, is amended to read as follows:

2. The maximum rate of tax shall be one percent. The tax shall be imposed without regard to any other local sales and services tax authorized in chapter 422B, and is repealed at the expiration of a period of ten years of imposition or a shorter period as provided in the ballot proposition unless the period is extended as provided in section 422E.2, subsection 5. However, all local option sales and services taxes for school infrastructure purposes are repealed December 31, 2022.

Sec. 252. Section 422E.2, subsection 4, paragraph a, Code Supplement 2003, is amended to read as follows:

a. Each school district located within the county may submit a revenue purpose statement to the county commissioner of elections no later than sixty days prior to the election indicating the specific purpose or purposes for which the local sales and services tax for school infrastructure revenue and supplemental school infrastructure amount revenue will be expended. The revenues received pursuant to this chapter shall be expended for the purposes indicated in the revenue purpose statement. The revenue purpose statement may include information regarding the school district's use of the revenues to provide for property tax relief or debt reduction. A copy of the revenue purpose statement shall be made available for public inspection in accordance with chapter 22, shall be posted at the appropriate polling places of each school district during the hours that the polls are open, and

be published in a newspaper of general circulation in the school district no sooner than twenty days and no later than ten days prior to the election. Notwithstanding the requirements for a revenue purpose statement in this paragraph, for elections occurring after April 1, 2003, but before August 1, 2003, a revenue purpose statement submitted not later than April 1, 2004, shall be considered to have met the requirements of this paragraph.

Sec. 253. Section 422E.2, subsection 5, paragraphs a and b, Code Supplement 2003, are amended to read as follows:

a. The tax may be repealed, the period of imposition of the tax may be extended for additional periods up to ten years each, or the rate increased, but not above one percent, or decreased, or the use of the revenues changed after an election at which a majority of those voting on the question of repeal, extension, rate change, or change in use favored the repeal, extension, rate change, or change in use. The election at which the question of repeal, extension, rate change, or change in use is offered shall be called and held in the same manner and under the same conditions as provided in this section for the election on the imposition of the tax. However, an election on the change in use shall only be held in the school district where the change in use is proposed to occur. The election may be held at any time but not sooner than sixty days following publication of the ballot proposition. However, the tax shall not be repealed before it has been in effect for one year.

b. Within ten days of the election at which a majority of those voting on the question favors the imposition, repeal, extension, or change in the rate of the tax, the county auditor shall give written notice of the result of the election by sending a copy of the abstract of the votes from the favorable election to the director of revenue. Election costs shall be apportioned among school districts within the county on a pro rata basis in proportion to the number of registered voters in each school district who reside within the county and the total number of registered voters within the county.

Sec. 254. Section 422E.3, subsection 1, Code Supplement 2003, is amended to read as follows:

1. If a majority of those voting on the question of imposition of a local sales and services tax for school infrastructure purposes favors imposition of the tax, the tax shall be imposed by the county board of supervisors within the county pursuant to section 422E.2, at the rate specified for a ten-year-duration the period provided in section 422E.1, subsection 2 on the gross receipts taxed by the state under chapter 422, division IV.

Sec. 255. Section 422E.3A, subsection 2, paragraph a, Code Supplement 2003, is amended to read as follows:

a. A school district that is located in whole or in part in a county that voted on and approved prior to April 1, 2003, the local sales and services tax for school infrastructure purposes and that has a sales tax capacity per student above the guaranteed school infrastructure amount shall receive for the remainder of the unextended term of the tax an amount equal to its pro rata share of the local sales and services tax receipts as provided in section 422E.3, subsection 5, paragraph "d", unless the school board passes a resolution by October 1, 2003, agreeing to receive a distribution pursuant to paragraph "b", subparagraph (1).

Sec. 256. Section 422E.3A, subsection 2, paragraph b, subparagraphs (1) and (3), Code Supplement 2003, are amended to read as follows:

(1) A school district that is located in whole or in part in a county that voted on and approved prior to April 1, 2003, the local sales and services tax for school infrastructure purposes and that has a sales tax capacity per student below its guaranteed school infrastructure amount shall receive for the remainder of the unextended term of the tax an amount equal to its pro rata share of the local sales and services tax receipts as provided in section 422E.3, subsection 5, paragraph "d", plus an amount equal to its supplemental school infrastructure amount, unless the school district passes a resolution by October 1, 2003, agreeing to receive only an

amount equal to its pro rata share as provided in section 422E.3, subsection 5, paragraph "d", in all subsequent years.

(3) A school district that is located in whole or in part in a county that voted on and approved the continuation extension of the tax pursuant to section 422E.2, subsection 5, on or after April 1, 2003, the local sales and services tax for school infrastructure purposes shall receive for any extended period an amount equal to its pro rata share of the local sales and services tax receipts as provided in section 422E.3, subsection 5, paragraph "d", not to exceed its guaranteed school infrastructure amount. However, if the school district's pro rata share is less than its guaranteed school infrastructure amount, the district shall receive an additional amount equal to its supplemental school infrastructure amount.

Sec. 257. Section 422E.3A, subsection 2, paragraph b, subparagraph (4), Code Supplement 2003, is amended by striking the subparagraph.

Sec. 258. Section 422E.4, unnumbered paragraph 1, Code Supplement 2003, is amended to read as follows:

The board of directors of a school district shall be authorized to issue negotiable, interest-bearing school bonds, without election, and utilize tax receipts derived from the sales and services tax for school infrastructure purposes and the supplemental school infrastructure amount distributed pursuant to section 422E.3A, subsection 2, paragraph "b", for principal and interest repayment. Proceeds of the bonds issued pursuant to this section shall be utilized solely for school infrastructure needs as school infrastructure is defined in section 422E.1, subsection 3. ~~Issuance of bonds pursuant to this section shall be permitted only in a district which has imposed a local sales and services tax for school infrastructure purposes pursuant to section 422E.2. The provisions of sections 298.22 through 298.24 shall apply regarding the form, rate of interest, registration, redemption, and recording of bond issues pursuant to this section, with the exception that the maximum period during~~

~~which principal on the bonds is payable shall not exceed the date of repeal stated on the ballot proposition.~~ Bonds issued under this section may be sold at public or private sale as provided in chapter 75 without notice and hearing as provided in section 73A.12. Bonds may bear dates, bear interest at rates not exceeding that permitted by chapter 74A, mature in one or more installments, be in registered form, carry registration and conversion privileges, be payable as to principal and interest at times and places, be subject to terms of redemption prior to maturity with or without premium, and be in one or more denominations, all as provided by the resolution of the board of directors authorizing their issuance. The resolution may also prescribe additional provisions, terms, conditions, and covenants which the board of directors deems advisable, including provisions for creating and maintaining reserve funds, the issuance of additional bonds ranking on a parity with such bonds and additional bonds junior and subordinate to such bonds, and that such bonds shall rank on a parity with or be junior and subordinate to any bonds which may be then outstanding. Bonds may be issued to refund outstanding and previously issued bonds under this section. Local option sales and services tax revenue bonds are a contract between the school district and holders, and the resolution issuing the bonds and pledging local option sales and services tax revenues to the payment of principal and interest on the bonds is a part of the contract. Bonds issued pursuant to this section shall not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction, and shall not be subject to any other law relating to the authorization, issuance, or sale of bonds.

Sec. 259. PAYMENTS IN LIEU OF GENERAL FUND REIMBURSEMENT. Notwithstanding the amount of the standing appropriation from the general fund of the state in the following designated sections and notwithstanding any conflicting provisions or voting requirements of section 8.56, there is appropriated from the cash reserve fund in lieu of the appropriations in

the following designated sections for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts for the following designated purposes:

- 1. For reimbursement for the homestead property tax credit under section 425.1:
..... \$102,945,379
- 2. For reimbursement for the agricultural land and family farm tax credits under sections 425A.1 and 426.1:
..... \$ 34,610,183
- 3. For reimbursement for the military service tax credit under section 426A.1A:
..... \$ 2,568,402
- 4. For implementing the elderly and disabled credit and reimbursement pursuant to sections 425.16 through 425.40:
..... \$ 19,540,000

If the sum of the amount of claims for credit for property taxes due plus the amount of claims for reimbursement for rent constituting property tax paid which are to be paid during the fiscal year beginning July 1, 2004, exceeds the amount appropriated in this subsection, the director of revenue shall prorate the payments for the property tax credit and for reimbursement for rent constituting property tax paid. In order for the director to carry out the requirements of this subsection, notwithstanding any provision to the contrary in chapter 425, claims for reimbursement for rent constituting property taxes paid filed before May 1, 2005, shall be eligible to be paid during the fiscal year ending June 30, 2005, and those claims filed on or after May 1, 2005, shall be eligible to be paid during the fiscal year beginning July 1, 2005, and the director is not required to make payments to counties for the property tax credit before June 15, 2005.

Sec. 260. Section 455B.174, subsection 4, Code 2003, is amended by adding the following new paragraph:

NEW PARAGRAPH. e. If a public water supply has a groundwater source that contains petroleum, a fraction of crude oil, or their degradation products, or is located in an area deemed by the department as likely to be contaminated by

such materials, and after consultation with the public water supply and consideration of all applicable rules relating to remediation, the department may require the public water supply to replace that groundwater source in order to receive a permit to operate. The requirement to replace the source shall only be made by the department if the public water supply is fully compensated for any additional design, construction, operation, and monitoring costs from the Iowa comprehensive petroleum underground storage tank fund created by chapter 455G or from any other funds that do not impose a financial obligation on the part of the public water supply. Funds available to or provided by the public water supply may be used for system improvements made in conjunction with replacement of the source. The department cannot require a public water supply to replace its water source with a less reliable water source or with a source that does not meet federal primary, secondary, or other health-based standards unless treatment is provided to ensure that the drinking water meets these standards. Nothing in this paragraph shall affect the public water supply's right to pursue recovery from a responsible party.

Sec. 261. Section 455B.310, Code 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 10. Nonmetallic material processed by an industrial shredder, and commonly referred to as shredder fluff, which is disposed of as solid waste or otherwise used by a sanitary landfill is exempt from the imposition of the tonnage fee under this section.

Sec. 262. Section 535.8, subsection 2, paragraph b, unnumbered paragraph 2, Code 2003, as amended by 2004 Iowa Acts, House File 2484, if enacted, is amended to read as follows:

The lender shall not charge the borrower for the cost of revenue stamps or real estate commissions which are paid by the seller.

The collection of any costs other than as expressly permitted by this paragraph "b" is prohibited. However,

additional costs incurred in connection with a loan under this paragraph "b", if bona fide and reasonable, may be collected by a state-chartered financial institution licensed under chapter 524, 533, or 534, to the extent permitted under applicable federal law as determined by the office of the comptroller of the currency of the United States department of treasury, the national credit union association administration, or the office of thrift supervision of the United States department of treasury. Such costs shall apply only to the same type of state-chartered state-chartered entity as the federally chartered entity affected and to an insurer organized under chapter 508 or 515, or otherwise authorized to conduct the business of insurance in this state.

Sec. 263. Section 668B.2, subsection 1, if enacted by 2004 Iowa Acts, House File 2440, section 2, is amended to read as follows:

1. "Health care provider" means a physician as defined in section 135.1, a licensed physician assistant as defined in section 148C.1, a nurse, including an advanced registered nurse practitioner, licensed pursuant to chapter 152, a hospital as defined in section 135B.1, and a health care facility as defined in section 135C.1, and a federally licensed, regulated, or registered nonprofit blood bank, blood center, or plasma center that is collecting, processing, or distributing whole human blood, blood components, plasma, blood fractions, or blood derivatives for use by a licensed health care provider.

Sec. 264. COLLECTIVE BARGAINING AGREEMENTS FUNDED -- GENERAL FUND. The various state departments, boards, commissions, councils, and agencies, including the state board of regents, for the fiscal year beginning July 1, 2004, and ending June 30, 2005, shall provide from available sources pay adjustments, expense reimbursements, and related benefits to fully fund the following:

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

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

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

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

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

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

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

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

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

10. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the patient care bargaining unit.

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

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

13. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the state university of Iowa graduate student bargaining unit.

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

15. The annual pay adjustments, related benefits, and expense reimbursements referred to in section 265 of this division of this Act for employees not covered by a collective bargaining agreement.

Sec. 265. NONCONTRACT STATE EMPLOYEES -- GENERAL.

1. a. For the fiscal year beginning July 1, 2004, the maximum salary levels of all pay plans provided for in section 8A.413, subsection 2, as they exist for the fiscal year ending June 30, 2004, shall be increased by 2 percent for the pay period beginning December 31, 2004, and any additional changes in the pay plans shall be approved by the governor.

b. For the fiscal year beginning July 1, 2004, employees may receive a step increase or the equivalent of a step increase.

2. The pay plans for state employees who are exempt from chapter 8A, Article 4, and who are included in the department of administrative service's centralized payroll system shall be increased in the same manner as provided in subsection 1, and any additional changes in any executive branch pay plans shall be approved by the governor.

3. This section does not apply to members of the general assembly, board members, commission members, salaries of persons set by the general assembly pursuant to this division of this Act or set by the governor, employees designated under section 8A.412, subsection 5, and employees covered by 11 IAC 53.6(3).

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

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

Sec. 266. APPROPRIATIONS FROM ROAD FUNDS.

1. There is appropriated from the road use tax fund to the salary adjustment fund for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as may be necessary, to be used for the purpose designated:

To supplement other funds appropriated by the general assembly:

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

2. There is appropriated from the primary road fund to the salary adjustment fund, for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as may be necessary, to be used for the purpose designated:

To supplement other funds appropriated by the general assembly:

..... \$ 12,000,000

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

Sec. 267. SPECIAL FUNDS -- AUTHORIZATION. To departmental revolving, trust, or special funds, except for the primary road fund or the road use tax fund, for which the general assembly has established an operating budget, a supplemental expenditure authorization is provided, unless otherwise provided, in an amount necessary to fund salary adjustments as otherwise provided in this division of this Act.

Sec. 268. FEDERAL FUNDS APPROPRIATED. All federal grants to and the federal receipts of the agencies affected by this division of this Act which are received and may be expended for purposes of pay adjustments and related benefits as covered in this division of this Act are appropriated for those purposes and as set forth in the federal grants or receipts.

Sec. 269. STATE TROOPER MEAL ALLOWANCE. The sworn peace officers in the department of public safety who are not

covered by a collective bargaining agreement negotiated pursuant to chapter 20 shall receive the same per diem meal allowance as the sworn peace officers in the department of public safety who are covered by a collective bargaining agreement negotiated pursuant to chapter 20.

Sec. 270. 2001 Iowa Acts, chapter 174, section 1, subsection 2, as amended by 2002 Iowa Acts, chapter 1174, section 8, and 2003 Iowa Acts, chapter 179, section 38, is amended to read as follows:

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

FY 2001-2002	\$ 7,248,000
FY 2003-2004	\$ 0
FY 2004-2005	\$ 29,785,000
	<u>0</u>
FY 2005-2006	\$ 29,562,000
FY 2006-2007	\$ 17,773,000

Sec. 271. 2003 Iowa Acts, chapter 178, section 28, unnumbered paragraph 3, is amended to read as follows:

Notwithstanding section 8.64, subsection 4, as enacted by this division of this Act, the local government innovation fund committee may provide up-to-20-percent-of-the any amount appropriated in this section in the form of forgivable loans or as grants for those projects that propose a new and innovative sharing initiative that would serve as an important model for cities and counties.

Sec. 272. Notwithstanding section 8.33, moneys appropriated in 2003 Iowa Acts, chapter 178, section 62, and 2003 Iowa Acts, chapter 181, section 11, subsection 3, which remain unencumbered or unobligated at the close of the fiscal year beginning July 1, 2003, shall not revert but shall remain available for expenditure for the purposes for which they were appropriated for the fiscal year beginning July 1, 2004.

Sec. 273. 2004 Iowa Acts, House File 2490, section 8, if enacted, is repealed.

Sec. 274. 2003 Iowa Acts, chapter 179, section 21, unnumbered paragraph 5, is amended to read as follows:

Notwithstanding section 8.33, unencumbered or unobligated funds remaining on June 30, 2003, from the appropriation made in this section shall not revert but shall remain available to be used for the purposes designated ~~in the following fiscal year until the end of the fiscal year beginning July 1, 2004.~~ Funds appropriated in this section remaining unencumbered or unobligated at the end of the fiscal year beginning July 1, 2004, shall not revert but shall remain available to be used for the purposes designated and for a home ownership assistance program for eligible members of the national guard and reserves of the armed forces of the United States and the members' immediate families.

Sec. 275. 2003 Iowa Acts, First Extraordinary Session, chapter 2, section 4, unnumbered paragraph 3, is amended to read as follows:

Notwithstanding section 8.64, subsection 4, if enacted by 2003 Iowa Acts, Senate File 453, section 27, the local government innovation fund committee may provide ~~up-to-20 percent-of-the~~ any amount appropriated in this section in the form of forgivable loans or as grants for those projects that propose a new and innovative sharing initiative that would serve as an important model for cities and counties.

Sec. 276. UNFILLED VACANCIES -- STATE BOARD OF REGENTS. The state board of regents shall report on the policies of the institutions under the authority of the state board for addressing the budget ramifications associated with unfilled vacant positions. If a policy does not exist, the state board shall provide for implementation of such a policy and report concerning the policy to the government oversight committees of the senate and house of representatives. The report shall be submitted on or before December 15, 2004.

Sec. 277. STATE BOARD OF REGENTS BONDING.

1. FINDINGS. The general assembly finds that:

a. Pursuant to section 262A.3, the state board of regents prepared and within seven days after the convening of the Eightieth General Assembly of the State of Iowa, Second Session, submitted to the Eightieth General Assembly, Second Session, for approval the proposed five-year building program for each institution of higher learning under the jurisdiction of the board, containing a list of the buildings and facilities which the board deems necessary to further the educational objectives of the institutions, together with an estimate of the cost of each of the buildings and facilities and an estimate of the maximum amount of revenue bonds which the board expects to issue under chapter 262A to finance the costs of the projects.

b. The projects contained in the capital improvement program are deemed necessary for the proper performance of the instructional, research, and service functions of the institutions.

c. Section 262A.4 provides that the state board of regents, after authorization by a constitutional majority of each house of the general assembly and approval by the governor, may undertake and carry out at the institutions of higher learning under the jurisdiction of the board any project as defined in chapter 262A.

d. Chapter 262A authorizes the state board of regents to borrow moneys and to issue and sell negotiable revenue bonds to pay all or any part of the cost of carrying out projects at any institution payable solely from and secured by an irrevocable pledge of a sufficient portion of the student fees and charges and institutional income received by the particular institution.

e. To further the educational objectives of the institutions, the state board of regents requests authorization to undertake and carry out certain projects at this time and to finance their costs by borrowing moneys and issuing negotiable bonds under chapter 262A in a total amount as provided in this section, with the remaining costs of the projects to be financed by appropriations or by federal or other funds lawfully available.

2. APPROVAL -- LIMITS.

a. The proposed five-year building program submitted by the state board of regents for each institution of higher learning under its jurisdiction is approved and no commitment is implied or intended by approval to fund any portion of the proposed five-year building program submitted by the state board of regents beyond the portion that is financed and approved by the Eightieth General Assembly, Second Session, and the governor.

b. The maximum amount of bonds which the state board of regents expects to issue under chapter 262A, unless additional bonding is authorized, is set forth in this section, and this plan of financing is approved.

3. PROJECTS. The state board of regents is authorized to undertake, plan, construct, improve, repair, remodel, furnish, and equip, and otherwise carry out the following projects at the institutions of higher learning under the jurisdiction of the board, and the general assembly authorizes the state board of regents to borrow moneys and to issue and sell negotiable revenue bonds in the amount of \$120,000,000 in the manner provided in sections 262A.5 and 262A.6 in order to pay all or any part of the costs of carrying out the projects at the institutions as follows:

- a. Iowa state university of science and technology
For the veterinary teaching hospital -- diagnostic lab, Coover hall -- information science, and for fire safety costs: \$ 48,000,000
- b. State university of Iowa
For the chemistry building renovation, phase II of the art building renovation, and for fire safety costs: \$ 50,000,000
- c. University of northern Iowa
For the science buildings renovation project and for the Russell hall renovation: \$ 22,000,000
- Total \$120,000,000

4. Notwithstanding the limitation established in subsection 3, the amount of bonds issued as authorized in subsection 3 may be exceeded by the amount the state board of regents determines to be necessary to capitalize bond reserves, interest during construction, and issuance costs.

Sec. 278. COMMERCIAL VEHICLE REGISTRATION FEES -- REFUND. Notwithstanding the provisions relating to the registration of commercial vehicles, as defined in section 321.1, the requirement of the return of the registration plate and registration receipt to the state department of transportation, and the time limit for applying for a refund, any person that sold a commercial vehicle between January 1, 2002, and April 1, 2002, shall receive a refund of any registration fees, penalties, or interest assessed related to the registration of such vehicle for a registration year beginning in the 2002 calendar year if all of the following apply:

1. The person failed to register the commercial vehicle for the registration year beginning in the 2002 calendar year.
2. The commercial vehicle was sold by the person to another during the period beginning January 1, 2002, and ending April 1, 2002, and the purchaser registered the vehicle for all or part of the registration year beginning in the 2002 calendar year.
3. A claim for refund pursuant to this section is filed with the state department of transportation after the effective date of this section and prior to August 1, 2004.

Sec. 279. ACCESS TO NECESSARY PRESCRIPTION DRUGS -- FREE CLINIC TEST PROGRAM FOR PERSONS WHO ARE UNINSURED OR UNDERINSURED. There is appropriated from the general fund of the state to the Iowa department of public health 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 the bureau of health care access to issue a grant in accordance with this section:
..... \$ 10,000

The entire amount appropriated in this section shall be issued by the bureau as a grant to a free clinic, as defined in section 135.24, operating in one county. The grant shall be used by the free clinic to establish a partnership and test program for a buying cooperative approach for purchasing prescription drugs at a price less than retail. The prescription drugs purchased through the approach shall be provided to patients of the free clinic who are uninsured or underinsured.

Sec. 280. MODIFIED ADDITIONAL ALLOWABLE GROWTH. For the fiscal year beginning July 1, 2004, and ending June 30, 2005, notwithstanding anything contrary in section 257.18, subsection 2, if the board adopts a resolution, not later than April 15, 2004, to increase its participation in the instructional support program under section 257.18 and a petition is not filed or if the question is submitted to the registered voters of the school district and the question is approved, the school budget review committee shall establish modified allowable growth for the school district for the fiscal year beginning July 1, 2004, for the amount of increased spending authority. The modified allowable growth shall equal the sum of the increased state aid, income surtax, and property tax portion of the instructional support program requested by the district. The district is not eligible for state aid as determined under section 257.20 due to increased participation percent.

Sec. 281. CHARTER AGENCIES -- FULL-TIME EQUIVALENT EMPLOYEE LIMITS -- REVERSIONS.

1. Notwithstanding any limitation on the number of full-time equivalent employees for the fiscal year beginning July 1, 2004, and ending June 30, 2005, stated in this Act or any other Act, the personnel management provisions of section 7J.1, subsection 4, shall remain applicable to those state departments or agencies designated as a charter agency under chapter 7J.

2. The provisions of section 7J.1, subsection 3, paragraph "c", relating to reversions, are not applicable to any

appropriation made to a charter agency that this Act or any other Act provides is not subject to reversion.

Sec. 282. PREVAILING LEGISLATION. If 2004 Iowa Acts, Senate File 399 is enacted and includes a provision increasing the criminal penalty surcharge to thirty-two percent of a fine or forfeiture, the following shall be the consequence:

1. The thirty percent surcharge set out in the amendment to section 911.1, Code 2003, in 2004 Iowa Acts, House File 2530, section 10, if enacted, is null and void, and 2004 Iowa Acts, House File 2530, section 10, if enacted, is amended to provide for the surcharge at thirty-two percent to conform to the thirty-two percent provision included in 2004 Iowa Acts, Senate File 399.

2. As a result of including the thirty-two percent provision in 2004 Iowa Acts, House File 2530, section 10, if enacted, the section of 2004 Iowa Acts, Senate File 399 amending section 911.2, Code 2003, is null and void.

Sec. 283. Section 266.31, Code 2003, is repealed.

Sec. 284. Section 266.39D, Code Supplement 2003, is repealed.

Sec. 285. STATE PERCENT OF GROWTH DEADLINES AND RESTRICTIONS -- INAPPLICABILITY. The thirty-day deadline and restrictions for the enactment of the state percent of growth provided in section 257.8 do not apply to this Act.

Sec. 286. APPOINTMENTS. The new appointees to the commission of veterans affairs, pursuant to the increase in the membership of the commission as provided in this division of this Act, shall be appointed by the governor, with one member being appointed for an initial term of two years and one member being appointed for an initial term of four years.

Sec. 287. EFFECTIVE AND APPLICABILITY DATE PROVISIONS.

1. The section of this division of this Act enacting section 153.40 takes effect upon receipt of the Iowa department of public health of federal funding to establish a mobile dental delivery system. The director of public health shall notify the Iowa code editor that the funding has been received.

2. The sections of this division of this Act amending sections 257.8 and 257.35 are applicable for computing state aid under the state school foundation program for the school budget year beginning July 1, 2004.

3. The sections of this division of this Act amending sections 257.14, 346.27, and 422E.2, being deemed of immediate importance, take effect upon enactment.

4. The section relating to the refund for commercial vehicle registration fees, penalties, and interest, being deemed of immediate importance takes effect upon enactment.

5. The section of this division of this Act amending section 404A.2, being deemed of immediate importance, takes effect upon enactment and applies retroactively to July 1, 2002.

6. The section of this division of this Act providing modified allowable growth for school districts to participate in an instructional support program, being deemed of immediate importance, takes effect upon enactment.

7. The section of the division of this Act amending 2003 Iowa Acts, chapter 179, section 21, being deemed of immediate importance, takes effect upon enactment.

8. The section of this division of this Act relating to the nonreversion of moneys appropriated pursuant to 2003 Iowa Acts, chapter 178, section 62, and 2003 Iowa Acts, chapter 181, section 11, being deemed of immediate importance, takes effect upon enactment.

9. The sections of this division of this Act relating to the increase in membership of the commission of veterans affairs, being deemed of immediate importance, take effect upon enactment.

10. The section of this division of this Act repealing 2004 Iowa Acts, House File 2490, section 8, if enacted, being deemed of immediate importance, takes effect upon enactment.

11. The sections of this division of this Act amending sections 8.22A and 8.54, being deemed of immediate importance, take effect upon enactment.

Sec. 288. There is appropriated from the rebuild Iowa infrastructure fund to the following departments and agencies for the designated fiscal years, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. DEPARTMENT OF ADMINISTRATIVE SERVICES

a. For routine maintenance of state buildings and facilities, notwithstanding section 8.57, subsection 5, paragraph "c":

FY 2004-2005..... \$ 2,000,000

b. For relocation costs directly associated with remodeling projects on the capitol complex and for facility lease payments for the department of corrections, the Iowa department of public health, and the department of public safety, notwithstanding section 8.57, subsection 5, paragraph "c":

FY 2004-2005..... \$ 2,271,617

c. For technology improvement projects, notwithstanding section 8.57, subsection 5, paragraph "c":

FY 2004-2005..... \$ 1,861,496

Of the amount appropriated in this lettered paragraph, \$288,496 is allocated to maintain and operate the enterprise warehouse technology project and \$73,000 is allocated to the division of criminal and juvenile justice planning of the department of human rights for 1.00 full-time equivalent position to provide support for the justice data warehouse technology project.

d. For major renovation and major repair needs, including health, life, and fire safety needs, and for compliance with the federal Americans With Disabilities Act, for state buildings and facilities under the purview of the department:

FY 2004-2005..... \$ 4,300,000

(1) Of the amount appropriated in this lettered paragraph, up to \$375,000 may be used for costs associated with project management services in the division of design and construction within the general services enterprise of the department, notwithstanding section 8.57, subsection 5, paragraph "c".

(2) Of the amount appropriated in this lettered paragraph, \$200,000 may be used for costs associated with the vertical infrastructure program, notwithstanding section 8.57, subsection 5, paragraph "c".

e. For costs associated with the remodeling of the records and property center:

FY 2004-2005..... \$ 5,000,000

FY 2005-2006..... \$ 4,700,000

f. For accent lighting systems for the soldiers and sailors monument and the Allison monument on the capitol complex:

FY 2004-2005..... \$ 35,000

g. For capitol interior restoration:

FY 2004-2005..... \$ 1,770,000

h. For costs associated with the purchase of laboratory equipment for and the maintenance and operation of the state laboratories facility located in Ankeny, notwithstanding section 8.57, subsection 5, paragraph "c":

FY 2004-2005..... \$ 355,500

2. DEPARTMENT FOR THE BLIND

For the remodeling of the orientation center:

FY 2004-2005..... \$ 67,000

3. STATE BOARD OF REGENTS

For maintenance at the Iowa school for the deaf and the Iowa braille and sight saving school:

FY 2004-2005..... \$ 500,000

4. DEPARTMENT OF CORRECTIONS

a. For costs of entering into a lease-purchase agreement to connect the electrical system supporting the special needs unit at Fort Madison:

FY 2004-2005..... \$ 333,168

b. For construction of a community-based correctional facility, including district offices, in Davenport:

FY 2004-2005..... \$ 3,000,000

FY 2005-2006..... \$ 3,750,000

FY 2006-2007..... \$ 3,750,000

It is the intent of the general assembly that the department of management allocate the entire appropriation for the fiscal year beginning July 1, 2006, to the department of corrections by July 31, 2006.

5. DEPARTMENT OF CULTURAL AFFAIRS

a. For historical site preservation grants, to be used for the restoration, preservation, and development of historical sites:

FY 2004-2005..... \$ 500,000

Historical site preservation grants shall only be awarded for projects which meet the definition of "vertical infrastructure" in section 8.57, subsection 5, paragraph "c".

In making grants pursuant to this lettered paragraph, the department shall consider the existence and amount of other funds available to an applicant for the designated project. A grant awarded from moneys appropriated in this lettered paragraph shall not exceed \$100,000 per project. Not more than two grants may be awarded in the same county.

b. For continuation of the project recommended by the Iowa battle flag advisory committee to stabilize the condition of the battle flag collection, notwithstanding section 8.57, subsection 5, paragraph "c":

FY 2004-2005..... \$ 100,000

6. DEPARTMENT OF ECONOMIC DEVELOPMENT

a. For accelerated career education program capital projects at community colleges that are authorized under chapter 260G and that meet the definition of "vertical infrastructure" in section 8.57, subsection 5, paragraph "c":

FY 2004-2005..... \$ 5,500,000

The moneys appropriated in this paragraph shall be allocated equally among the community colleges in the state. If any portion of the equal allocation to a community college is not obligated or encumbered by April 1, 2005, the unobligated and unencumbered portions shall be available for use by other community colleges.

b. For sole source grant costs associated with the hosting of the national special Olympics in Iowa by a special Olympics

nonprofit entity, notwithstanding section 8.57, subsection 5, paragraph "c":

FY 2004-2005..... \$ 500,000

c. To provide a grant for the planning, design, and construction of a not-for-profit family recreational facility that will also include a cardiac rehabilitation center and a family indoor aquatic center and which will be located in a county with a population between 150,000 and 185,000:

FY 2004-2005..... \$ 200,000

d. To be used for the Iowa Lewis and Clark bicentennial commission established pursuant to section 15.221, notwithstanding section 8.57, subsection 5, paragraph "c":

FY 2004-2005..... \$ 50,000

7. DEPARTMENT OF EDUCATION

a. To provide resources for structural and technological improvements to local libraries and for the enrich Iowa program, notwithstanding section 8.57, subsection 5, paragraph "c":

FY 2004-2005..... \$ 600,000

Funds allocated for purposes of the enrich Iowa program as provided in this lettered paragraph shall be distributed by the division of libraries and information services to provide support for Iowa's libraries.

b. For maintenance and lease costs associated with part III connections, notwithstanding section 8.57, subsection 5, paragraph "c":

FY 2004-2005..... \$ 2,727,000

c. For costs associated with the remodeling of the Jessie Parker building:

FY 2004-2005..... \$ 303,632

d. For allocation to the public broadcasting division for costs of installation of digital and analog television for Iowa public television facilities, notwithstanding section 8.57, subsection 5, paragraph "c":

FY 2004-2005..... \$ 8,000,000

FY 2005-2006..... \$ 8,000,000

FY 2006-2007..... \$ 2,300,000

8. DEPARTMENT OF HUMAN SERVICES

To provide a grant for the planning, design, and construction of a residential treatment facility for youth with emotional and behavioral disorders located in a central Iowa county with a population of approximately 80,000:
 FY 2004-2005..... \$ 250,000

9. IOWA STATE FAIR AUTHORITY

For vertical infrastructure projects on the state fairgrounds:
 FY 2004-2005..... \$ 250,000
 For purposes of this subsection, "vertical infrastructure" means the same as defined in section 8.57, subsection 5, paragraph "c".

10. NATIONAL PROGRAM FOR PLAYGROUND SAFETY AT THE UNIVERSITY OF NORTHERN IOWA

For the Iowa safe surfacing initiative, notwithstanding section 8.57, subsection 5, paragraph "c":
 \$ 500,000

Not more than 2.5 percent of the funds appropriated in this subsection shall be used by the national program for playground safety for administrative costs associated with the Iowa safe surfacing initiative.

The crumb rubber playground tiles for the initiative shall be international play equipment manufacturers association (IPEMA)-certified to the American society for testing and materials (ASTM) F1292 standard.

11. DEPARTMENT OF NATURAL RESOURCES

For costs associated with the planning, design, and construction of a premier destination state park, notwithstanding section 8.57, subsection 5, paragraph "c":
 FY 2004-2005..... \$ 500,000

12. DEPARTMENT OF PUBLIC DEFENSE

a. For planning, design, and construction of a national guard readiness center in or near Iowa City:
 FY 2004-2005..... \$ 2,150,000
 b. For maintenance and repair of national guard armories and facilities:
 FY 2004-2005..... \$ 1,269,636

c. For construction of a new national guard armory at Boone:
 FY 2004-2005..... \$ 1,096,000

13. DEPARTMENT OF PUBLIC SAFETY

a. For capitol building and judicial building security, notwithstanding section 8.57, subsection 5, paragraph "c":
 FY 2004-2005..... \$ 800,000
 b. For capitol complex security notwithstanding section 8.57, subsection 5, paragraph "c":
 FY 2004-2005..... \$ 300,000
 c. For costs of entering into a lease-purchase agreement to upgrade the automated fingerprint identification system, notwithstanding section 8.57, subsection 5, paragraph "c":
 FY 2004-2005..... \$ 550,000

d. For costs associated with improvements to Iowa's electronic criminal information records system to comply with national crime information center standards, notwithstanding section 8.57, subsection 5, paragraph "c":
 FY 2004-2005..... \$ 500,000

e. To the division of fire safety of the department for allocation to the fire service training bureau for the planning, design, and construction of regional training facilities in the state:
 FY 2004-2005..... \$ 150,000

f. To the division of fire safety of the department for allocation to the fire service training bureau to be used for the revolving loan program for equipment purchases by local fire departments, notwithstanding section 8.57, subsection 5, paragraph "c":
 FY 2004-2005..... \$ 500,000

14. STATE DEPARTMENT OF TRANSPORTATION

a. For operation and maintenance of the network of automated weather observation and data transfer systems associated with the Iowa aviation weather system, the runway marking program for public airports, the windsock program for public airports, and the aviation improvement program, notwithstanding section 8.57, subsection 5, paragraph "c":

FY 2004-2005..... \$ 500,000

b. For vertical infrastructure improvements at the commercial air service airports within the state:

FY 2004-2005..... \$ 1,100,000

One-half of the funds appropriated in this lettered paragraph shall be allocated equally between each commercial service airport, 40 percent of the funds shall be allocated based on the percentage that the number of enplaned passengers at each commercial service airport bears to the total number of enplaned passengers in the state during the previous fiscal year, and 10 percent of the funds shall be allocated based on the percentage that the air cargo tonnage at each commercial service airport bears to the total air cargo tonnage in the state during the previous fiscal year. In order for a commercial service airport to receive funding under this lettered paragraph, the airport shall be required to submit applications for funding of specific projects to the department for approval by the state transportation commission.

c. For a vertical infrastructure improvement grant program for improvements at general aviation airports within the state:

FY 2004-2005..... \$ 581,400

15. OFFICE OF TREASURER OF STATE

For county fair infrastructure improvements for distribution in accordance with chapter 174 to qualified fairs which belong to the association of Iowa fairs:

FY 2004-2005..... \$ 1,060,000

16. COMMISSION OF VETERANS AFFAIRS

For deposit in the veterans trust fund established in section 35A.13, notwithstanding section 8.57, subsection 5, paragraph "c":

FY 2004-2005..... \$ 1,000,000

Of the amount appropriated in this subsection, notwithstanding contrary provisions of section 35A.13, \$500,000 is appropriated to and shall be used by the commission of veterans affairs for the establishment and

operation of a veterans cemetery as required by section 35A.3, subsection 14, if enacted by this Act. Notwithstanding section 8.33, moneys appropriated in this unnumbered paragraph that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year or when the project is completed, whichever is later.

Sec. 289. PAYMENTS IN LIEU OF TUITION. There is appropriated from the rebuild Iowa infrastructure fund to the state board of regents for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as may be necessary, to be used for the purpose designated:

For allocation by the state board of regents to the state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa to reimburse the institutions for deficiencies in their operating funds resulting from the pledging of tuitions, student fees and charges, and institutional income to finance the cost of providing academic and administrative buildings and facilities and utility services at the institutions, notwithstanding section 8.57, subsection 5, paragraph "c":

..... \$ 858,764

Sec. 290. REVERSION. Notwithstanding section 8.33, moneys appropriated from the rebuild Iowa infrastructure fund in this division of this Act shall not revert at the close of the fiscal year for which they were appropriated but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2007, or until the project for which the appropriation was made is completed, whichever is earlier. This section does not apply to the sections in this division of this Act that were previously enacted and are amended in this division of this Act.

Sec. 291. 2003 Iowa Acts, chapter 177, section 6, subsection 2, is amended to read as follows:

2. For costs associated with the ~~planning-for-the-vacation and-demolition~~ disposition of the Wallace building:

..... \$ 50,000

The amount appropriated in this subsection shall be used to conduct a complete evaluation and analysis regarding the condition of the Wallace building, including structural, mechanical, and environmental systems and building air quality, and to make a recommendation to the general assembly no later than January 31, 2005, as to whether the Wallace building should be renovated for future use or vacated and demolished. The recommendation shall include cost estimates for renovation of the building and for its demolition.

Sec. 292. 2003 Iowa Acts, chapter 177, section 14, is amended to read as follows:

SEC. 14. REVERSION. Notwithstanding section 8.33, moneys appropriated in this division of this Act shall not revert at the close of the fiscal year for which they were appropriated but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, ~~2006~~ 2007, or until the project for which the appropriation was made is completed, whichever is earlier.

Sec. 293. 2003 Iowa Acts, chapter 179, section 140, is amended to read as follows:

SEC. 140. Notwithstanding section 8.33, unencumbered and unobligated funds remaining from the appropriation made in 1996 Iowa Acts, chapter 1218, section 13, subsection 2, paragraph "a", subparagraph (2), as amended by 1997 Iowa Acts, chapter 215, section 3, and from the appropriation made in 1997 Iowa Acts, chapter 215, section 4, subsection 1, shall not revert but shall be available for the purposes designated in those provisions until the close of the fiscal year beginning July 1, ~~2003~~ 2004.

Of the amount of unencumbered and unobligated funds identified in this section, \$180,000 shall be used for the purposes described in 2003 Iowa Acts, chapter 177, section 6, subsection 2, as amended by this 2004 Act.

Sec. 294. 2002 Iowa Acts, chapter 1173, section 18, as amended by 2003 Iowa Acts, chapter 179, section 39, is amended to read as follows:

SEC. 18. POOLED TECHNOLOGY FUNDING -- PRIOR ALLOCATIONS -- NONREVERSION. Notwithstanding section 8.33, moneys appropriated and allocated in 2001 Iowa Acts, chapter 189, section 5, subsection 1, which remain unobligated or unexpended at the close of the fiscal year for which they were appropriated shall not revert, but shall remain available for expenditure for the purposes for which they were appropriated and allocated, for the fiscal period beginning July 1, 2002, and ending June 30, ~~2004~~ 2005. Notwithstanding the expenditure limitation in this section, the information technology enterprise within the department of administrative services may expend available moneys in the pooled technology account established in the office of the treasurer of state to complete the comprehensive study required under 2003 Iowa Acts, chapter 145, section 290, subsection 2, paragraph "c".

Sec. 295. 2000 Iowa Acts, chapter 1225, section 2, as amended by 2001 Iowa Acts, chapter 185, section 2, is amended to read as follows:

SEC. 2. There is appropriated from the rebuild Iowa infrastructure fund to the department of corrections for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

- 1. To supplement funds appropriated in 1998 Iowa Acts, chapter 1219, section 2, subsection 3, for construction of a 200-bed facility at the Iowa state penitentiary at Fort Madison:
 - \$ 3,000,000
- 2. For community-based corrections projects:
 - \$ 900,000

The first \$300,000 of the amount appropriated in this subsection shall be allocated for community-based corrections projects in Council Bluffs. The next \$600,000 of the amount appropriated in this subsection shall be allocated for

community-based corrections projects in the judicial district in which the city of Davenport is located. These moneys may be used by the department to enter into lease-purchasing agreements or the payment of rent for such projects.

Notwithstanding section 8.33 and section 20 of this Act, moneys appropriated in subsection 2 that remain unencumbered or unobligated at the close of the fiscal year that begins July 1, 2003, shall revert at the close of the fiscal year that begins July 1, 2006. However, if the projects for which the moneys are appropriated are completed in an earlier fiscal year, unencumbered or unobligated moneys shall revert at the close of that fiscal year.

Sec. 296. 2000 Iowa Acts, chapter 1225, section 19, unnumbered paragraph 2, is amended to read as follows:

To supplement moneys appropriated in prior fiscal years for construction of a new dining hall and food services facility and renovation of the former Sheeler food preparation area:

..... \$ 992,000

Sec. 297. 2000 Iowa Acts, chapter 1225, section 20, is amended to read as follows:

SEC. 20. REVERSION. Notwithstanding section 8.33, moneys appropriated in this division of this Act that remain unencumbered or unobligated at the close of the fiscal year that begins July 1, ~~2003~~ 2004, shall revert at the close of that fiscal year. However, if the projects for which the moneys are appropriated are completed in an earlier fiscal year, unencumbered or unobligated moneys shall revert at the close of that fiscal year.

Sec. 298. EXAMINATION OF DEPARTMENT OF ADMINISTRATION -- FY 2003-2004. Notwithstanding section 11.5B, for the fiscal year beginning July 1, 2003, and ending June 30, 2004, the auditor of state shall not be entitled to reimbursement for performing any examination of the department of administrative services or funds received by the department of administrative services, except for an examination of the information technology enterprise within the department of administrative services and funds received by the information technology enterprise.

Sec. 299. SECURE AN ADVANCED VISION FOR EDUCATION FUND. Notwithstanding the maximum amount of the appropriation from the rebuild Iowa infrastructure fund to the secure an advanced vision for education fund specified in section 8.57, subsection 5, paragraph "f", the maximum amount of such appropriation for the fiscal year beginning July 1, 2004, and ending June 30, 2005, shall not exceed \$8,160,000.

Sec. 300. The following sections of this division of this Act, being deemed of immediate importance, take effect upon enactment:

1. The section amending 2003 Iowa Acts, chapter 177, section 6.
2. The section amending 2003 Iowa Acts, chapter 179, section 140.
3. The section amending 2002 Iowa Acts, chapter 1173, section 18, as amended by 2003 Iowa Acts, chapter 179, section 39.
4. The section amending 2000 Iowa Acts, chapter 1225, section 2, as amended by 2001 Iowa Acts, chapter 185, section 2.
5. The section amending 2000 Iowa Acts, chapter 1225, section 19.
6. The section amending 2000 Iowa Acts, chapter 1225, section 20.
7. The section addressing the examination of the department of administration in fiscal year 2003-2004.

DIVISION XII

ENVIRONMENT FIRST FUND

Sec. 301. There is appropriated from the environment first fund to the following departments and agencies for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP
 - a. For the conservation reserve enhancement program to restore and construct wetlands for the purposes of intercepting tile line runoff, reducing nutrient loss,

improving water quality, and enhancing agricultural production practices:

..... \$ 1,500,000

Not more than 5 percent of the moneys appropriated in this lettered paragraph may be used for costs of administration and implementation of soil and water conservation practices.

b. For continuation of a program that provides multiobjective resource protections for flood control, water quality, erosion control, and natural resource conservation:

..... \$ 2,700,000

Not more than 5 percent of the moneys appropriated in this lettered paragraph may be used for costs of administration and implementation of soil and water conservation practices.

c. For continuation of a statewide voluntary farm management demonstration program to demonstrate the effectiveness and adaptability of emerging practices in agronomy that protect water resources and provide other environmental benefits:

..... \$ 850,000

Not more than 5 percent of the moneys appropriated in this lettered paragraph may be used for costs of administration and implementation of soil and water conservation practices.

Of the amount appropriated in this lettered paragraph, \$400,000 shall be allocated to the Iowa soybean association's agriculture and environment performance program.

d. For deposit in the alternative drainage system assistance fund created in section 460.303 to be used for purposes of supporting the alternative drainage system assistance program as provided in section 460.304:

..... \$ 500,000

Not more than 5 percent of the moneys appropriated in this lettered paragraph may be used for costs of administration and implementation of soil and water conservation practices.

e. To provide financial assistance for the establishment of permanent soil and water conservation practices:

..... \$ 5,500,000

(1) Not more than 5 percent of the moneys appropriated in this lettered paragraph may be allocated for cost-sharing to abate complaints filed under section 161A.47.

(2) Of the moneys appropriated in this lettered paragraph, 5 percent shall be allocated for financial incentives to establish practices to protect watersheds above publicly owned lakes of the state from soil erosion and sediment as provided in section 161A.73.

(3) Not more than 30 percent of a district's allocation of moneys as financial incentives may be provided for the purpose of establishing management practices to control soil erosion on land that is row-cropped, including but not limited to no-till planting, ridge-till planting, contouring, and contour strip-cropping as provided in section 161A.73.

(4) The state soil conservation committee created in section 161A.4 may allocate moneys appropriated in this lettered paragraph to conduct research and demonstration projects to promote conservation tillage and nonpoint source pollution control practices.

(5) The financial incentive payments may be used in combination with department of natural resources moneys.

(6) Not more than 10 percent of the moneys appropriated in this lettered paragraph may be used for costs of administration and implementation of soil and water conservation practices.

f. To encourage and assist farmers in enrolling in and the implementation of federal conservation programs and work with them to enhance their revegetation efforts to improve water quality and habitat:

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

Not more than 5 percent of the moneys appropriated in this lettered paragraph may be used for costs of administration and implementation of soil and water conservation practices.

g. For deposit in the loess hills development and conservation fund created in section 161D.2:

..... \$ 600,000

Of the amount appropriated in this lettered paragraph, \$400,000 shall be allocated to the hungry canyons account and \$200,000 shall be allocated to the loess hills alliance account, to be used for the purposes for which the moneys in those accounts are authorized to be used under chapter 161D. No more than 5 percent of the moneys allocated to each account in this lettered paragraph may be used for administrative costs.

h. For deposit in the southern Iowa development and conservation fund created in section 161D.12: \$ 300,000

Not more than 5 percent of the moneys appropriated in this lettered paragraph may be used for administrative costs.

2. DEPARTMENT OF ECONOMIC DEVELOPMENT

For deposit in the brownfield redevelopment fund created in section 15.293 to provide assistance under the brownfield redevelopment program: \$ 500,000

3. DEPARTMENT OF NATURAL RESOURCES

a. To provide local watershed managers with geographic information system data for their use in developing, monitoring, and displaying results of their watershed work: \$ 195,000

b. For statewide coordination of volunteer efforts under the water quality and keepers of the land programs: \$ 100,000

c. For continuing the establishment and operation of water quality monitoring stations: \$ 2,955,000

d. For deposit in the administration account of the water quality protection fund, to carry out the purposes of that account: \$ 500,000

e. For air quality monitoring equipment: \$ 500,000

f. For the dredging of lakes, including necessary preparation for dredging, in accordance with the department's classification of Iowa lakes restoration report:

..... \$ 1,000,000

The department shall consider the following criteria for funding lake dredging projects as provided in this lettered paragraph, and shall prioritize projects based on the following:

(1) Documented efforts to address watershed protection, considering testing, conservation efforts, and amount of time devoted to watershed protection.

(2) Protection of a natural resource and natural habitat.

(3) Percentage of public access and undeveloped lakefront property.

(4) Continuation of current projects partially funded by state resources to achieve department recommendations.

g. For purposes of funding capital projects for the purposes specified in section 452A.79, and for expenditures for the local cost share grants to be used for capital expenditures to local governmental units for boating accessibility: \$ 2,300,000

h. For regular maintenance of state parks and staff time associated with these activities: \$ 2,000,000

RESOURCES ENHANCEMENT AND PROTECTION FUND

Sec. 302. Notwithstanding the amount of the standing appropriation from the general fund of the state under section 455A.18, subsection 3, there is appropriated from the environment first fund to the Iowa resources enhancement and protection fund, in lieu of the appropriation made in section 455A.18, for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, to be allocated as provided in section 455A.19: \$ 11,000,000

Sec. 303. REVERSION.

1. Except as provided in subsection 2, and notwithstanding section 8.33, moneys appropriated in this division of this Act that remain unencumbered or unobligated shall not revert at the close of the fiscal year for which they were appropriated

but shall remain available for the purposes designated until the close of the fiscal year beginning July 1, 2005, or until the project for which the appropriation was made is completed, whichever is earlier.

2. Notwithstanding section 8.33, moneys appropriated in this division of this Act to the department of agriculture and land stewardship to provide financial assistance for the establishment of permanent soil and water conservation practices that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year that begins July 1, 2007.

DIVISION XIII

TOBACCO SETTLEMENT TRUST FUND

Sec. 304. There is appropriated from the tax-exempt bond proceeds restricted capital funds account of the tobacco settlement trust fund to the following departments and agencies for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. DEPARTMENT OF ADMINISTRATIVE SERVICES

a. For the payment of claims relating to the purchase and implementation of an integrated information for Iowa system, notwithstanding section 12E.12, subsection 1, paragraph "b", subparagraph (1):

..... \$ 6,049,284

b. For capitol interior restoration:

..... \$ 3,500,000

The department shall consult with the leaders of the senate and house of representatives prior to planning or implementing any capitol interior restoration project or other activity.

2. TAX-EXEMPT STATUS -- USE OF APPROPRIATIONS. Payment of moneys from the appropriations in this section shall be made in a manner that does not adversely affect the tax-exempt status of any outstanding bonds issued by the tobacco settlement authority.

3. REVERSION. Notwithstanding section 8.33, moneys appropriated in this section shall not revert at the close of the fiscal year for which they were appropriated but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2006, or until the project for which the appropriation was made is completed, whichever is earlier.

Sec. 305. PAYMENTS IN LIEU OF TUITION. There is appropriated from the tax-exempt bond proceeds restricted capital funds account of the tobacco settlement trust fund of the state to the state board of regents 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 allocation by the state board of regents to the state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa to reimburse the institutions for deficiencies in their operating funds resulting from the pledging of tuitions, student fees and charges, and institutional income to finance the cost of providing academic and administrative buildings and facilities and utility services at the institutions, notwithstanding section 12E.12, subsection 1, paragraph "b", subparagraph (1):
..... \$ 10,437,174

Sec. 306. IOWA COMMUNICATIONS NETWORK DEBT SERVICE. There is appropriated from the tax-exempt bond proceeds restricted capital funds account of the tobacco settlement trust fund to the office of the treasurer of state 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 debt service for the Iowa communications network, notwithstanding section 12E.12, subsection 1, paragraph "b", subparagraph (1):
..... \$ 13,039,778

Funds appropriated in this section shall be deposited in a separate fund established in the office of the treasurer of

state to be used solely for debt service for the Iowa communications network. The Iowa telecommunications and technology commission shall certify to the treasurer of state when a debt service payment is due, and upon receipt of the certification, the treasurer shall make the payment. The commission shall pay any additional amount due from funds deposited in the Iowa communications network fund.

Sec. 307. PRISON DEBT SERVICE. There is appropriated from the tax-exempt bond proceeds restricted capital funds account of the tobacco settlement trust fund to the office of the treasurer of state 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 repayment of prison infrastructure bonds under section 16.177, notwithstanding section 12E.12, subsection 1, paragraph "b", subparagraph (1):
..... \$ 5,413,324

Sec. 308. ENDOWMENT FOR IOWA'S HEALTH ACCOUNT -- TRANSFER TO REBUILD IOWA INFRASTRUCTURE FUND. Notwithstanding 2001 Iowa Acts, chapter 174, section 1, subsection 1, as amended by 2002 Iowa Acts, chapter 1167, section 4, 2002 Iowa Acts, chapter 1174, section 8, and 2002 Iowa Acts, chapter 1175, section 95, there is transferred from the endowment for Iowa's health account of the tobacco settlement trust fund created in section 12E.12 to the rebuild Iowa infrastructure fund for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount:

..... \$ 10,966,960

Notwithstanding section 8.33, moneys transferred in this section shall not revert.

Sec. 309. 2003 Iowa Acts, chapter 177, section 23, subsection 3, is amended to read as follows:

3. Notwithstanding section 8.33, moneys appropriated in this section shall not revert at the close of the fiscal year for which they were appropriated, but shall remain available for the purpose designated until the close of the fiscal year

that begins July 1, ~~2008~~ 2006, or until the project for which the appropriation was made is completed, whichever is earlier.

Sec. 310. 2002 Iowa Acts, chapter 1173, section 1, subsection 7, paragraph a, is amended to read as follows:

a. For parking improvements and provision of street access for the judicial building:

FY 2002-2003	\$ 700,000
FY 2003-2004	\$ 0
FY 2004-2005	\$ 0
FY 2005-2006	\$ 0

Of the amount appropriated in this lettered paragraph for FY 2002-2003, up to \$330,000 may be used for costs associated with operation of the judicial building, notwithstanding section 12E.12, subsection 1, paragraph "b", subparagraph (1).

DIVISION XIV
MISCELLANEOUS FUNDS

Sec. 311. HELP AMERICA VOTE ACT. There is appropriated from the general fund of the state to the office of the secretary of state for the fiscal year beginning July 1, 2003, and ending June 30, 2004, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the purchase and installation of voting machines to implement the federal Help America Vote Act (HAVA):
..... \$ 765,000

Of the federal funds drawn down pursuant to HAVA, not less than 80 percent shall be distributed to counties for the implementation of that Act.

The state commissioner of elections shall report to the general assembly regarding the expenditure of the moneys appropriated in this section by January 2, 2005, and July 1, 2005.

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

Sec. 312. GENERAL FUND APPROPRIATIONS.

1. There is appropriated from the general fund of the state to the state department of transportation for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. For operation and maintenance of the network of automated weather observation and data transfer systems associated with the Iowa aviation weather system, the runway marking program for public airports, the windsock program for public airports, and the aviation improvement program: \$ 64,792

b. For the rail assistance program and to provide economic development project funding: \$ 35,959

2. There is appropriated from the general fund of the state to the racing and gaming commission within the department of inspections and appeals for the fiscal year beginning July 1, 2004, and ending June 30, 2005, in addition to any other appropriation made by the general assembly, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes for the regulation of pari-mutual racetracks: \$ 217,161

The funds appropriated in this subsection shall be used for one additional gaming representative at each of the three licensed racetracks.

Sec. 313. PRIMARY ROAD FUND APPROPRIATION. There is appropriated from the primary road fund to the department of administrative 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 distribution to the state department of transportation:

..... \$ 465,491

Moneys appropriated in this section shall be separately accounted for in a distribution account and shall be distributed to the state department of transportation to pay

for services provided the state department of transportation by the department of administrative services as described in chapter 8A.

Sec. 314. ROAD USE TAX FUND APPROPRIATION. There is appropriated from the road use tax fund to the department of administrative 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 distribution to the state department of transportation:

..... \$ 76,059

Moneys appropriated in this section shall be separately accounted for in a distribution account and shall be distributed to the state department of transportation to pay for services provided the state department of transportation by the department of administrative services as described in chapter 8A.

Sec. 315. TRANSFER AND DEPOSIT OF SURPLUS MONEYS IN LOCAL HOUSING ASSISTANCE PROGRAM FUND. The sum of \$800,000 is transferred from moneys declared by the Iowa finance authority under section 16.10 to be surplus moneys to the housing trust fund created in section 16.181 for the fiscal year beginning July 1, 2004, and ending June 30, 2005.

Sec. 316. 2003 Iowa Acts, chapter 171, section 2, is amended by inserting the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33, moneys appropriated in subsection 1 that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure until the close of the fiscal year that begins July 1, 2004, for the purpose of restocking the department's salt storage.

Sec. 317. EFFECTIVE DATE.

1. The section of this division of this Act providing an appropriation for implementation of the federal Help America Vote Act, being deemed of immediate importance, takes effect upon enactment.

2. The section of this division of this Act, amending 2003 Iowa Acts, chapter 171, section 2, being deemed of immediate importance, takes effect upon enactment.

DIVISION XV
CODE CHANGES

Sec. 318. Section 15.109, subsection 2, Code 2003, is amended to read as follows:

2. Apply for, receive, administer, and use federal or other funds available for achieving the purposes of this chapter. For purposes of this subsection, the term "federal funds" includes federal tax credits, grants, or other economic benefits allocated or provided by the United States government to encourage investment in low-income or other specified areas or to otherwise promote economic development. The department may enter into an agreement pursuant to chapter 28E, or any other agreement, with a person, including for-profit and nonprofit legal entities, in order to directly or indirectly apply for, receive, administer, and use federal funds. As part of such agreements and in furtherance of this public purpose and in addition to powers and duties conferred under other provisions of law, the department may, including for or on behalf of for-profit or nonprofit legal entities, appoint, remove, and replace board members and advisors; provide oversight; make its personnel and resources available to perform administrative, management, and compliance functions; coordinate investments; and engage in other acts as reasonable and necessary to encourage investment in low-income or other areas or to promote economic development. The department, including department officials and employees in their official and personal capacities, are immune from liability for all acts or omissions under this subsection.

Sec. 319. Section 80.9, subsection 2, paragraph f, Code 2003, is amended to read as follows:

f. Provide protection and security for persons and property on the grounds of the state capitol complex. Notwithstanding chapter 8A or any other provision of law, the department shall be solely responsible for the purchase, installation, and maintenance of, including making any improvements or additions to, executive branch capitol complex security systems or equipment, including the changing of locks

and issuance of keys, access cards, and identification badges. The department of administrative services shall cooperate with the department of public safety in executing the department's duties under this paragraph.

Sec. 320. Section 423.3, subsections 2 and 37, as enacted by 2003 Iowa Acts, First Extraordinary Session, chapter 2, section 96, are amended to read as follows:

2. The sales price of sales for resale of tangible personal property or taxable services, or for resale of tangible personal property in connection with the furnishing of taxable services except for sales, other than leases or rentals, which are sales, of machinery, equipment, attachments, and replacement parts specifically enumerated in subsection 37 and used in the manner described in subsection 37.

37. The sales price of services on or connected with new construction, reconstruction, alteration, expansion, remodeling, or the services of a general building contractor, architect, or engineer. The exemption in this subsection also applies to the sales price on the lease or rental of self-propelled building equipment, self-constructed cranes, pile drivers, structural concrete forms, regular and motorized scaffolding, generators, or attachments customarily drawn or attached to self-propelled building equipment, self-constructed cranes, pile drivers, structural concrete forms, regular and motorized scaffolding, and generators, including auxiliary attachments which improve the performance, safety, operation, or efficiency of the equipment and replacement parts and are directly and primarily used by contractors, subcontractors, and builders for new construction, reconstruction, alterations, expansion, or remodeling of real property or structures.

DIVISION XVI
MISCELLANEOUS PROVISIONS

Sec. 321. Section 8.57, subsection 5, Code Supplement 2003, is amended by adding the following new paragraph:

NEW PARAGRAPH. g. Notwithstanding any other provision to the contrary, and prior to the appropriation of moneys from the rebuild Iowa infrastructure fund pursuant to paragraph "c", and section 8.57A, subsection 4, moneys shall first be appropriated from the rebuild Iowa infrastructure fund to the vertical infrastructure fund as provided in section 8.57B, subsection 4.

Sec. 322. NEW SECTION. 8.57B VERTICAL INFRASTRUCTURE FUND.

1. A vertical infrastructure fund is created under the authority of the department of management. The fund shall consist of appropriations made to the fund and transfers of interest, earnings, and moneys from other funds as provided by law. The fund shall be separate from the general fund of the state and the balance in the fund shall not be considered part of the balance of the general fund of the state. However, the fund shall be considered a special account for the purposes of section 8.53, relating to generally accepted accounting principles.

2. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the vertical infrastructure fund shall be credited to the rebuild Iowa infrastructure fund.

3. Moneys in the fund in a fiscal year shall be used as appropriated by the general assembly for public vertical infrastructure projects. For the purposes of this section, "vertical infrastructure" includes only land acquisition and construction, major renovation, and major repair of buildings, all appurtenant structures, utilities, and site development. "Vertical infrastructure" does not include routine, recurring maintenance, debt service, or operational expenses or leasing of a building, appurtenant structure, or utility without a lease-purchase agreement.

4. There is appropriated from the rebuild Iowa infrastructure fund to the vertical infrastructure fund, the following:

a. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, the sum of fifteen million dollars.

b. For the fiscal year beginning July 1, 2006, and ending June 30, 2007, the sum of fifty million dollars.

c. For the fiscal year beginning July 1, 2007, and ending June 30, 2008, the sum of seventy-five million dollars.

d. For the fiscal year beginning July 1, 2008, and each fiscal year thereafter, the sum of one hundred million dollars.

Sec. 323. Section 8D.13, subsection 12, Code Supplement 2003, is amended to read as follows:

12. The commission, on its own or as recommended by an advisory committee of the commission and approved by the commission, shall permit a fee to be charged by a receiving site to the originator of the communication provided on the network. The fee charged shall be for the purpose of recovering the operating costs of a receiving site. The fee charged shall be reduced by an amount received by the receiving site pursuant to a state appropriation for such costs, or federal assistance received for such costs. Fees established under this subsection shall be paid by the originator of the communication directly to the receiving site. In the event that an entity requests a receiving site location in a video classroom facility which is authorized by, but not funded by, the originator of the communication, the requesting entity shall be directly billed by the video classroom facility for operating costs relating to the communication. For purposes of this section, "operating costs" include the costs associated with the management or coordination, operations, utilities, classroom, equipment, maintenance, and other costs directly related to providing the receiving site.

Sec. 324. Section 15E.208, subsection 3, paragraph b, subparagraph (2), Code Supplement 2003, is amended by adding the following new subparagraph subdivisions:

NEW SUBPARAGRAPH SUBDIVISION. (c) Notwithstanding any provision of this division to the contrary, payments on the principal balance of the loan granted by the corporation to an eligible person and assigned to the department pursuant to

this subparagraph during calendar year 2003 shall be deferred until October 1, 2007. The eligible person shall make principal payments to the department in the amount of one million dollars for each year on October 1, 2007, October 1, 2008, and October 1, 2009. The eligible person shall pay the department four hundred eighty-two thousand seven hundred sixty-one dollars in interest, which shall be deemed to be the total amount of interest accruing on the principal amount of the loan. The eligible person shall pay the interest amount on October 1, 2010. Upon the payment of the principal balance of the loan and the accrued interest, the debt shall be retired.

NEW SUBPARAGRAPH SUBDIVISION. (d) Notwithstanding any provision of this division to the contrary, the corporation shall repay the department the principal balance of the Iowa agricultural industry finance loan beginning on October 1, 2007. The principal balance of the loan equals twenty-one million five hundred seventeen thousand two hundred thirty-nine dollars. The corporation shall repay the department five hundred seventeen thousand two hundred thirty-nine dollars by October 1, 2007, and for each subsequent year the corporation shall repay the department at least one million dollars by October 1 until the total principal balance of the loan is repaid. This subparagraph subdivision shall not be construed to limit the department's authority to negotiate the payment of interest accruing on the principal balance which shall be paid to the department as provided by an agreement executed by the department and the corporation.

Sec. 325. Section 28M.1, if enacted by 2004 Iowa Acts, Senate File 2284, section 1, is amended by adding the following new subsection:

NEW SUBSECTION. 3. "Transportation" means the movement of individuals in a four or more wheeled motorized vehicle designed to carry passengers, including a car, van, or bus, or the carrying of individuals upon cars operated upon stationary rails, between one geographic point and another geographic point. "Transportation" does not include emergency or

incidental transportation or transportation conducted by the department of human services at its institutions.

Sec. 326. Section 28M.2, subsections 1 and 3, if enacted by 2004 Iowa Acts, Senate File 2284, section 2, are amended to read as follows:

1. A county with a population in excess of three one hundred seventy-five thousand and participating cities may create, by chapter 28E agreement, a regional transit district in the county pursuant to this chapter. Two or more contiguous counties and participating cities may create, by chapter 28E agreement, a regional transit district pursuant to this chapter if one of the counties has a population in excess of three one hundred seventy-five thousand. A district shall consist of the unincorporated area of any participating county and the incorporated area of any city in the county that does not have an urban transit system. However, a city without an urban transit system may decline, by resolution forwarded to the board of supervisors, to participate in a regional transit district.

3. A city that is located in a nonparticipating county that is contiguous to a county with a population in excess of three one hundred seventy-five thousand that is creating a regional transit district may notify that county, by resolution forwarded to the board of supervisors of that county, that the city wishes to participate.

Sec. 327. Section 28M.5, subsection 1, unnumbered paragraph 2, if enacted by 2004 Iowa Acts, Senate File 2284, section 5, is amended to read as follows:

The amount of the regional transit district levy that is the responsibility of a participating county shall be deducted from the maximum rates of taxes authorized to be levied by the county pursuant to section 331.423, subsections 1 and 2, as applicable. However, for a regional transit district that includes a county with a population of less than three hundred thousand, the amount of the regional transit district levy that is the responsibility of a participating county shall be deducted from the maximum rate of taxes authorized to be

levied by the county pursuant to section 331.423, subsection 1.

Sec. 328. Section 99F.7, subsection 13, Code 2003, as amended by 2004 Iowa Acts, House File 2302, if enacted, is amended to read as follows:

13. An When applicable, an excursion gambling boat operated on inland waters of this state or an excursion boat that has been removed from navigation and is designated as a permanently moored vessel by the United States coast guard shall be subject to the exclusive jurisdiction of the department of natural resources and meet all of the requirements of chapter 462A and is further subject to an inspection of its sanitary facilities to protect the environment and water quality before a certificate of registration is issued by the department of natural resources or a license is issued or renewed under this chapter.

Sec. 329. Section 165B.5, subsection 3, if enacted by 2004 Iowa Acts, House File 2476, section 6, is amended to read as follows:

3. a. A person who owns or operates a restricted concentration point is subject to a civil penalty of ~~not-less than five thousand dollars~~ for the first violation and ~~not less-than twenty-five thousand dollars~~ for each subsequent violation. Each day that a violation continues constitutes a separate violation.

b. A person who has a legal interest in infected poultry or has custody of infected poultry which are located at a restricted concentration point is subject to a civil penalty of ~~not-less-than five thousand dollars~~ for the first violation and ~~not-less-than twenty-five thousand dollars~~ for each subsequent violation. Each day that a violation continues constitutes a separate violation.

c. A person who transports poultry to or from a restricted concentration point is subject to a civil penalty of ~~not-less than one thousand dollars~~ for the first violation and ~~not-less than five thousand dollars~~ for each subsequent violation. Each day that a violation continues constitutes a separate violation.

d. A person who purchases, offers to purchase, barter, or offers to barter for poultry at a restricted concentration point is subject to a civil penalty of ~~not-less-than one hundred dollars~~ for the first violation and ~~not-less-than one thousand dollars~~ for each subsequent violation. Each day that a violation continues constitutes a separate violation.

e. A person who charges admission for entry into a restricted concentration point where a contest occurs or otherwise holds, advertises, or conducts the contest is subject to a civil penalty of ~~not-less-than one thousand dollars~~ for the first violation and ~~not-less-than five thousand dollars~~ for each subsequent violation. Each day that a violation continues constitutes a separate violation.

f. A person who attends or participates in a contest at a restricted concentration point where a contest occurs is subject to a civil penalty of ~~not-less-than one hundred dollars~~ for the first violation and ~~not-less-than one thousand dollars~~ for each subsequent violation. Each day that a violation continues constitutes a separate violation.

Sec. 330. Section 260C.18A, subsection 3, Code Supplement 2003, is amended to read as follows:

3. Of the moneys appropriated in this section, for the fiscal period beginning July 1, 2003, and ending June 30, ~~2006~~ 2007, the following amounts shall be designated for the purposes of funding job retention projects under section 260F.9:

a. One million dollars for the fiscal year beginning July 1, 2003.

b. One million dollars for the fiscal year beginning July 1, 2004.

c. One million dollars for the fiscal year beginning July 1, 2005.

d. One million dollars for the fiscal year beginning July 1, 2006. However, this paragraph only applies if moneys allocated under paragraph "a" were distributed to community colleges as provided under subsection 8.

Sec. 331. Section 260C.18A, Code Supplement 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 8. If moneys allocated under subsection 3, paragraph "a", are unobligated and unencumbered on June 30, 2004, those moneys shall be distributed to community colleges in accordance with subsection 5 for the fiscal year beginning July 1, 2004, and ending June 30, 2005.

Sec. 332. Section 306.46, as enacted by 2004 Iowa Acts, Senate File 2118, section 1, is amended by adding the following new subsection:

NEW SUBSECTION. 3. This section shall not impair or interfere with a city's authority to grant, amend, extend, or renew a franchise as provided in section 364.2, and shall not impair or interfere with a city's existing general police powers to control the use of its right-of-way.

Sec. 333. Section 321.34, subsection 11, paragraphs c and d, Code Supplement 2003, are amended to read as follows:

c. The special natural resources fee for letter number designated natural resources plates is ~~thirty-five~~ forty-five dollars. The fee for personalized natural resources plates is forty-five dollars which shall be paid in addition to the special natural resources fee of ~~thirty-five~~ forty-five dollars. The fees collected by the director under this subsection shall be paid monthly to the treasurer of state and credited to the road use tax fund. Notwithstanding section 423.24, and prior to the crediting of revenues to the road use tax fund under section 423.24, subsection 1, paragraph "b", the treasurer of state shall credit monthly from those revenues to the Iowa resources enhancement and protection fund created pursuant to section 455A.18, the amount of the special natural resources fees collected in the previous month for the natural resources plates.

From the moneys credited to the Iowa resources enhancement and protection fund under this paragraph "c", ten dollars of the fee collected for each natural resources plate issued, and fifteen dollars from each renewal fee, shall be allocated to the department of natural resources wildlife bureau to be used for nongame wildlife programs.

d. Upon receipt of the special registration plates, the applicant shall surrender the current registration receipt and plates to the county treasurer. The county treasurer shall validate the special registration plates in the same manner as regular registration plates are validated under this section. The annual special natural resources fee for letter number designated plates is ~~ten~~ twenty-five dollars which shall be paid in addition to the regular annual registration fee. The annual fee for personalized natural resources plates is five dollars which shall be paid in addition to the annual special natural resources fee and the regular annual registration fee. The annual special natural resources fee shall be credited as provided under paragraph "c".

Sec. 334. NEW SECTION. 327F.38 FIRST AID AND MEDICAL TREATMENT FOR EMPLOYEES.

The department shall adopt rules requiring railroad corporations within the state to provide reasonable and adequate access to first aid and medical treatment for employees injured in the course of employment. A railroad corporation found guilty of a rule adopted pursuant to this section shall, upon conviction, be subject to a schedule "one" penalty.

Sec. 335. Section 331.362, subsection 5, Code Supplement 2003, is amended to read as follows:

5. The Notwithstanding any provision of law to the contrary, the board may enter into agreements with the department of transportation as provided in section 313.2, including but not limited to agreements for the disposition of county property in accordance with section 331.361, subsection 2.

Sec. 336. Section 422.11J, subsection 5, paragraph a, if enacted by 2004 Iowa Acts, Senate File 2295, is amended to read as follows:

a. "Disabled student" means a child requiring special education, as defined in section 256B.2, subsection 1, or a student with disabilities who qualifies for educational services under section 504 of the federal Rehabilitation Act of 1973, as amended and codified in 29 U.S.C. § 794.

Sec. 337. Section 432.1, subsection 6, paragraph b, unnumbered paragraph 1, Code Supplement 2003, is amended to read as follows:

In addition to the prepayment amount in paragraph "a", each life insurance company or association which is subject to tax under subsection 1 of this section and each mutual health service corporation which is subject to tax under section 432.2 shall remit on or before ~~June-30~~ August 15, on a prepayment basis, an additional amount equal to the following percent of the premium tax liability for the preceding calendar year as follows:

Sec. 338. Section 432.1, subsection 6, paragraph c, unnumbered paragraph 1, Code Supplement 2003, is amended to read as follows:

In addition to the prepayment amount in paragraph "a", each insurance company or association, other than a life insurance company or association, which is subject to tax under subsection 3 shall remit on or before ~~June-30~~ August 15, on a prepayment basis, an additional amount equal to the following percent of the premium tax liability for the preceding calendar year as follows:

Sec. 339. Section 518.18, subsection 3, paragraph b, unnumbered paragraph 1, Code Supplement 2003, is amended to read as follows:

In addition to the prepayment amount in paragraph "a", each association shall remit on or before ~~June-30~~ August 15, on a prepayment basis, an additional amount equal to the following percent of the premium tax liability for the preceding calendar year as follows:

Sec. 340. Section 518A.35, subsection 3, paragraph b, unnumbered paragraph 1, Code Supplement 2003, is amended to read as follows:

In addition to the prepayment amount in paragraph "a", each association shall remit on or before ~~June-30~~ August 15, on a prepayment basis, an additional amount equal to the following percent of the premium tax liability for the preceding calendar year as follows:

Sec. 341. 2004 Iowa Acts, Senate File 2257, section 1, subsection 10, if enacted, is amended to read as follows:

10. APPLICABILITY DATE. This section applies to personal insurance contracts or policies delivered, issued for delivery, continued, or renewed in this state on or after ~~April-17-2005~~ October 1, 2004.

Sec. 342. 2003 Iowa Acts, chapter 145, section 290, subsection 2, paragraph c, is amended to read as follows:

c. By ~~September~~ December 1, 2004, the department of administrative services, with the assistance of the department of management, shall conduct a comprehensive study of the impact of transferring all state agency employees delivering information technology services to the department of administrative services and of the impact of physically merging the data centers of the department, the state department of transportation, and the department of workforce development, into one data center. The study shall include an assessment of advantages and disadvantages, economies of scale, cost, and space availability, and shall solicit input from outside vendors, both public and private. The department shall report to the legislative ~~fiscal-bureau~~ services agency and the committees on government oversight of the senate and house of representatives on the department's findings and recommendations by ~~November-17~~ December 15, 2004.

Sec. 343. 2004 Iowa Acts, House File 2562, section 11, subsection 1, if enacted, is amended to read as follows:

1. This Act, except for the provision of this Act enacting section 99B.10, subsection 5B, being deemed of immediate importance, takes effect upon enactment.

Sec. 344. MENTAL HEALTH INSTITUTE AT CHEROKEE. If building space located at the state mental health institute at Cherokee being used by an organization other than the state will be vacated by the organization, the department of human services shall reserve the space to be available for the purposes described in this section. The department shall develop a plan for using vacant building space at the institute for a program to address the treatment needs of

persons with a developmental disability who exhibit sexually violent behavior and are residents at state resource centers or other residential settings.

Sec. 345. EFFECTIVE DATE. The sections of this division of this Act amending section 260C.18A, Code Supplement 2003, being deemed of immediate importance, take effect upon enactment.

Sec. 346. EFFECTIVE DATE. The section of this division of this Act amending section 306.46, being deemed of immediate importance, takes effect upon enactment.

Sec. 347. REAP PLATES -- EFFECTIVE DATE. The section of this division of this Act amending section 321.34, subsection 11, paragraphs "c" and "d", takes effect January 1, 2005.

Sec. 348. EFFECTIVE DATE. The sections of this division of this Act amending sections 432.1, 518.18, and 518A.35, being deemed of immediate importance, take effect upon enactment.

DIVISION XVII
CORRECTIVE PROVISIONS

Sec. 349. Section 9E.6A, unnumbered paragraph 1, Code 2003, as amended by 2004 Iowa Acts, House File 2516, section 1, if enacted, is amended to read as follows:

Each person performing a notarial act pursuant to section 9E.10 must acquire and use a stamp or seal as provided in this chapter. However, this section shall not apply to a notarial act performed by a judicial officer as defined in section 602.1101, if the notarial act is performed in accordance with state or federal statutory authority, ~~or is~~ and shall not apply to a certification by a chief officer or a chief officer's designee of a peace officer's verification of a uniform citation and complaint pursuant to section 805.6, subsection 5.

Sec. 350. Section 9H.1, subsection 17, Code Supplement 2003, is amended to read as follows:

17. "Limited partnership" means a limited partnership as defined in section 487.101, ~~subsection 7, and~~ or 488.102, or a limited liability limited partnership under section 487.1301

or chapter 488, which owns or leases agricultural land or is engaged in farming.

Sec. 351. Section 9H.1, subsection 17, Code Supplement 2003, as amended by this division of this Act to take effect January 1, 2005, is amended to read as follows:

17. "Limited partnership" means a limited partnership as defined in section ~~487.101 or~~ 488.102, or a limited liability limited partnership under ~~section 487.1301 or~~ chapter 488, which owns or leases agricultural land or is engaged in farming.

Sec. 352. Section 10B.1, subsection 8, Code Supplement 2003, is amended to read as follows:

8. "Limited partnership" means a foreign or domestic limited partnership, including a limited partnership as defined in section 487.101, ~~subsection 7 or~~ 488.102, and a domestic or foreign limited liability limited partnership under section 487.1301 or 487.1303, or chapter 488.

Sec. 353. Section 10B.1, subsection 8, Code Supplement 2003, as amended by this division of this Act to take effect January 1, 2005, is amended to read as follows:

8. "Limited partnership" means a foreign or domestic limited partnership, including a limited partnership as defined in section ~~487.101 or~~ 488.102, and a domestic or foreign limited liability limited partnership under ~~section 487.1301 or 487.1303, or~~ chapter 488.

Sec. 354. Section 34A.7A, subsection 2, paragraph f, if enacted by 2004 Iowa Acts, House File 2434, is amended by striking the paragraph and inserting in lieu thereof the following:

f. (1) The program manager shall allocate an amount up to one hundred twenty-seven thousand dollars per calendar quarter equally to the joint E911 service boards and the department of public safety that have submitted an annual written request to the program manager in a form approved by the program manager by May 15 of each year.

(2) Upon retirement of outstanding obligations referred to in paragraph "e", the amount allocated under this paragraph

"f" shall be an amount up to four hundred thousand dollars per calendar quarter allocated as follows:

(a) Sixty-five percent of the total dollars available for allocation shall be allocated in proportion to the square miles of the service area to the total square miles in this state.

(b) Thirty-five percent of the total dollars available for allocation shall be allocated in proportion to the wireless E911 calls taken at the public safety answering point in the service area to the total number of wireless E911 calls originating in this state.

(c) Notwithstanding subparagraph subdivisions (a) and (b), the minimum amount allocated to each joint E911 service board and to the department of public safety shall be no less than one thousand dollars for each public safety answering point within the service area of the department of public safety or joint E911 service board.

(3) The funds allocated in this paragraph "f" shall be used for communication equipment located inside the public safety answering points for the implementation and maintenance of wireless E911 phase 2. The joint E911 service boards and the department of public safety shall provide an estimate of phase 2 implementation costs to the program manager by January 1, 2005.

Sec. 355. Section 48A.11, subsection 1, paragraph e, Code 2003, as amended by 2004 Iowa Acts, Senate File 2269, section 8, if enacted, is amended to read as follows:

e. Iowa driver's license number if the registrant has a current and valid Iowa driver's license, Iowa nonoperator's identification card if the registrant has a current and valid Iowa nonoperator's identification card, or the last four numerals of the registrant's social security number. If the registrant does not have an Iowa driver's license number, an Iowa nonoperator's identification card number, or a social security number, the form shall provide space for a number to be assigned as provided in subsection 7.

Sec. 356. Section 48A.25A, unnumbered paragraph 1, if enacted by 2004 Iowa Acts, Senate File 2269, section 13, is amended to read as follows:

Upon receipt of an application for voter registration by mail, the state registrar of voters shall compare the driver's license number, the Iowa nonoperator's identification card number, or the last four numerals of the social security number provided by the registrant with the records of the state department of transportation. To be verified, the voter registration record shall contain the same name, date of birth, and driver's license number or Iowa nonoperator's identification card number or whole or partial social security number as the records of the department of transportation. If the information cannot be verified, the application shall be rejected and the registrant shall be notified of the reason for the rejection. If the information can be verified, a record shall be made of the verification and the application shall be accepted.

Sec. 357. Section 48A.37, subsection 2, Code 2003, as amended by 2004 Iowa Acts, Senate File 2269, section 18, if enacted, is amended to read as follows:

2. Electronic records shall include a status code designating whether the records are active, inactive, local, or pending. Inactive records are records of registered voters to whom notices have been sent pursuant to section 48A.28, subsection 3, and who have not returned the card or otherwise responded to the notice, and those records have been designated inactive pursuant to section 48A.29. Local records are records of applicants who did not answer either "yes" or "no" to the question in section 48A.11, subsection 2A, paragraph "a". Pending records are records of applicants whose applications have not been verified pursuant to section 48A.25A. All other records are active records. An inactive record shall be made active when the registered voter votes at an election, registers again, or reports a change of name, address, telephone number, or political party affiliation. A pending record shall be made active upon verification. A

local record shall be valid for any election for which no candidates for federal office appear on the ballot, ~~but the~~. A registrant may with only a local record shall not vote in a federal election unless the registrant submits a new voter registration application before election day indicating that the applicant is a citizen of the United States.

Sec. 358. Section 49.81, subsection 2, unnumbered paragraph 3, if enacted by 2004 Iowa Acts, Senate File 2269, section 20, is amended to read as follows:

You must show identification before your ballot can be counted. Please bring or mail a copy of a current and valid photo identification card to the county commissioners commissioner's office or bring or mail a copy of one of the following current documents that show your name and address:

Sec. 359. Section 52.7, unnumbered paragraph 4, Code 2003, as amended by 2004 Iowa Acts, Senate File 2269, section 27, if enacted, is amended to read as follows:

Such machine shall be so constructed as to accurately account for every vote cast upon it. The machine shall be so constructed as to remove information from the ballot identifying the voter before the ballot is recorded and counted. If the machine is a direct ~~electronic~~ recording electronic device, the machine shall be so constructed as to store each ballot cast separate from the ballot tabulation function, which ballot may be reproduced on paper in the case of a recount, manual audit, or machine malfunction.

Sec. 360. Section 53.3, subsection 7, if enacted by 2004 Iowa Acts, Senate File 2269, section 30, is amended to read as follows:

7. A statement that an absentee ballot will be mailed to the applicant within twenty-four hours after the ballot for the election is available.

Sec. 361. Section 53.17, subsection 1, paragraph a, if enacted by 2004 Iowa Acts, Senate File 2269, section 33, is amended to read as follows:

a. The sealed carrier envelope may be delivered by the registered voter, by the special precinct election officials

designated pursuant to section 53.22, subsection 1, or by the voter's designee if the absentee ballot is voted by a voter described in section 53.22, subsection 5, to the commissioner's office no later than the time the polls are closed on election day, ~~except as otherwise provided in~~ subsection-4.

Sec. 362. Section 53.17, subsection 4, paragraph d, subparagraph (2), if enacted by 2004 Iowa Acts, Senate File 2269, section 33, is amended to read as follows:

(2) The date and time the voted completed absentee ballot was received from the voter.

Sec. 363. Section 68A.402, subsection 7, paragraph b, as amended by 2004 Iowa Acts, House File 2319, section 1, if enacted, is amended to read as follows:

b. COUNTY ELECTIONS. A political committee expressly advocating the nomination, election, or defeat of candidates for county office shall file reports on the same dates as a candidate's committee is required to file reports under subsection 2, paragraph "a" and subsection 5, paragraph "b".

Sec. 364. Section 68A.503, subsection 4, unnumbered paragraph 1, as amended by 2004 Iowa Acts, House File 2318, section 7, if enacted, is amended to read as follows:

The prohibitions in ~~sections~~ subsections 1 and 2 shall not apply to an insurance company, savings and loan association, bank, credit union, or corporation engaged in any of the following activities:

Sec. 365. Section 99B.11, subsection 2, paragraph c, Code 2003, as amended by 2004 Iowa Acts, Senate File 2249, section 1, is amended to read as follows:

c. Contests or exhibitions of cooking, horticulture, livestock, poultry, fish or other animals, artwork, hobbywork or craftwork, except those prohibited by chapter 717A or ~~section-725-11.~~

Sec. 366. Section 174.1, subsection 0B, paragraph a, as enacted by House File 2403, section 8, is amended to read as follows:

a. The organization owns or leases at least ten acres of fairgrounds. ~~A society~~ An organization may meet the requirement of owning or leasing land, buildings, and improvements through ownership by a joint entity under chapter 28E.

Sec. 367. Section 174.12, subsection 2, unnumbered paragraph 1, Code 2003, as amended by 2004 Iowa Acts, House File 2403, section 16, is amended to read as follows:

A district director of the association representing the district in which the county is located, and the director of the Iowa state fair board representing the state fair board district in which the county is located, certify to the association that the fair had an accredited delegate in attendance at at least one of the district meetings, and at the association's annual meeting.

Sec. 368. Section 229.27, subsection 1, Code 2003, is amended to read as follows:

1. Hospitalization of a person under this chapter, either voluntarily or involuntarily, does not constitute a finding of nor equate with nor raise a presumption of incompetency, nor cause the person so hospitalized to be deemed a person of unsound mind nor a person under legal disability for any purpose, including but not limited to any circumstances to which sections 6B.15, 447.7, 487.402, subsection 5, paragraph "b", section 488.603, subsection 6, paragraph "c", sections 487.705, 488.704, 597.6, 600B.21, 614.8, 614.19, 614.22, 614.24, 614.27, and 633.244 are applicable.

Sec. 369. Section 229.27, subsection 1, Code 2003, as amended by this division of this Act to take effect January 1, 2005, is amended to read as follows:

1. Hospitalization of a person under this chapter, either voluntarily or involuntarily, does not constitute a finding of nor equate with nor raise a presumption of incompetency, nor cause the person so hospitalized to be deemed a person of unsound mind nor a person under legal disability for any purpose, including but not limited to any circumstances to which sections 6B.15, 447.7, ~~487.402~~-~~subsection-5~~-~~paragraph~~

~~"b"~~, section 488.603, subsection 6, paragraph "c", sections 487.705, 488.704, 597.6, 600B.21, 614.8, 614.19, 614.22, 614.24, 614.27, and 633.244 are applicable.

Sec. 370. Section 260C.18A, subsection 2, unnumbered paragraph 1, Code Supplement 2003, is amended to read as follows:

On July 1 of each year for the fiscal year beginning July 1, 2003, and for every fiscal year thereafter, moneys from the grow Iowa values fund created in section 15G.108 are appropriated to the department of economic development for deposit in the workforce training and economic development funds in amounts determined pursuant to subsection 3 4. Moneys deposited in the funds and disbursed to community colleges for a fiscal year shall be expended for the following purposes, provided seventy percent of the moneys shall be used on projects in the areas of advanced manufacturing, information technology and insurance, and life sciences which include the areas of biotechnology, health care technology, and nursing care technology:

Sec. 371. Section 321I.10, if enacted by 2004 Iowa Acts, Senate File 297, section 53, is amended by adding the following new subsection:

NEW SUBSECTION. 2A. Cities may designate streets under the jurisdiction of cities within their respective corporate limits which may be used for the sport of driving all-terrain vehicles.

Sec. 372. Section 331.606B, subsection 4, paragraph a, if enacted by 2004 Iowa Acts, Senate File 371, section 3, is amended to read as follows:

a. A document or instrument that was signed before July 1, ~~2004~~ 2005.

Sec. 373. Section 488.102, subsection 10, paragraph a, subparagraph (2), as enacted by 2004 Iowa Acts, House File 2347, section 2, is amended to read as follows:

(2) A person that was a general partner in a limited partnership when the limited partnership became subject to this chapter under section ~~488-1206~~ 488.1204, subsection 1 or 2.

Sec. 374. Section 488.102, subsection 12, paragraph a, subparagraph (2), as enacted by 2004 Iowa Acts, House File 2347, section 2, is amended to read as follows:

(2) A person that was a limited partner in a limited partnership when the limited partnership became subject to this chapter under section ~~488.1206~~ 488.1204, subsection 1 or 2.

Sec. 375. Section 488.102, subsection 13, as enacted by 2004 Iowa Acts, House File 2347, section 2, is amended to read as follows:

13. "Limited partnership", except in the phrases "foreign limited partnership" and "foreign limited liability limited partnership", means an entity, having one or more general partners and one or more limited partners, which is formed under this chapter by two or more persons or becomes subject to this chapter under article 11 or section ~~488.1206~~ 488.1204, subsection 1 or 2. The term includes a limited liability limited partnership.

Sec. 376. Section 488.202, subsection 3, unnumbered paragraph 1, as enacted by 2004 Iowa Acts, House File 2347, section 20, is amended to read as follows:

A general partner that knows that any information in a filed certificate of limited partnership was false when the certificate was filed or has become false due to changed circumstances shall promptly do at least one of the following:

Sec. 377. Section 488.209, subsection 1, paragraph c, as enacted by 2004 Iowa Acts, House File 2347, section 27, is amended to read as follows:

c. Whether all fees, taxes, and penalties under this chapter or other law due to the secretary of state have been paid.

Sec. 378. Section 488.209, subsection 2, paragraph c, as enacted by 2004 Iowa Acts, House File 2347, section 27, is amended to read as follows:

c. Whether all fees, taxes, and penalties under this chapter or other law due to the secretary of state have been paid.

Sec. 379. Section 488.508, subsection 6, as enacted by 2004 Iowa Acts, House File 2347, section 50, is amended to read as follows:

6. A limited partnership's indebtedness, including indebtedness issued in connection with or as part of a distribution, is not considered a liability for purposes of subsection 2 if the terms of the indebtedness provide that payment of principal and interest are is made only to the extent that a distribution could then be made to partners under this section.

Sec. 380. Section 488.703, subsection 1, as enacted by 2004 Iowa Acts, House File 2347, section 61, is amended to read as follows:

1. On application to a court of competent jurisdiction by any judgment creditor of a partner or transferee, the court may charge the transferable interest of the judgment debtor with payment of the unsatisfied amount of the judgment with interest. To the extent so charged, the judgment creditor has only the rights of a transferee. The court may appoint a receiver of the share of the distributions due or to become due to the judgment debtor in respect of the partnership and make all other orders, directions, accounts, and inquiries the judgment debtor might have made or which the circumstances of the case may require to give effect to the charging order.

Sec. 381. Section 488.809, subsection 1, paragraph a, as enacted by 2004 Iowa Acts, House File 2347, section 72, is amended to read as follows:

a. Pay any fee, tax, or penalty under this chapter or other law due to the secretary of state.

Sec. 382. Section 488.906, subsection 1, paragraph a, as enacted by 2004 Iowa Acts, House File 2347, section 81, is amended to read as follows:

a. Pay, within sixty days after the due date, any fee, tax or penalty under this chapter or other law due to the secretary of state.

Sec. 383. Section 488.1106, subsection 1, paragraph a, as enacted by 2004 Iowa Acts, House File 2347, section 94, is amended to read as follows:

a. The governing statute of each of the other organizations authorizes the merger.

Sec. 384. Section 504.304, subsection 1, if enacted by 2004 Iowa Acts, Senate File 2274, section 27, is amended to read as follows:

1. Except as provided in subsection 2, the validity of corporate action may shall not be challenged on the ground that the corporation lacks or lacked power to act.

Sec. 385. Section 504.854, subsection 3, paragraph b, if enacted by 2004 Iowa Acts, Senate File 2274, section 104, is amended to read as follows:

b. By the members, but the director who, at the time does not qualify as a disinterested director, may shall not vote as a member or on behalf of a member.

Sec. 386. Section 504.1422, subsection 3, if enacted by 2004 Iowa Acts, Senate File 2274, section 145, is amended to read as follows:

3. A corporation that is administratively dissolved continues its corporate existence but may shall not carry on any activities except those necessary to wind up and liquidate its affairs pursuant to section 504.1406 and notify its claimants pursuant to sections 504.1407 and 504.1408.

Sec. 387. Section 614.37, Code 2003, as amended by 2004 Iowa Acts, House File 2450, section 8, if enacted, is amended to read as follows:

614.37 LIMITATION STATUTES NOT EXTENDED.

Nothing contained in this chapter shall be construed to extend the period for the bringing of an action or for the doing of any other required act under any statutes of limitations, nor, except as herein specifically provided, to effect the operation of any statutes governing the effect of the recording or the failure to record any instrument affecting land. It is intended that nothing contained in this division chapter be interpreted to revive or extend the period of filing a claim or bringing an action that may be limited or barred by any other statute.

Sec. 388. Section 669.14, subsection 11, unnumbered paragraph 1, Code Supplement 2003, as amended by 2004 Iowa Acts, House File 2347, section 116, is amended to read as follows:

Any claim for financial loss based upon an act or omission in financial regulation, including but not limited to examinations, inspections, audits, or other financial oversight responsibilities, pursuant to chapters 87, 203, 203C, 203D, 421B, 486, ~~or-the-figure-"487"~~ 487, 488, and 490 through 553, excluding chapters 540A, 542, 542B, 543B, 543C, 543D, 544A, and 544B.

Sec. 389. Section 709A.1, subsection 2, paragraph c, Code 2003, as amended by 2004 Iowa Acts, Senate File 2249, section 2, is amended to read as follows:

c. Any premises the use of which constitutes a violation of chapter 717A, or section 725.57 or 725.107-~~or-725.111~~.

Sec. 390. Section 714.26, subsection 1, paragraph c, if enacted by 2004 Iowa Acts, House File 2395, is amended to read as follows:

c. "Retail value" means the highest value of an item determined by any reasonable standard at the time the item bearing or identified by a counterfeit mark is seized. If a seized item bearing or identified by a counterfeit mark is a component of a finished product, "retail value" also means the highest value, determined by any reasonable standard, of the finished product on which the component would have been utilized. The retail value shall be the retail value of the aggregate quantity of all items seized which bear or are identified by a counterfeit mark. For purposes of this paragraph, reasonable standard includes but is not limited the to the market value within the community, actual value, replacement value, or the counterfeiter's regular selling price for the item bearing or identified by a counterfeit mark, or the intellectual property owner's regular selling price for an item similar to the item bearing or identified by a counterfeit mark.

Sec. 391. Section 717E.1, subsection 3, paragraph a, if enacted by 2004 Iowa Acts, House File 2480, section 1, is amended to read as follows:

a. The annual fair and exposition held by the Iowa state fair board pursuant to chapter 173 or any fair held event conducted by a ~~county-or-district fair or-agricultural-society~~ under the provisions of chapter 174.

Sec. 392. Section 812.6, subsection 2, unnumbered paragraph 1, if enacted by 2004 Iowa Acts, Senate File 2272, section 8, is amended to read as follows:

If the court finds by clear and convincing evidence that the defendant poses a danger to the public peace or safety, or that the defendant is otherwise not qualified for pretrial release, or the defendant refuses to cooperate with treatment, the court shall commit the defendant to an appropriate inpatient treatment facility as provided in paragraphs paragraph "a" and or "b". The defendant shall receive mental health treatment designed to restore the defendant to competency.

Sec. 393. Sections 7D.15, 10D.1, 15.114, 15.221, 15E.64, 18A.11, 84A.1C, 225C.13, 303.3, 331.441, 357A.2, 357A.11, 357A.20, 357A.21, 357A.22A, 357A.23, 357A.24, 425.11, 476.1, 476.27, 480.3, 499.5, 499.5A, 500.3, 504C.1, 514.19, 514.23, and 515.1, Code 2003, are amended by inserting before the figure "504A" the following: "504 or", if 2004 Iowa Acts, Senate File 2274 is enacted.

Sec. 394. Sections 9H.1, 9H.4, 10B.1, 190C.6, 304A.21, 331.427, 357A.15, 422.45, 490.1701, 504B.1, 504B.6, 513C.10, 514.1, 514.2, 514.5, 616.10, 633.63, and 716.6B, Code Supplement 2003, are amended by inserting before the figure "504A" the following: "504 or", if 2004 Iowa Acts, Senate File 2274 is enacted.

Sec. 395. 2004 Iowa Acts, House File 401, section 1, is amended by striking the section and inserting in lieu thereof the following:

SECTION 1. Section 404A.4, subsection 4, Code Supplement 2003, is amended to read as follows:

4. The total amount of tax credits that may be approved for a fiscal year under this chapter shall not exceed two million four hundred thousand dollars. For the fiscal years beginning July 1, 2005, and July 1, 2006, an additional five hundred thousand dollars of tax credits may be approved each fiscal year for purposes of projects located in cultural and entertainment districts certified pursuant to section 303.3B. Any of the additional tax credits allocated for projects located in certified cultural and entertainment districts that are not approved during a fiscal year may be carried over to the succeeding fiscal year. ~~Tax-credit-certificates-shall-be issued-on-the-basis-of-the-earliest-awarding~~ The department of cultural affairs shall establish by rule the procedures for the application, review, selection, and awarding of certifications of completion ~~as-provided-in-subsection-1~~. The departments of economic development, cultural affairs, and revenue shall each adopt rules to jointly administer this subsection and shall provide by rule for the method to be used to determine for which fiscal year the tax credits are approved available.

Sec. 396. 2004 Iowa Acts, House File 2562, section 10, subsection 2, if enacted, is amended to read as follows:

2. On and after July 1, 2005, an owner of an electrical and mechanical amusement device as described in subsection 1 shall not offer the device for use by the public. However, the owner of a device shall be permitted to sell the device to a distributor, as defined in section 99B.1, as amended by this Act, or to a person authorized to offer the device to the public pursuant to section 99B.10, subsection 4, as amended by this Act for which a class "A", class "B", class "C", or class "D" liquor control license ~~or-class-"B"-or-class-"C"-beer permit~~ has been issued pursuant to chapter 123.

Sec. 397. 2004 Iowa Acts, Senate File 2070, section 35, subsection 1, is amended to read as follows:

1. Except as provided in subsections 2 through ~~4~~ 6, this Act takes effect January 1, 2005.

Sec. 398. The section of 2004 Iowa Acts, House File 2489, amending section 523A.502, subsection 7, is repealed if 2004 Iowa Acts, House File 2269, is enacted.

Sec. 399. 2004 Iowa Acts, Senate File 2282, section 1, if enacted, is amended to read as follows:

SECTION 1. LOESS HILLS STUDY AND REPORT. The loess hills development and conservation authority, in consultation with the state advisory board for preserves, shall conduct a comprehensive study to determine the archaeological and paleontological significance and the significance of the flora and fauna of the loess hills and to determine the feasibility of designating land in the loess hills for dedication as a state native prairie preserve and of other various uses of the loess hills. The natural-resource-commission loess hills development and conservation authority may accept gifts, grants, bequests, and other private contributions, as well as federal, state, or local funds for the purposes of conducting the study. The loess hills development and conservation authority and the state advisory board for preserves shall file a joint report containing their findings and recommendations with the legislative services agency by December 15, 2006, for distribution to the general assembly.

Sec. 400. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.

1. The sections of this division of this Act amending sections 9H.1 and 10B.1, Code Supplement 2003, and 229.27, Code 2003, take effect January 1, 2005. The sections of this division of this Act further amending sections 9H.1 and 10B.1, Code Supplement 2003, and 229.27, Code 2003, as amended by this division of this Act to take effect January 1, 2005, take effect January 1, 2006.

2. The section of this division of this Act amending section 260C.18A, being deemed of immediate importance, takes effect upon enactment and applies retroactively to July 1, 2003.

3. The section of this division of this Act amending 2004 Iowa Acts, Senate File 2070, being deemed of immediate importance, takes effect upon enactment and applies retroactively to the date of enactment of Senate File 2070.

DIVISION XVIII

COMMUNITY ATTRACTION AND TOURISM FUND

Sec. 401. Section 15F.204, subsection 3, Code 2003, is amended to read as follows:

3. The fund shall be used to provide assistance only from funds, rights, and assets legally available to the board in the form of grants, loans, forgivable loans, and credit enhancements and financing instruments under the community attraction and tourism program established in section 15F.202. A project with a total cost exceeding twenty million dollars may receive financial assistance under the program. An applicant under the community attraction and tourism program shall not receive financial assistance from the fund in an amount exceeding fifty percent of the total cost of the project.

Sec. 402. Section 15F.204, Code 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 8. a. There is appropriated from the rebuild Iowa infrastructure fund to the community attraction and tourism fund, the following amounts:

- (1) For the fiscal year beginning July 1, 2004, and ending June 30, 2005, the sum of twelve million dollars.
- (2) For the fiscal year beginning July 1, 2005, and ending June 30, 2006, the sum of five million dollars.
- (3) For the fiscal year beginning July 1, 2006, and ending June 30, 2007, the sum of five million dollars.
- (4) For the fiscal year beginning July 1, 2007, and ending June 30, 2008, the sum of five million dollars.
- (5) For the fiscal year beginning July 1, 2008, and ending June 30, 2009, the sum of five million dollars.
- (6) For the fiscal year beginning July 1, 2009, and ending June 30, 2010, the sum of five million dollars.

b. There is appropriated from the franchise tax revenues deposited in the general fund of the state to the community attraction and tourism fund, the following amounts:

- (1) For the fiscal year beginning July 1, 2005, and ending June 30, 2006, the sum of seven million dollars.

(2) For the fiscal year beginning July 1, 2006, and ending June 30, 2007, the sum of seven million dollars.

(3) For the fiscal year beginning July 1, 2007, and ending June 30, 2008, the sum of seven million dollars.

(4) For the fiscal year beginning July 1, 2008, and ending June 30, 2009, the sum of seven million dollars.

(5) For the fiscal year beginning July 1, 2009, and ending June 30, 2010, the sum of seven million dollars.

Notwithstanding the allocation requirements in subsection 5, the board may make a multiyear commitment to an applicant of up to four million dollars in any one fiscal year.

DIVISION XIX

REGULATORY EFFICIENCY COMMISSION

Sec. 403. REGULATORY EFFICIENCY COMMISSION.

1. A regulatory efficiency commission is established for purposes of identifying unneeded regulations, fines, and fees that hinder business development. The commission shall also identify methods for streamlining access to regulatory information.

2. The commission shall consist of eight voting members appointed by the governor and four ex officio members.

a. The eight voting members appointed by the governor are subject to the requirements of sections 69.16, 69.16A, and 69.19. The eight members shall consist of the following:

(1) Two members shall be economic development representatives from two different chambers of commerce. One shall be from a metropolitan area with more than fifty thousand people and one shall be from a metropolitan area with fifty thousand people or less.

(2) Two members representing agricultural interests.

(3) One member representing the Iowa association of business and industry.

(4) Two members representing commercial-based and manufacturing-based businesses.

(5) One member representing the Iowa environmental council.

b. The four ex officio members shall be members of the general assembly. Two members shall be from the senate and two members shall be from the house of representatives, with not more than one member from each chamber being from the same political party. The two senators shall be designated by the president of the senate after consultation with the majority and minority leaders of the senate. The two representatives shall be designated by the speaker of the house of representatives after consultation with the majority and minority leaders of the house of representatives. Legislative members shall serve in an ex officio, nonvoting capacity.

3. Meetings of the commission are subject to the provisions of chapter 21.

4. By January 10, 2005, the commission shall submit a written report to the governor and the general assembly. The report shall include the findings and legislative recommendations of the commission. The report shall be distributed by the secretary of the senate and the chief clerk of the house of representatives to the chairpersons and members of the administrative rules review committee and the economic growth committees in the senate and the house of representatives.

DIVISION XX

WIND ENERGY TAX CREDITS

Sec. 404. NEW SECTION. 422.11J WIND ENERGY PRODUCTION TAX CREDIT.

The taxes imposed under this division, less the credits allowed under sections 422.12 and 422.12B, shall be reduced by a wind energy production tax credit allowed under chapter 476B.

Sec. 405. Section 422.33, Code Supplement 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 16. The taxes imposed under this division shall be reduced by a wind energy production tax credit allowed under chapter 476B.

Sec. 406. Section 422.60, Code Supplement 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 9. The taxes imposed under this division shall be reduced by a wind energy production tax credit allowed under chapter 476B.

Sec. 407. NEW SECTION. 432.12E WIND ENERGY PRODUCTION TAX CREDIT.

The taxes imposed under this chapter shall be reduced by a wind energy production tax credit allowed under chapter 476B.

Sec. 408. Section 437A.6, subsection 1, paragraph c, Code 2003, is amended to read as follows:

c. Wind energy conversion property subject to section 427B.26 or eligible for a tax credit under chapter 476B.

Sec. 409. NEW SECTION. 476B.1 DEFINITIONS.

For purposes of this chapter, unless the context otherwise requires:

1. "Board" means the utilities board within the utilities division of the department of commerce.
2. "Department" means the department of revenue.
3. "Qualified electricity" means electricity produced from wind at a qualified facility.
4. "Qualified facility" means an electrical production facility that meets all of the following:
 - a. Produces electricity from wind.
 - b. Is located in Iowa.
 - c. Was originally placed in service on or after July 1, 2004, but before July 1, 2007.

Sec. 410. NEW SECTION. 476B.2 GENERAL RULE.

The owner of a qualified facility shall, for each kilowatt-hour of qualified electricity that the owner sells during the ten-year period beginning on the date the qualified facility was originally placed in service, be allowed a wind energy production tax credit to the extent provided in this chapter against the tax imposed in chapter 422, divisions II, III, and V, and chapter 432.

Sec. 411. NEW SECTION. 476B.3 CREDIT AMOUNT.

1. Except as limited by subsection 2, the wind energy production tax credit allowed under this chapter equals the product of one cent multiplied by the number of kilowatt-hours

of qualified electricity sold by the owner during the taxable year.

2. a. The maximum amount of tax credit which a group of qualified facilities operating as one unit may receive for a taxable year equals the rate of credit times thirty-two percent of the total number of kilowatts of nameplate generating capacity.

b. However, if for the previous taxable year the amount of the tax credit for the group of qualified facilities operating as one unit is less than the maximum amount available as provided in paragraph "a", the maximum amount for the next taxable year shall be increased by the amount of the previous year's unused maximum credit.

Sec. 412. NEW SECTION. 476B.4 LIMITATIONS.

1. a. The wind energy production tax credit shall not be allowed for any kilowatt-hour of electricity produced on wind energy conversion property for which the owner has claimed or otherwise received for that property the benefit of special valuation under section 427B.26 or section 441.21, subsection 8, or the exemption from retail sales tax under section 422.45, subsection 48, or section 423.3, subsection 53, as applicable.

b. The disallowance of the tax credit pursuant to paragraph "a" does not apply to an owner of a qualified facility that owns, directly or indirectly, in the aggregate, a total annual turbine nameplate capacity of all such property of less than one megawatt. A qualified facility under this paragraph shall not be owned by more than one person.

2. The wind energy production tax credit shall not be allowed for any kilowatt-hour of electricity that is sold to a related person. For purpose of this subsection, persons shall be treated as related to each other if such persons would be treated as a single employer under the regulations prescribed under section 52(b) of the Internal Revenue Code. In the case of a corporation that is a member of an affiliated group of corporations filing a consolidated return, such corporation shall be treated as selling electricity to an unrelated person

if such electricity is sold to such a person by another member of such group.

Sec. 413. NEW SECTION. 476B.5 APPLICATION FOR TAX CREDIT CERTIFICATES.

1. a. To be eligible to receive the wind energy production tax credit, the owner must first receive approval of the board of supervisors of the county in which the qualified facility is located. The application for approval may be submitted prior to commencement of the construction of the qualified facility but shall be submitted no later than the close of the owner's first taxable year for which the credit is to be applied for. The application must contain the owner's name and address, the address of the qualified facility, and the dates of the owner's first and last taxable years for which the credit will be applied for. Within forty-five days of the receipt of the application for approval, the board of supervisors shall either approve or disapprove the application. After the forty-five-day limit, the application is deemed to be approved.

b. Upon approval of the application, the owner may apply for the tax credit as provided in subsection 2. In addition, approval of the application is acceptance by the applicant for the assessment of the qualified facility for property tax purposes for a period of twelve years and approval by the board of supervisors for the payment of the property taxes levied on the qualified property to the state. For purposes of property taxation, the qualified facility shall be centrally assessed and shall be exempt from any replacement tax under section 437A.6 for the period during which the facility is subject to property taxation. The property taxes to be paid to the state are those property taxes which make up the consolidated tax levied on the qualified facility and which are due and payable in the twelve-year period beginning with the first fiscal year beginning on or after the end of the owner's first taxable year for which the credit is applied for. Upon approval of the application, the board of supervisors shall notify the county treasurer to state on the

tax statement which lists the taxes on the qualified facility that the amount of the property taxes shall be paid to the department. Payment of the designated property taxes to the department shall be in the same manner as required for the payment of regular property taxes and failure to pay designated property taxes to the department shall be treated the same as failure to pay property taxes to the county treasurer.

c. Once the owner of the qualified facility receives approval under paragraph "a", subsequent approval under paragraph "a" is not required for the same qualified facility for subsequent taxable years.

2. To receive the wind energy production tax credit, an owner of the qualified facility must submit an application for a tax credit certificate to the board not later than thirty days after the close of the taxable year for which the credit is applied for. The owner's application must contain, but need not be limited to, all of the following information: the owner's name, tax identification number, and address, the number of kilowatt-hours of qualified electricity sold by the owner during the preceding taxable year, the address of the qualified facility at which the qualified electricity was produced, and the denomination that each tax credit certificate is to carry. For the first taxable year for which the credit is applied for, there shall be attached to the application a notarized copy of the board of supervisors' approval as required in subsection 1.

3. The board shall, in conjunction with the department, prescribe appropriate forms, including board of supervisors' approval forms, and instructions to enable owners to claim the tax credit allowed under this chapter. If the board prescribes these forms and instructions, an owner's application for a tax credit certificate shall not be valid unless made on and in accordance with these forms and instructions.

Sec. 414. NEW SECTION. 476B.6 ISSUANCE OF TAX CREDIT CERTIFICATES.

1. If the owner meets the criteria for eligibility for the wind energy production tax credit, the board shall determine the validity of the application and if valid, shall approve the application for credit. Once approval of the credit for a qualified facility is granted, subsequent approval is not required for the same qualified facility. However, application is required to be filed as provided in section 476B.5, subsection 2, for purposes of the issuance of credit certificates. The board shall issue one or more tax credit certificates to the owner not later than thirty days after the application is submitted to the board. Each tax credit certificate must contain the owner's name, address, and tax identification number, amount of tax credits, the first taxable year the certificates may be used, which shall not be for a taxable year beginning prior to July 1, 2005, and the expiration date of the tax credit certificate, which shall be seven years from its date of issuance and any other information required by the department. Once issued by the board, the tax credit certificate shall be binding on the board and the department and shall not be modified, terminated, or rescinded. The board shall notify the department and identify the qualified facility for which the owner received tax credit certificates that property taxes levied on the qualified facility are to be paid to the department.

2. If the tax credit application is filed by a partnership, limited liability company, S corporation, estate, trust, or other reporting entity all of the income of which is taxed directly to its equity holders or beneficiaries, the tax credit certificate may, at the election of the owner, be issued directly to equity holders or beneficiaries of the owner in proportion to their pro rata share of the income of such entity. If the owner elects to have the tax credit certificate issued directly to its equity holders or beneficiaries, the owner must, in the application made under section 476B.5, identify its equity holders or beneficiaries, and the amount of such entity's income that is allocable to each equity holder or beneficiary.

Sec. 415. NEW SECTION. 476B.7 TRANSFER OF TAX CREDIT CERTIFICATES.

Wind energy production tax credit certificates issued under this chapter may be transferred to any person or entity. Within thirty days of transfer, the transferee must submit the transferred tax credit certificate to the board along with a statement containing the transferee's name, tax identification number, and address, and the denomination that each replacement tax credit certificate is to carry and any other information required by the department. Within thirty days of receiving the transferred tax credit certificate and the transferee's statement, the board shall issue one or more replacement tax credit certificates to the transferee. Each replacement certificate must contain the information required under section 476B.6 and must have the same effective taxable year and the same expiration date that appeared in the transferred tax credit certificate. Tax credit certificate amounts of less than the minimum amount established by rule of the board shall not be transferable. A tax credit shall not be claimed by a transferee under this chapter until a replacement tax credit certificate identifying the transferee as the proper holder has been issued.

The tax credit shall only be transferred once. The transferee may use the amount of the tax credit transferred against the taxes imposed under chapter 422, divisions II, III, and V, and chapter 432 for any tax year the original transferor could have claimed the tax credit. Any consideration received for the transfer of the tax credit shall not be included as income under chapter 422, divisions II, III, and V. Any consideration paid for the transfer of the tax credit shall not be deducted from income under chapter 422, divisions II, III, and V.

Sec. 416. NEW SECTION. 476B.8 USE OF TAX CREDIT CERTIFICATES.

To claim a wind energy production tax credit under this chapter, a taxpayer must attach one or more tax credit certificates to the taxpayer's tax return. A tax credit

certificate shall not be used or attached to a return filed for a taxable year beginning prior to July 1, 2005. The tax credit certificate or certificates attached to the taxpayer's tax return shall be issued in the taxpayer's name, expire on or after the last day of the taxable year for which the taxpayer is claiming the tax credit, and show a tax credit amount equal to or greater than the tax credit claimed on the taxpayer's tax return. Any tax credit in excess of the taxpayer's tax liability for the taxable year may be credited to the taxpayer's tax liability for the following seven taxable years or until depleted, whichever is the earlier.

Sec. 417. NEW SECTION. 476B.9 REGISTRATION OF TAX CREDIT CERTIFICATES.

The board shall, in conjunction with the department, develop a system for the registration of the wind energy production tax credit certificates issued or transferred under this chapter and a system that permits verification that any tax credit claimed on a tax return is valid and that transfers of the tax credit certificates are made in accordance with the requirements of this chapter. The tax credit certificates issued under this chapter shall not be classified as a security pursuant to chapter 502.

Sec. 418. EFFECTIVE AND APPLICABILITY DATES. This division of this Act, being deemed of immediate importance, takes effect upon enactment and applies retroactively to taxable years beginning on or after January 1, 2004.

DIVISION XXI

LICENSED INTERPRETER FOR THE HEARING IMPAIRED

Sec. 419. Section 147.1, subsection 2, paragraph c, Code 2003, is amended to read as follows:

c. "Licensed" or "certified" when applied to a physician and surgeon, podiatric physician, osteopath, osteopathic physician and surgeon, physician assistant, psychologist or associate psychologist, chiropractor, nurse, dentist, dental hygienist, optometrist, speech pathologist, audiologist, pharmacist, physical therapist, occupational therapist, respiratory care practitioner, practitioner of cosmetology

arts and sciences, practitioner of barbering, funeral director, dietitian, marital and family therapist, mental health counselor, social worker, massage therapist, athletic trainer, or acupuncturist, or interpreter for the hearing impaired, means a person licensed under this subtitle.

Sec. 420. Section 147.1, subsection 2, paragraph f, Code 2003, is amended to read as follows:

f. "Profession" means medicine and surgery, podiatry, osteopathy, osteopathic medicine and surgery, practice as a physician assistant, psychology, chiropractic, nursing, dentistry, dental hygiene, optometry, speech pathology, audiology, pharmacy, physical therapy, occupational therapy, respiratory care, cosmetology arts and sciences, barbering, mortuary science, marital and family therapy, mental health counseling, social work, dietetics, massage therapy, athletic training, or acupuncture, or interpreting for the hearing impaired.

Sec. 421. Section 147.2, unnumbered paragraph 1, Code 2003, is amended to read as follows:

A person shall not engage in the practice of medicine and surgery, podiatry, osteopathy, osteopathic medicine and surgery, psychology, chiropractic, physical therapy, nursing, dentistry, dental hygiene, optometry, speech pathology, audiology, occupational therapy, respiratory care, pharmacy, cosmetology, barbering, social work, dietetics, marital and family therapy or mental health counseling, massage therapy, mortuary science, or acupuncture, or interpreting for the hearing impaired, or shall not practice as a physician assistant as defined in the following chapters of this subtitle, unless the person has obtained from the department a license for that purpose.

Sec. 422. Section 147.13, Code 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 21. For interpreters, interpreter for the hearing impaired examiners.

Sec. 423. Section 147.14, Code 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 21. For interpreting for the hearing impaired, four members licensed to practice interpreting, three of whom shall be practicing interpreters at the time of appointment to the board and at least one of whom is employed in an educational setting; and three members who are consumers of interpreting services as defined in section 154E.1, each of whom shall be deaf. A majority of members of the board constitutes a quorum.

Sec. 424. Section 147.74, Code Supplement 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 21A. An interpreter licensed under chapter 154E and this chapter may use the title "licensed interpreter" or the letters "L.I." after the person's name.

Sec. 425. Section 147.80, Code Supplement 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 28A. License to practice interpreting, license to practice interpreting under a reciprocal license, or renewal of a license to practice interpreting.

Sec. 426. NEW SECTION. 154E.1 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. "Board" means the board of interpreter for the hearing impaired examiners established in chapter 147.
2. "Consumer" means an individual utilizing interpreting services who uses spoken English, American sign language, or a manual form of English.
3. "Department" means the Iowa department of public health.
4. "Interpreter training program" means a post-secondary education program training individuals to interpret or transliterate.
5. "Interpreting" means facilitating communication between individuals who communicate via American sign language and individuals who communicate via spoken English.
6. "Licensee" means any person licensed to practice interpreting or transliterating for deaf, hard-of-hearing, and hearing individuals in the state of Iowa.

7. "Transliterating" means facilitating communication between individuals who communicate via a manual form of English and individuals who communicate via spoken English.

Sec. 427. NEW SECTION. 154E.2 DUTIES OF THE BOARD.

The board shall administer this chapter. The board's duties shall include, but are not limited to, the following:

1. Adopt rules consistent with this chapter and with chapter 147 which are necessary for the performance of its duties.
2. Act on matters concerning licensure and the process of applying for, granting, suspending, imposing supervisory or probationary conditions upon, reinstating, and revoking a license.
3. Establish and collect licensure fees. The board shall establish the amounts of license and renewal fees based upon the actual costs of sustaining the board and the actual costs of issuing the licenses, and all fees collected shall be deposited with the treasurer of state who shall deposit them in the general fund of the state.

4. Administer the provisions of this chapter regarding documentation required to demonstrate competence as an interpreter, and the processing of applications for licenses and license renewals.

5. Establish and maintain as a matter of public record a registry of interpreters licensed pursuant to this chapter.

6. Develop continuing education requirements as a condition of license renewal.

7. Evaluate requirements for licensure in other states to determine if reciprocity may be granted.

Sec. 428. NEW SECTION. 154E.3 REQUIREMENTS FOR LICENSURE.

On or after July 1, 2005, every person providing interpreting or transliterating services in this state shall be licensed pursuant to this chapter. The board shall adopt rules pursuant to chapters 17A, 147, and 272C establishing procedures for the licensing of new and existing interpreters. Prior to obtaining licensure, an applicant shall successfully

pass an examination prescribed and approved by the board, demonstrating the following:

1. VOICE-TO-SIGN INTERPRETATION. An applicant shall demonstrate proficiency at:

a. Message equivalence, producing a true and accurate signed form of the spoken message, maintaining the integrity of content and meaning, and exhibiting few omissions, substitutions, or other errors.

b. Affect, producing nonmanual grammar consistent with the intent and emotion of the speaker, and exhibiting no distracting mannerisms.

c. Vocabulary choice, making correct sign choices appropriate to the setting and consumers, applying facial grammar consistent with sign choice, selecting signs that remain true to speaker's intent, and demonstrating lexical variety.

d. Fluency, displaying confidence in production, exhibiting a strong command of American sign language or manual codes for English, applying nonmanual behaviors consistent with the speaker's intent, and demonstrating understanding of and sensitivity to cultural differences.

2. SIGN-TO-VOICE INTERPRETATION. An applicant shall demonstrate proficiency at:

a. Message equivalence, producing a true and accurate spoken form of the signed message, maintaining the integrity of content and meaning, and exhibiting few omissions, substitutions, or other errors.

b. Affect, producing inflection consistent with the intent and emotion of the speaker, and exhibiting no distracting mannerisms.

c. Vocabulary choice, making correct word choices appropriate to the setting and consumers, using vocal inflection consistent with word choice, selecting words that remain true to the speaker's intent, and demonstrating lexical variety.

d. Fluency, displaying confidence in production, exhibiting a strong command of English in both spoken and

written forms, applying vocal inflections consistent with the speaker's intent, and demonstrating understanding of and sensitivity to cultural differences.

3. PROFESSIONAL CONDUCT. An applicant shall demonstrate:

a. Proficiency in functioning as a communicator of messages between the sender and receiver, and educating consumers of services about the functions and logistics of the interpreting process.

b. An impartial demeanor, refraining from interjecting opinions or advice and from aligning with one party over another. An applicant shall treat all people fairly and respectfully regardless of their relationship to the interpreting assignment, and present a professional appearance that is not visually distracting and is appropriate to the setting. An applicant shall exhibit knowledge and application of federal and state laws pertaining to the interpreting profession.

c. Integrity, and shall be proficient in understanding and applying ethical behavior appropriate for a licensee. An applicant shall demonstrate discretion in accepting and meeting interpreter services requests, and shall engage actively in lifelong learning.

Sec. 429. NEW SECTION. 154E.4 EXCEPTIONS.

1. A person shall not practice interpreting or transliterating, or represent oneself to be an interpreter, unless the person is licensed under this chapter.

2. This chapter does not prohibit any of the following:

a. Any person residing outside of the state of Iowa holding a current license from another state that meets the state of Iowa's requirements from providing interpreting or transliterating services in this state for up to fourteen days per calendar year without a license issued pursuant to this chapter.

b. Any person who interprets or transliterates solely in a religious setting with the exception of those working in schools that receive government funding.

c. Volunteers working without compensation, including emergency situations, until a licensed interpreter is obtained.

d. Any person working as a substitute for a licensed interpreter in an early childhood, elementary, or secondary education setting for no more than thirty school days in a calendar year.

Sec. 430. Section 272C.1, subsection 6, Code 2003, is amended by adding the following new paragraph:

NEW PARAGRAPH. ad. The board of interpreter for the hearing impaired examiners, created pursuant to chapter 154E.

Sec. 431. INTERPRETER STANDARDS AND REGULATIONS. There is appropriated from the general fund of the state to the Iowa department of public health, for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, for the purpose designated:

For protecting the health and safety of the public through establishing standards and enforcing regulations of interpreters for the deaf, hard-of-hearing, and hearing impaired, and for not more than the following full-time equivalent positions:

.....	\$	60,390
.....	FTEs	1.00

Sec. 432. TRANSITION PROVISIONS.

1. The board of interpreter for the hearing impaired examiners shall be provisionally established as provided in section 147.14, as amended in this division of this Act, effective July 1, 2004, for the sole purpose of appointment of members and organizing, planning, and adopting rules, as described in section 154E.2, as enacted in this division of this Act, which rules shall be effective July 1, 2005. The board shall become fully operational July 1, 2007, as provided in this division of this Act.

2. Applicants for licensure under chapter 154E who have not passed a licensure examination approved by the board by July 1, 2005, shall be issued a temporary license to practice

interpreting for a period of two years, commencing on July 1, 2005.

3. Applicants issued a temporary license pursuant to this section shall pass a licensure examination approved by the board on or before July 1, 2007, in order to remain licensed as an interpreter.

Sec. 433. EFFECTIVE DATE. This division of this Act providing for the licensing of interpreters by amending chapters 147 and 272C and enacting chapter 154E takes effect July 1, 2005.

DIVISION XXII
INCOME TAX CHECKOFFS

Sec. 434. NEW SECTION. 100B.13 VOLUNTEER FIRE FIGHTER PREPAREDNESS FUND.

1. A volunteer fire fighter preparedness fund is created as a separate and distinct fund in the state treasury under the control of the division of fire protection of the department of public safety.

2. Revenue for the volunteer fire fighter preparedness fund shall include, but is not limited to, the following:

a. Moneys credited to the fund pursuant to section 422.12F.

b. Moneys in the form of a devise, gift, bequest, donation, or federal or other grant intended to be used for the purposes of the fund.

3. Moneys in the volunteer fire fighter preparedness fund are not subject to section 8.33. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the fund shall be credited to the fund.

4. Moneys in the volunteer fire fighter preparedness fund are appropriated to the division of fire protection of the department of public safety to be used annually to pay the costs of providing volunteer fire fighter training around the state and to pay the costs of providing volunteer fire fighting equipment.

Sec. 435. Section 314.28, Code 2003, is reenacted to read as follows:

314.28 KEEP IOWA BEAUTIFUL FUND.

A keep Iowa beautiful fund is created in the office of the treasurer of state. The fund is composed of moneys appropriated or available to and obtained or accepted by the treasurer of state for deposit in the fund. The fund shall include moneys credited to the fund as provided in section 422.12A. All interest earned on moneys in the fund shall be credited to and remain in the fund. Section 8.33 does not apply to moneys in the fund.

Moneys in the fund are subject to appropriation by the general assembly annually for the purposes of educating and encouraging Iowans to take greater responsibility for improving their community environment and enhancing the beauty of the state through litter prevention, improving waste management and recycling efforts, and beautification projects.

The department may authorize payment of moneys appropriated from the fund to the department upon approval of an application from a private or public organization. The applicant shall submit a plan for litter prevention, improving waste management and recycling efforts, or a beautification project along with its application. The department shall establish standards relating to the type of projects available for assistance.

Sec. 436. Section 422.12A, Code Supplement 2003, is reenacted to read as follows:

422.12A INCOME TAX REFUND CHECKOFF FOR KEEP IOWA BEAUTIFUL FUND.

1. A person who files an individual or a joint income tax return with the department of revenue under section 422.13 may designate one dollar or more to be paid to the keep Iowa beautiful fund as created in section 314.28. If the refund due on the return or the payment remitted with the return is insufficient to pay the additional amount designated by the taxpayer to the keep Iowa beautiful fund, the amount designated shall be reduced to the remaining amount of refund or the remaining amount remitted with the return. The designation of a contribution to the keep Iowa beautiful fund under this section is irrevocable.

2. The director of revenue shall draft the income tax form to allow the designation of contributions to the keep Iowa beautiful fund on the tax return. The department of revenue, on or before January 31, shall certify the total amount designated on the tax return forms due in the preceding calendar year and shall report the amount to the treasurer of state. The treasurer of state shall credit the amount to the keep Iowa beautiful fund. However, before a checkoff pursuant to this section shall be permitted, all liabilities on the books of the department of revenue and accounts identified as owing under section 421.17 and the political contribution allowed under section 68A.601 shall be satisfied.

3. Moneys in the fund are subject to appropriation as provided in section 314.28.

4. The department of revenue shall adopt rules to administer this section.

5. This section is subject to repeal under section 422.12E.

Sec. 437. Section 422.12E, Code Supplement 2003, is amended to read as follows:

422.12E INCOME TAX RETURN CHECKOFFS LIMITED.

For tax years beginning on or after January 1, ~~1995~~ 2004, there shall be allowed no more than ~~three~~ four income tax return checkoffs on each income tax return. When the same ~~three~~ four income tax return checkoffs have been provided on the income tax return for ~~three~~ two consecutive years, the ~~checkoff~~ two checkoffs for which the least amount has been contributed, in the aggregate for the first ~~two~~ tax years year and through March 15 of the ~~third~~ second tax year, ~~shall be~~ are repealed. This section does not apply to the income tax return checkoff provided in section 68A.601.

If more checkoffs are enacted in the same session of the general assembly than there is space for inclusion on the individual tax return form, the earliest enacted checkoffs for which there is space for inclusion on the return form shall be included on the return form, and all other checkoffs enacted during that session of the general assembly are repealed.

Sec. 438. **NEW SECTION. 422.12F INCOME TAX CHECKOFF FOR VOLUNTEER FIRE FIGHTER PREPAREDNESS.**

1. A person who files an individual or a joint income tax return with the department of revenue under section 422.13 may designate one dollar or more to be paid to the volunteer fire fighter preparedness fund as created in section 100B.13. If the refund due on the return or the payment remitted with the return is insufficient to pay the additional amount designated by the taxpayer to the volunteer fire fighter preparedness fund, the amount designated shall be reduced to the remaining amount of refund or the remaining amount remitted with the return. The designation of a contribution to the volunteer fire fighter preparedness fund under this section is irrevocable.

2. The director of revenue shall draft the income tax form to allow the designation of contributions to the volunteer fire fighter preparedness fund on the tax return. The department of revenue, on or before January 31, shall certify the total amount designated on the tax return forms due in the preceding calendar year and shall report the amount to the treasurer of state. The treasurer of state shall credit the amount to the volunteer fire fighter preparedness fund. However, before a checkoff pursuant to this section shall be permitted, all liabilities on the books of the department of revenue and accounts identified as owing under section 421.17 and the political contribution allowed under section 68A.601 shall be satisfied.

3. The department of revenue shall adopt rules to administer this section.

4. This section is subject to repeal under section 422.12E.

Sec. 439. **EFFECTIVE AND APPLICABILITY DATES.**

1. The section of this division of this Act amending section 422.12E, being deemed of immediate importance, takes effect upon enactment.

2. The sections of this division of this Act reenacting section 422.12A and enacting section 422.12F apply

retroactively to tax years beginning on or after January 1, 2004.

DIVISION XXIII

STATE TAX IMPLEMENTATION COMMITTEE

Sec. 440. STATE TAX IMPLEMENTATION COMMITTEE.

1. On or before July 1, 2004, the department of revenue, in consultation with the department of management, shall initiate and coordinate the establishment of a state tax implementation committee. The department of revenue and the department of management shall provide staffing assistance to the committee.

The state tax implementation committee shall include four members of the general assembly, one each appointed by the majority leader of the senate, the speaker of the house of representatives, the minority leader of the senate, and the minority leader of the house of representatives. The committee shall also include members appointed by the department of revenue. One member shall be appointed to represent each of the following:

- a. The department of revenue.
- b. The department of management.
- c. Counties.
- d. Cities.
- e. School districts.
- f. Local assessors.
- g. County auditors.
- h. Commercial property taxpayers.
- i. Industrial property taxpayers.
- j. Residential property taxpayers.
- k. Agricultural property taxpayers.
- l. Chapter 437A taxpayers.

One additional stakeholder shall be appointed jointly by the majority leader of the senate and the speaker of the house of representatives.

Any vacancy shall be filled in the same manner as regular appointments are made.

The chairpersons of the committee shall be those members of the general assembly appointed by the majority leader of the senate and the speaker of the house of representatives.

The members of the committee representing the department of revenue and the department of management are nonvoting, ex officio members.

The committee shall meet quarterly and at other times as necessary at the call of the chairpersons. Written notice of the time and place of each meeting shall be given to each member of the committee. The only vote taken by the committee shall be the vote approving the final report in subsection 2.

2. The committee shall review and analyze the following:

a. Revenue sources available to local governments and school districts, including taxes, payments in lieu of property taxes, fees, state appropriations, and federal moneys.

b. Revenue sources available to the state, including taxes, fees, and federal moneys, and the portion of state revenues annually appropriated, or otherwise disbursed, to local governments.

c. Exemptions, credits, deductions, exclusions, and other reductions in state or local taxes made available, by state statute or local ordinance, to state and local taxpayers; and state reimbursement of any property tax credits and exemptions.

d. Services provided by local governments, including those provided at the discretion of a local government and those mandated by federal or state statutes and regulations.

e. The role of property taxes in funding local government services, the types of services currently funded by property taxes, and the property tax financing portion of the school funding formula.

f. Alternative systems of property taxation, alternative procedures for protesting property assessments, and various methods of controlling property tax revenues and expenditures.

In conducting its review and analysis, the committee shall study state and local taxes from the standpoint of neutrality;

competitiveness; simplicity; stability; and equity, including maintenance of equity among classes of taxpayers and among taxpayers within the same class.

The committee may hold public hearings to allow persons and organizations to be heard.

The committee shall submit a final report to the general assembly no later than final adjournment of the 2005 regular legislative session. The report shall summarize the committee's activities to date, analyze issues studied to date, and may include such other information that the committee deems relevant and necessary.

3. The committee may request from any state agency or official the information and assistance as needed to perform the review and analysis required in subsection 2. A state agency or official shall furnish the information or assistance requested within the authority and resources of the state agency or official. This subsection does not allow the examination or copying of any public record required by law to be kept confidential.

Sec. 441. FUTURE REPEAL. The section of this division of this Act establishing the state tax implementation committee is repealed effective June 30, 2005.

Sec. 442. 2003 Iowa Acts, First Extraordinary Session, chapter 1, section 41, is repealed.

Sec. 443. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION XXIV

911 EMERGENCY

Sec. 444. Section 34A.1, Code 2003, is amended to read as follows:

34A.1 PURPOSE.

The legislature general assembly finds that enhanced 911 emergency telephone communication systems and other emergency 911 notification devices further the public interest and protect the health, safety, and welfare of the people of Iowa. The purpose of this chapter is to enable the orderly

development, installation, and operation of enhanced 911 emergency telephone communication systems and other emergency 911 notification devices statewide. These systems are to be operated under governmental management and control for the public benefit.

Sec. 445. Section 34A.2, Code 2003, is amended to read as follows:

34A.2 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. "Access line" means ~~a local~~ an exchange access line that has the ability to access ~~local~~ dial tone and reach a ~~local~~ public safety agency answering point.

2. "Administrator" means the ~~E911~~ administrator appointed pursuant to section 34A.2A of the homeland security and emergency management division of the department of public defense.

3. "Competitive local exchange service provider" means the same as defined in section 476.96.

4. "Emergency 911 notification device" means a product capable of accessing a public safety answering point through the 911 system.

~~3~~ 5. "Enhanced 911" or "E911" means a service which that provides the user of a public-telephone-system communications service with the ability to reach a public safety answering point by dialing the digits 911, and which that has the following additional features:

a. Routes an incoming 911 call to the appropriate public safety answering point ~~selected from the public safety answering points operating in a 911 service area~~.

b. Automatically provides voice, displays the name, address or location, and telephone number of an incoming 911 call and public safety agency servicing the address-on-a-video monitor-at-the-appropriate-public-safety-answering-point location.

~~4~~ 6. "Enhanced 911 service area" means the geographic area to be serviced, or currently serviced under an enhanced

911 service plan, provided that an enhanced 911 service area must at minimum encompass one entire county. The enhanced 911 service area may encompass more than one county, and need not be restricted to county boundaries.

~~5~~ 7. "Enhanced 911 service plan" means a plan that includes the following information:

- a. A description of the enhanced 911 service area.
- b. A list of all public and private safety agencies within the enhanced 911 service area.
- c. The number of public safety answering points within the enhanced 911 service area.
- d. Identification of the agency responsible for management and supervision of the enhanced 911 emergency telephone communication system.

e. A statement of estimated costs to be incurred by the joint E911 service board or the department of public safety, including separate estimates of the following:

(1) Nonrecurring costs, including, but not limited to, public safety answering points, network equipment, software, database, addressing, initial training, and other capital and start-up expenditures, including the purchase or lease of subscriber names, addresses, and telephone information from the local exchange service provider.

(2) Recurring costs, including, but not limited to, network access fees and other telephone charges, software, equipment, and database management, and maintenance, including the purchase or lease of subscriber names, addresses, and telephone information from the local exchange service provider. Recurring costs shall not include personnel costs for a public safety answering point.

Funds deposited in an E911 service fund ~~shall be~~ are appropriated and shall be used for the payment of costs which that are limited to nonrecurring and recurring costs directly attributable to the provision of 911 emergency telephone communication service and may include costs for portable and vehicle radios, communication towers and associated equipment, and other radios and associated equipment permanently located

at the public safety answering point and as directed by either the joint E911 service board or the department of public safety. Costs do not include expenditures for any other purpose, and specifically exclude costs attributable to other emergency services or expenditures for buildings or personnel, except for the costs of personnel for database management and personnel directly associated with addressing.

f. Current equipment operated by affected local exchange service providers, and central office equipment and technology upgrades necessary for the provider to implement enhanced 911 service within the enhanced 911 service area ~~on-or-before-July 17-1992~~.

g. A schedule for implementation of the plan throughout the E911 service area. The schedule may provide for phased implementation. ~~However, a joint 911 service board may decide not to implement E911 service.~~

h. The number of telephone access lines capable of access to 911 in the enhanced 911 service area.

i. The total property valuation in the enhanced 911 service area.

~~6. "Enhanced 911 service surcharge" is a charge set by the E911 service area operating authority and assessed on each access line which physically terminates within the E911 service area.~~

8. "Local exchange carrier" means the same as defined in section 476.96.

~~7. 9. "Local exchange service provider" means a person vendor engaged in providing telecommunications service between points within an exchange and includes but is not limited to a competitive local exchange service provider and a local exchange carrier.~~

10. "Program manager" means the E911 program manager appointed pursuant to section 34A.2A.

8. 11. "Provider" means a person vendor who provides, or offers to provide, E911 equipment, installation, maintenance, or exchange access services within the enhanced 911 service area.

9. 12. "Public or private safety agency" means a unit of state or local government, a special purpose district, or a private firm which provides or has the authority to provide fire fighting, police, ambulance, or emergency medical services, or hazardous materials response.

~~10. 13. "Public safety answering point" means a twenty-four-hour-local-jurisdiction twenty-four-hour public safety communications facility which that receives enhanced 911 service calls and directly dispatches emergency response services or relays calls to the appropriate public or private safety agency.~~

14. "Wireless E911 phase 1" means a 911 call made from a wireless device in which the wireless service provider delivers the call-back number and address of the tower that received the call to the appropriate public safety answering point.

15. "Wireless E911 phase 2" means a 911 call made from a wireless device in which the wireless service provider delivers the call-back number and the latitude and longitude coordinates of the wireless device to the appropriate public safety answering point.

16. "Wire-line E911 service surcharge" is a charge set by the E911 service area operating authority and assessed on each wire-line access line which physically terminates within the E911 service area.

Sec. 446. Section 34A.2A, Code 2003, is amended to read as follows:

34A.2A ADMINISTRATOR PROGRAM MANAGER -- APPOINTMENT -- DUTIES.

1. The administrator of the division of homeland security and emergency management division of the department of public defense shall appoint an E911 administrator program manager to administer this chapter.

2. The E911 administrator program manager shall act under the supervisory control of the administrator of the division of homeland security and emergency management division of the department of public defense, and in consultation with the

E911 communications council, and perform the duties specifically set forth in this chapter and as assigned by the administrator.

Sec. 447. Section 34A.3, Code 2003, is amended to read as follows:

34A.3 JOINT ~~911~~ E911 SERVICE BOARD -- 911 SERVICE PLAN -- IMPLEMENTATION -- WAIVERS.

1. JOINT ~~911~~ E911 SERVICE BOARDS ~~TO-SUBMIT~~ -- PLANS.

a. The board of supervisors of each county shall ~~establish~~ maintain a joint ~~911~~ E911 service board ~~not-later-than-January-17-1989.~~

(1) Each political subdivision of the state having a public safety agency serving territory within the county is entitled to voting membership on the joint ~~911~~ E911 service board. Each private safety agency operating within the area is entitled to nonvoting membership on the board.

(2) A township which that does not operate its own public safety agency, but contracts for the provision of public safety services, is not entitled to membership on the joint ~~911~~ E911 service board, but its contractor is entitled to membership according to the contractor's status as a public or private safety agency.

b. The joint ~~911~~ E911 service board shall ~~develop~~ maintain an enhanced 911 service plan encompassing at minimum the entire county, unless an exemption is granted by the administrator program manager permitting a smaller E911 service area.

(1) The administrator program manager may grant a discretionary exemption from the single county minimum service area requirement based upon ~~an-E911~~ a joint E911 service board's or other E911 service plan operating authority's presentation of evidence which supports the requested exemption if the administrator program manager finds that local conditions make adherence to the minimum standard unreasonable or technically infeasible, and that the purposes of this chapter would be furthered by granting an exemption. The minimum size requirement is intended to prevent

unnecessary duplication of public safety answering points and minimize other administrative, personnel, and equipment expenses. ~~An-E911-service-area-must-encompass-a-geographically-contiguous-area--No-exemption-shall-be-granted-from-the-contiguous-area-requirement.~~

(2) The administrator program manager may order the inclusion of a specific territory in an adjoining E911 service plan area to avoid the creation by exclusion of a territory smaller than a single county not serviced by surrounding E911 service plan areas upon request of the joint ~~911~~ E911 service board representing the territory.

c. The E911 service plan operating authority shall submit proposed changes to the plan ~~on-or-before-January-17-1994,~~ to all of the following:

a. (1) The administrator program manager.

b. (2) Public and private safety agencies in the enhanced 911 service area.

c. (3) Providers Local exchange service providers affected by the enhanced 911 service plan.

~~An-E911-joint-service-board-that-has-a-state-approved-service-plan-in-place-prior-to-July-17-1993,-is-exempt-from-the-provisions-of-this-section--The-administrator-shall-establish,-by-July-17-1994,-E911-service-plans-for-those-E911-joint-service-boards-which-do-not-have-a-state-approved-service-plan-in-place-on-or-before-January-17-1994.~~

~~The-administrator-shall-prepare-a-summary-of-the-plans-submitted-and-present-the-summary-to-the-legislature-on-or-before-August-17-1994.~~

2. COMPLIANCE WAIVERS AVAILABLE IN LIMITED CIRCUMSTANCES.

a. The administrator program manager may extend, ~~in-whole~~ or-in-part, the time period for plan implementation by issuing for implementation of an enhanced 911 service plan beyond the scheduled plan of implementation, ~~by-issuance-of~~ a compliance waiver.

b. The compliance waiver shall be based upon a joint ~~911~~ E911 service board's presentation of evidence which supports an extension if the administrator program manager finds that

local conditions make implementation financially unreasonable or technically infeasible by the originally scheduled plan of implementation.

c. The compliance waiver shall be for a set period of time, and subject to review and renewal or denial of renewal upon its expiration.

d. The waiver may cover all or a portion of a 911 service plan's enhanced 911 service area to facilitate phased implementation when possible.

e. The granting of a compliance waiver does not create a presumption that the identical or similar waiver will be extended in the future.

f. Consideration of compliance waivers shall be on a case-by-case basis.

3. CHAPTER 28E AGREEMENT -- ALTERNATIVE TO JOINT 911 E911 SERVICE BOARD. A legal entity created pursuant to chapter 28E by a county or counties, other political divisions, and public or private agencies to jointly plan, implement, and operate a countywide, or larger, enhanced 911 service system may be substituted for the joint 911 E911 service board required under subsection 1.

An alternative legal entity created pursuant to chapter 28E as a substitute for a joint 911 E911 service board, as permitted by this subsection, may be created by either:

a. Agreement of the parties entitled to voting membership on a joint 911 E911 service board.

b. Agreement of the members of a joint 911 E911 service board.

An alternative chapter 28E entity has all of the powers of a joint 911 E911 service board and any additional powers granted by the agreement. As used in this chapter, "joint 911 E911 service board" includes an alternative chapter 28E entity created for that purpose, except as specifically limited by the chapter 28E agreement or unless clearly provided otherwise in this chapter. A chapter 28E agreement related to E911 service shall permit the participation of a private safety agency or other persons allowed to participate in a joint 911

E911 service board, but the terms, scope, and conditions of participation are subject to the chapter 28E agreement.

4. PARTICIPATION IN JOINT E911 SERVICE BOARD REQUIRED. A political subdivision or state agency having a public safety agency within its territory or jurisdiction shall participate in a joint E911 service board and cooperate in preparing maintaining the E911 service plan.

Sec. 448. Section 34A.4, Code 2003, is amended to read as follows:

34A.4 REQUIRED-CONVERSION REQUIREMENTS OF PAY TELEPHONES AND OTHER TELECOMMUNICATIONS DEVICES TO ALLOW 911 CALLS WITHOUT DEPOSITING COINS OR OTHER CHARGE.

~~1.--CONVERSION-AND-NOTICE-REQUIRED.--When-an-enhanced-911 service-system-becomes-operational-or-as-soon-as-feasible thereafter,-each-provider-or-other-owner-or-lessee-of-a-pay station-telephone-to-be-operated-within-the-enhanced-911 service-area-shall-do-the-following:~~

~~a.--Convert-each-telephone-to-permit-a-caller-to-dial-911 without-first-inserting-a-coin-or-paying-any-other-charge.~~

~~b.--Prominently-display-on-each-pay-telephone-a-notice advising-callers-to-dial-911-in-an-emergency-and-that-deposit of-a-coin-is-not-required.~~

~~2.--CERTAIN-PAY-PHONES-PROHIBITED-WITHIN-SERVICE-AREA.~~ After-commencement-of-enhanced-911-service-in In an enhanced 911 service area, a person shall not install or offer for use within the enhanced 911 service area a pay station telephone or other fixed device unless the telephone or device is capable of accepting making a 911 call without prior insertion of a coin or payment of any other charge, and unless the telephone or device displays notice of free 911 service.

Sec. 449. Section 34A.6, subsection 1, unnumbered paragraph 1, Code 2003, is amended to read as follows:

Before a joint E911 service board may request imposition of the surcharge by the administrator program manager, the board shall submit the following question to voters, as provided in subsection 2, in the proposed E911 service area, and the question shall receive a favorable vote from a simple majority

of persons submitting valid ballots on the following question within the proposed E911 service area:

Sec. 450. Section 34A.7, unnumbered paragraph 1, Code 2003, is amended to read as follows:

When an E911 service plan is implemented, the costs of providing E911 service within an E911 service area are the responsibility of the joint E911 service board and the member political subdivisions. Costs in excess of the amount raised by imposition of the E911 service surcharge provided for under subsection 1, shall be paid by the joint E911 service board from such revenue sources allocated among the member political subdivisions as determined by the joint E911 service board. Funding is not limited to the surcharge, and surcharge revenues may be supplemented by other permissible local and state revenue sources. A joint 911 E911 service board shall not commit a political subdivision to appropriate property tax revenues to fund an E911 service plan without the consent of the political subdivision. A joint 911 E911 service board may approve a 911 an E911 service plan, including a funding formula requiring appropriations by participating political subdivisions, subject to the approval of the funding formula by each political subdivision. However, a political subdivision may agree in advance to appropriate property tax revenues or other moneys according to a formula or plan developed by an alternative chapter 28E entity.

Sec. 451. Section 34A.7, subsections 1, 2, 3, and 4, Code 2003, are amended to read as follows:

1. LOCAL WIRE-LINE E911 SERVICE SURCHARGE IMPOSITION.

a. To encourage local implementation of E911 service, one source of funding for E911 emergency telephone communication systems shall come from a surcharge per month, per access line on each access line subscriber, except as provided in subsection 5, equal to the lowest amount of the following:

(1) One dollar.

(2) An amount less than one dollar, which would fully pay both recurring and nonrecurring costs of the E911 service system within five years from the date the maximum surcharge is imposed.

(3) The maximum monetary limitation approved by referendum.

b. The surcharge shall be imposed by order of the administrator program manager as follows:

(1) The administrator program manager shall notify a local exchange service provider scheduled to provide exchange access line service to an E911 service area, that implementation of an E911 service plan has been approved by the joint 911 E911 service board and by the service area referendum, and that collection of the surcharge is to begin within one hundred days.

(2) The notice-shall-be-provided-at-least-one-hundred-days before-the-surcharge-must-be-billed-for-the-first-time program manager shall also provide notice to all affected public safety answering points.

~~c. The surcharge shall terminate at the end of twenty-four months, unless either, or both, of the following conditions is met:~~

~~(1) E911 service is initiated for all or a part of the E911 service area;~~

~~(2) An extension is granted by the administrator for good cause;~~

~~d. The surcharge shall terminate at the end of twenty-four months if the joint E911 service plan has not been approved by the administrator within eighteen months of the original notice to the provider to impose the surcharge, and shall not be reimposed until a service plan is approved by the administrator and the administrator gives providers notice as required by paragraph "a", subparagraphs (1) and (2).~~

2. SURCHARGE COLLECTED BY LOCAL EXCHANGE SERVICE PROVIDERS.

a. The surcharge shall be collected as part of the access line service provider's periodic billing to a subscriber. In compensation for the costs of billing and collection, the local exchange service provider may retain one percent of the gross surcharges collected. If the compensation is insufficient to fully recover a local exchange service

provider's costs for billing and collection of the surcharge, the deficiency shall be included in the local exchange service provider's costs for ratemaking purposes to the extent it is reasonable and just under section 476.6. The surcharge shall be remitted to the E911 service operating authority for deposit into the E911 service fund quarterly by the local exchange service provider. The total amount for multiple exchanges may be combined.

b. A local exchange service provider is not liable for an uncollected surcharge for which the local exchange service provider has billed a subscriber but not been paid. The surcharge shall appear as a single line item on a subscriber's periodic billing entitled, "E911 emergency telephone service surcharge". The E911 service surcharge is not subject to sales or use tax.

c. The joint E911 service board may request, not more than once each quarter, the following information from the local exchange service provider:

- (1) The identity of the exchange from which the surcharge is collected.
- (2) The number of lines to which the surcharge was applied for the quarter.
- (3) The number of refusals to pay per exchange if applicable.
- (4) Write-offs applied per exchange if applicable.
- (5) The number of lines exempt per exchange.
- (6) The amount retained by the local exchange service provider generated from the one percent administration fee.

d. Access line counts and surcharge remittances are confidential public records as provided in section 34A.8.

3. MAXIMUM LIMIT PER SUBSCRIBER BILLING FOR SURCHARGE. An individual subscriber shall not be required to pay on a single periodic billing the surcharge on more than one hundred access lines, or their equivalent, in an E911 service area. A subscriber shall pay the surcharge in each E911 service area in which the subscriber receives access line service.

4. E911 SERVICE FUND. Each joint E911 service board shall establish and maintain as a separate account an E911 service fund. Any funds remaining in the account at the end of each fiscal year shall not revert to the general funds of the member political subdivisions, except as provided in subsection 5, but shall remain in the E911 service fund. Moneys in an E911 service fund may only be used for nonrecurring and recurring costs of the E911 service plan as approved by the administrator program manager, as those terms are defined by section 34A.2.

Sec. 452. Section 34A.7, subsection 5, paragraph b, subparagraphs (2) and (3), Code 2003, are amended to read as follows:

(2) If money remains in the fund after fully paying for recurring costs incurred in the preceding year, the remainder may be spent to pay for nonrecurring costs, not to exceed actual nonrecurring costs as approved by the administrator program manager.

(3) If money remains in the fund after fully paying obligations under subparagraphs (1) and (2), the remainder may be accumulated in the fund as a carryover operating surplus. If the surplus is greater than twenty-five percent of the approved annual operating budget for the next year, the administrator program manager shall reduce the surcharge by an amount calculated to result in a surplus of no more than twenty-five percent of the planned annual operating budget. After nonrecurring costs have been paid, if the surcharge is less than the maximum allowed and the fund surplus is less than twenty-five percent of the approved annual operating budget, the administrator program manager shall, upon application of the joint E911 service board, increase the surcharge in an amount calculated to result in a surplus of twenty-five percent of the approved annual operating budget. The surcharge may only be adjusted once in a single year, upon one hundred days' prior notice to the provider.

Sec. 453. Section 34A.7A, subsection 1, Code 2003, is amended to read as follows:

1. a. Notwithstanding section 34A.6, the administrator shall adopt by rule a monthly surcharge of up to fifty sixty-five cents to be imposed on each wireless communications service number provided in this state. The surcharge shall be imposed uniformly on a statewide basis and simultaneously on all wireless communications service numbers as provided by rule of the administrator.

b. The administrator program manager shall provide no less than one hundred days' notice of the surcharge to be imposed to each wireless communications service provider. The administrator program manager, subject to the fifty sixty-five cent limit in paragraph "a", may adjust the amount of the surcharge as necessary, but no more than once in any calendar year.

c. (1) The surcharge shall be collected as part of the wireless communications service provider's periodic billing to a subscriber. The surcharge shall appear as a single line item on a subscriber's periodic billing indicating that the surcharge is for E911 emergency telephone service. In the case of prepaid wireless telephone service, this surcharge shall be remitted based upon the address associated with the point of purchase, the customer billing address, or the location associated with the mobile telephone number for each active prepaid wireless telephone that has a sufficient positive balance as of the last days of the information, if that information is available. The wireless E911 service surcharge is not subject to sales or use tax.

(2) In compensation for the costs of billing and collection, the wireless communications service provider may retain one percent of the gross surcharges collected.

(3) The surcharges shall be remitted quarterly by the wireless communications service provider to the administrator program manager for deposit into the fund established in subsection 2.

(4) A wireless communications service provider is not liable for an uncollected surcharge for which the wireless communications service provider has billed a subscriber but

~~which has not been paid. The surcharge shall appear as a single line item on a subscriber's periodic billing indicating that the surcharge is for E911 emergency telephone service. The E911 service surcharge is not subject to sales or use tax.~~

Sec. 454. Section 34A.7A, subsection 2, Code 2003, is amended to read as follows:

2. Moneys collected pursuant to subsection 1 shall be deposited in a separate wireless E911 emergency communications fund within the state treasury under the control of the administrator program manager. Section 8.33 shall not apply to moneys in the fund. Moneys earned as income, including as interest, from the fund shall remain in the fund until expended as provided in this section. Moneys in the fund shall be expended and distributed annually as follows in the following priority order:

a. An amount as appropriated by the general assembly to the administrator shall be allocated to the administrator and program manager for implementation, support, and maintenance of the functions of the administrator and program manager and to employ the auditor of state to perform an annual audit of the wireless E911 emergency communications fund.

b. The program manager shall allocate twenty-one percent of the total amount of surcharge generated to wireless carriers to recover their costs to deliver E911 phase 1 services. If the allocation in this paragraph is insufficient to reimburse all wireless carriers for such carrier's eligible expenses, the program manager shall allocate a prorated amount to each wireless carrier equal to the percentage of such carrier's eligible expenses as compared to the total of all eligible expenses for all wireless carriers for the calendar quarter during which such expenses were submitted. When prorated expenses are paid, the remaining unpaid expenses shall no longer be eligible for payment under this paragraph.

c. The program manager shall reimburse wire-line carriers on a calendar quarter basis for carriers' eligible expenses for transport costs between the selective router and the public safety answering points related to the delivery of wireless E911 phase 1 services.

~~b. d. (1) The administrator shall retain funds necessary to reimburse wireless carriers for their costs to deliver E911 services. The administrator shall assure that wireless carriers recover all eligible costs associated with the implementation and operation of E911 services, including but not limited to hardware, software, and transport costs. The administrator shall adopt rules defining eligible costs which are consistent with federal law, regulations, and any order of a federal agency program manager shall reimburse wire-line carriers and third-party E911 automatic location information database providers on a calendar quarterly basis for the costs of maintaining and upgrading the E911 components and functionalities beyond the input to the E911 selective router, including the E911 selective router and the automatic location information database.~~

~~(2) The administrator shall provide for the reimbursement of wireless carriers on a quarterly basis. If the total amount of moneys available in the fund for the reimbursement of wireless carriers pursuant to subparagraph (1) is insufficient to reimburse all wireless carriers for such carriers' eligible expenses, the administrator shall remit an amount to each wireless carrier equal to the percentage of such carrier's eligible expenses as compared to the total of all eligible expenses for all wireless carriers for the calendar quarter during which such expenses were submitted.~~

~~e. The program manager shall apply an amount up to five hundred thousand dollars per calendar quarter to any outstanding wireless E911 phase 1 obligations incurred pursuant to this chapter prior to July 1, 2004.~~

~~f. (1) The program manager shall allocate an amount up to one hundred fifty-nine thousand dollars per calendar quarter equally to the joint E911 service boards and the department of public safety that have submitted an annual written request to the program manager in a form approved by the program manager by May 15 of each year. The program manager shall allocate to each joint E911 service board and to the department of public safety a minimum of one thousand dollars per calendar quarter~~

for each public safety answering point within the service area of the department of public safety or joint E911 service board.

(2) Upon retirement of outstanding obligations referred to in paragraph "e", the amount allocated under this paragraph "f" shall be twenty-four percent of the total amount of surcharge generated per calendar quarter allocated as follows:

(a) Sixty-five percent of the total dollars available for allocation shall be allocated in proportion to the square miles of the service area to the total square miles in this state.

(b) Thirty-five percent of the total dollars available for allocation shall be allocated in proportion to the wireless E911 calls taken at the public safety answering point in the service area to the total number of wireless E911 calls originating in this state.

(c) Notwithstanding subparagraph subdivisions (a) and (b), the minimum amount allocated to each joint E911 service board and to the department of public safety shall be no less than one thousand dollars for each public safety answering point within the service area of the department of public safety or joint E911 service board.

(3) The funds allocated in this paragraph "f" shall be used for communication equipment located inside the public safety answering points for the implementation and maintenance of wireless E911 phase 2. The joint E911 service boards and the department of public safety shall provide an estimate of phase 2 implementation costs to the program manager by January 1, 2005.

~~c. (1) The remainder of the surcharge collected shall be remitted to the administrator for distribution to the joint E911 service boards and the department of public safety pursuant to subparagraph (2) to be used for the implementation of enhanced wireless communications capabilities.~~

g. If moneys remain in the fund after fully paying all obligations under paragraphs "a" through "f", the remainder may be accumulated in the fund as a carryover operating

surplus. This surplus shall be used to fund future phase 2 network and public safety answering point improvements and wireless carriers' transport costs related to wireless E911 services, if those costs are not otherwise recovered by wireless carriers through customer billing or other sources and approved by the program manager. Notwithstanding section 8.33, any moneys remaining in the fund at the end of each fiscal year shall not revert to the general fund of the state but shall remain available for the purposes of the fund.

{2} h. The administrator, in consultation with the program manager and the E911 communications council, shall adopt rules pursuant to chapter 17A governing the distribution of the surcharge collected and distributed pursuant to this lettered paragraph subsection. The rules shall include provisions that all joint E911 service boards and the department of public safety which answer or service wireless E911 calls are eligible to receive an equitable portion of the receipts.

~~A joint E911 service board or the department of public safety, to receive funds from the wireless E911 emergency communications fund, must submit a written request for such funds to the administrator in a form as approved by the administrator. A request shall be for funding under an approved E911 service plan for equipment which is directly related to the reception and disposition of incoming wireless E911 calls. The administrator may approve the distribution of funds pursuant to such request if the administrator finds that the requested funding is for equipment necessary for the reception and disposition of such calls and that sufficient funds are available for such distribution.~~

~~If insufficient funds are available to fund all requests, the administrator shall fund requests in an order deemed appropriate by the administrator after considering factors including, but not limited to, all of the following:~~

~~(a) Documented volume of wireless E911 calls received by each public safety answering point.~~

~~(b) The population served by each public safety answering point.~~

~~(c) The number of wireless telephones in the public safety answering point jurisdiction.~~

~~(d) The public safety of the citizens of this state.~~

~~(e) Any other factor deemed appropriate by the administrator, in consultation with the E911 communications council, and adopted by rule.~~

{3} 2A. a. The administrator program manager shall submit an annual report by January 15 of each year to the legislative government oversight committee advising the general assembly of the status of E911 implementation and operations, including both land-line wire-line and wireless services, and the distribution of surcharge receipts, and an accounting of the revenues and expenses of the E911 program.

b. The program manager shall submit a calendar quarter report of the revenues and expenses of the E911 program to the fiscal services division of the legislative services agency.

c. The legislative government oversight committee shall review the priorities of distribution of funds under this chapter at least every two years.

Sec. 455. Section 34A.7A, subsection 3, Code 2003, is amended to read as follows:

3. The amount collected from a wireless service provider and deposited in the fund, pursuant to section 22.7, subsection 6, information provided by a wireless service provider to the administrator program manager consisting of trade secrets, pursuant to section 22.7, subsection 3, and other financial or commercial operations information provided by a wireless service provider to the administrator program manager, shall be kept confidential as provided under section 22.7. This subsection does not prohibit the inclusion of information in any report providing aggregate amounts and information which does not identify numbers of accounts or customers, revenues, or expenses attributable to an individual wireless communications service provider.

Sec. 456. Section 34A.8, subsection 2, unnumbered paragraph 2, Code 2003, is amended to read as follows:

The program manager, joint E911 service board, the designated E911 service provider, and the public safety answering point, their agents, employees, and assigns shall use local exchange service information provided by the local exchange service provider solely for the purposes of providing E911 emergency telephone service, and it shall otherwise be kept confidential. A person who violates this section is guilty of a simple misdemeanor.

Sec. 457. Section 34A.9, Code 2003, is amended to read as follows:

34A.9 TELECOMMUNICATIONS DEVICES FOR THE DEAF SPEECH AND HEARING-IMPAIRED.

~~By January 1, 1990, each county~~ Each public safety answering point shall provide for the installation and use of ~~at least one~~ telecommunications device ~~devices~~ for the deaf ~~at a public safety answering point~~ speech and hearing-impaired.

Sec. 458. NEW SECTION. 34A.10 E911 SELECTIVE ROUTER.

On and after July 1, 2004, only the program manager shall approve access to the E911 selective router.

Sec. 459. Section 34A.15, Code 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. The auditor of state or the auditor of state's designee shall serve as an ex officio nonvoting member.

Sec. 460. Section 34A.15, subsection 2, Code 2003, is amended to read as follows:

2. The council shall advise and make recommendations to the administrator and program manager regarding the implementation of this chapter. Such advice and recommendations shall be provided on issues at the request of the administrator or program manager or as deemed necessary by the council.

Sec. 461. Section 16.161, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The authority shall assist the administrator program manager, appointed pursuant to section 34A.2A, as provided in chapter 34A, subchapter II, and the authority shall have all

of the powers delegated to it by a joint E911 service board or the department of public defense in a chapter 28E agreement with respect to the issuance and securing of bonds or notes and the carrying out of the purposes of chapter 34A.

DIVISION XXV

SEX OFFENDER REGISTRY

Sec. 462. Section 22.7, Code Supplement 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 48. Sex offender registry records under chapter 692A, except as provided in section 692A.13.

Sec. 463. Section 229A.8A, subsection 4, Code Supplement 2003, is amended to read as follows:

~~4. For purposes of registering as a sex offender under chapter 692A, a person placed in the transitional release program shall be classified a "high-risk" sex offender and public notification shall be as provided in section 692A.13A, subsection 2.~~ A committed person who refuses to register as a sex offender is not eligible for placement in a transitional release program.

Sec. 464. Section 692A.13, Code Supplement 2003, is amended by striking the section and inserting in lieu thereof the following:

692A.13 AVAILABILITY OF RECORDS.

1. The department may provide relevant information from the sex offender registry to the following:

a. A criminal or juvenile justice agency, an agency of the state, any sex offender registry of another state, or the federal government.

b. The general public through the sex offender registry's web page, except that relevant information about an offender who was under twenty years of age at the time the offender committed a violation of section 709.4, subsection 2, paragraph "c", subparagraph (4), shall not be disclosed on the web page.

c. The single contact repository established pursuant to section 135C.33, in accordance with the rules adopted by the department.

2. A criminal or juvenile justice agency may provide relevant information from the sex offender registry to the following:

a. A criminal or juvenile justice agency, an agency of the state, or any sex offender registry of another state, or the federal government.

b. The general public, including public and private agencies, organizations, public places, public and private schools, child care facilities, religious and youth organizations, neighbors, neighborhood associations, community meetings, and employers. Registry information may be distributed to the public through printed materials, visual or audio press releases, or through a criminal or juvenile justice agency's web page.

3. Any member of the public may contact a county sheriff's office or police department to request relevant information from the registry regarding a specific person required to register under this chapter. The request for information shall be in writing, and shall include the name of the person and at least one of the following identifiers pertaining to the person about whom the information is sought:

- a. The date of birth of the person.
- b. The social security number of the person.
- c. The address of the person.

4. A county sheriff shall also provide to any person upon request access to a list of all registrants in that county. However, records of a person protected under 18 U.S.C. § 3521 shall not be disclosed.

5. Relevant information provided to the general public may include the offender's name, address, a photograph, locations frequented by the offender, relevant criminal history information from the registry, and any other relevant information. Relevant information provided to the public shall not include the identity of any victim.

6. Notwithstanding sections 232.147 through 232.151, records concerning convictions which are committed by a minor may be released in the same manner as records of convictions of adults.

7. Sex offender registry records are confidential records pursuant to section 22.7 and shall only be released as provided in this section.

Sec. 465. Section 901.4, Code Supplement 2003, is amended to read as follows:

901.4 PRESENTENCE INVESTIGATION REPORT CONFIDENTIAL -- DISTRIBUTION.

The presentence investigation report is confidential and the court shall provide safeguards to ensure its confidentiality, including but not limited to sealing the report, which may be opened only by further court order. At least three days prior to the date set for sentencing, the court shall serve all of the presentence investigation report upon the defendant's attorney and the attorney for the state, and the report shall remain confidential except upon court order. However, the court may conceal the identity of the person who provided confidential information. The report of a medical examination or psychological or psychiatric evaluation shall be made available to the attorney for the state and to the defendant upon request. The reports are part of the record but shall be sealed and opened only on order of the court. If the defendant is committed to the custody of the Iowa department of corrections and is not a class "A" felon, a copy of the presentence investigation report shall be forwarded to the director with the order of commitment by the clerk of the district court and to the board of parole at the time of commitment. Pursuant to section 904.602, the presentence investigation report may also be released by the department of corrections or a judicial district department of correctional services to another jurisdiction for the purpose of providing interstate probation and parole compact services or evaluations, or to a substance abuse or mental health services provider when referring a defendant for services. The defendant or the defendant's attorney may file with the presentence investigation report, a denial or refutation of the allegations, or both, contained in the report. The denial or refutation shall be included in the report. If the person

is sentenced for an offense which requires registration under chapter 692A, the court shall release the report to the department ~~which is responsible under section 692A.13A for performing the assessment of risk.~~

Sec. 466. Section 692A.13A, Code 2003, is repealed.

Sec. 467. APPLICABILITY OF AVAILABLE RECORDS IN THE SEX OFFENDER REGISTRY. Section 692A.13, as amended by this division of this Act, shall apply retroactively to all offenders on the registry.

Sec. 468. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

JEFFREY M. LAMBERTI
President of the Senate

CHRISTOPHER C. RANTS
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2298, Eightieth General Assembly.

MICHAEL E. MARSHALL
Secretary of the Senate

Approved _____, 2004

THOMAS J. VILSACK
Governor